

India Inc's Fundraising via Bonds Touches Record ₹9.77 L cr in FY24

For Indian companies, the bond market was the preferred route for fundraising in FY24 despite equities witnessing a record-breaking run. Fund mobilisation through privately placed corporate bonds touched a record high of ₹9.77 lakh crore in FY24 – a 15% increase over the previous year's record of ₹8.52 lakh crore.

Bankers said companies preferred private bond placement in FY24 because it is the most cost-efficient method for raising capital quickly and is cheaper than equities. Fundraising from the equity route, comprising initial public offerings (only fresh issues),

qualified institutional placements (QIPs), rights issues, and investment trusts, among others, totaled ₹1.26 lakh crore in FY24 – the second-highest after FY21. Out of this, ₹66,806 crore was secured through QIPs. Notably, the peak for QIP fundraising was in FY21, with companies raising ₹78,045 crore. FY23 saw a 6-year low equity fundraising.

In FY24, a total of 76 companies collectively garnered ₹61,915 crore, with fresh issues contributing just ₹28,818 crore, while the remaining amount was generated through offers for sale by existing shareholders.

–Rajesh Mascarenhas

FUND TREND

Year	Equity (₹Cr)					Debt (₹Cr)
	IPOs #	Rights	QIPs	Others	Total	Private Placements
2010-11	13,241	8,978	23,474	4,957	50,650	2,02,990
2011-12	4,999	2,375	1,713	2,315	11,401	2,59,354
2012-13	4,700	8,945	10,818	1,634	26,097	3,52,749
2013-14	–	4,573	9,402	4,678	18,653	2,88,367
2014-15	1,646	5,718	28,429	10,575	46,367	4,74,757
2015-16	6,805	9,239	14,358	399	30,801	4,95,841
2016-17	10,187	3,336	13,671	–	27,194	7,07,878
2017-18	15,010	21,397	57,524	11,951	1,05,881	6,65,445
2018-19	2,663	1,999	10,489	21,288	36,439	6,35,622
2019-20	2,486	55,998	51,216	2,306	1,12,007	6,74,480
2020-21	9,502	64,256	78,045	33,515	1,85,319	7,53,684
2021-22	40,849	25,301	28,532	13,841	1,08,523	6,34,962
2022-23	14,034	5,779	9,019	1,166	29,998	8,52,198
2023-24	28,818	13,966	66,806	17,116	1,26,707	9,77,906

only fresh issuances

Source: Primedatabase.com

