

# Cos raise ₹7 lakh cr via debt placement in FY17

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Indian companies raised a record ₹7 lakh crore last fiscal through private placement of corporate bonds to meet business needs, a surge of 43 per cent from the preceding year. These funds have been raised mainly for expansion of business plans, repayment of debt and to support working capital requirements. In debt private placements, firms issue securities or bonds to institutional investors to raise capital. According to Prime Database, firms garnered a total of ₹7,03,505 crore in 2016-17, higher than ₹4,92,157 crore in the preceding fiscal.

This was the highest ever fund-raising by companies in a financial year since 2001-02 when the firms had raked in ₹45,427 crore.

The sharp surge in fund-raising could be attributed to contributions made by private sector companies, Prime Database Managing Director Pranav Haldea said.

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The highest mobilisation through private placement of debt during the period was by HDFC (₹44,546 crore) followed by PFC (₹41,115 crore), NHAI (₹33,118 crore), LIC Housing (₹26,874 crore) and REC (₹21,797 crore).