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Rs.2,51,437 CRORE RAISED THROUGH CORPORATE BONDS PRIVATE PLACEMENTS IN FISCAL 2011-12: PRIME

The recently-concluded fiscal 2011-12 witnessed a mobilisation through corporate bonds on private placement basis of Rs.2,51,437 crore, significantly higher than the preceding year's mobilization of Rs.1,92,225 crore (a 31% increase), according to Mr.Prithvi Haldea, Chairman & Managing Director of **PRIME Database** which operates the country's premier and only database on debt private placements.

It may be mentioned that 2008-09 and 2009-10 had witnessed mobilisations of Rs.1,74,327 crore and Rs.1,89,490 crore respectively. Only such deals which have a tenor and put/ call option of above 365 days are reflected in this database.

Year	Amount (Rs.crore)
2002-2003	48,424
2003-2004	48,428
2004-2005	55,409
2005-2006	81,847
2006-2007	93,855
2007-2008	1,15,423
2008-2009	1,74,327
2009-2010	1,89,490
2010-2011	1,92,225
2011-2012	2,51,437

According to **PRIME**, raising by all-India financial institutions and banks grew by 38% from Rs.1,16,231 crore to Rs.1,60,369 crore. Another sector which witnessed a major increase in mobilisation was the PSU sector, wherein mobilisation went up by 118% from Rs.12,450 crore to Rs.27,176 crore. An increase of 111% was also recorded by the State Level Undertakings (SLUs) to Rs.4,184 crore from Rs.1,981 crore in the previous year. Raising by State Financial Institutions (SFIs) increased by 10% from Rs.1,425 crore to Rs.1,575 crore.

However, the raisings by the private sector remained almost at the same level, witnessing a nominal 3% decline to Rs.58,134 crore from Rs.60,137 crore in the previous year.

Government organisations and financial institutions, put together, witnessed an increase, mobilising 78% of the total amount in the year, up from 69% in the previous year. Among government organisations, all-India financial institutions/banks led with a 64% share, followed by an 11% share by PSUs, a 2% share by SLUs and a 1% share by SFIs.

Issuer Type	No.of Issuers	Amount (Rs.crore)	%
All-India Fin.Inst. & Banks/Subsidiaries	32	1,60,369	64
State Financial Institutions	7	1,575	1
Public Sector Undertakings	11	27,176	11
State Level Undertakings	5	4,184	2
Private Sector	109	58,134	23
	164	2,51,437	100

According to Mr.Haldea, on an industry-wise basis, the Financial Services sector continued to dominate the market, raising Rs.1.93.843 crore or 77% of the total amount. Power ranked second with a 9% share (Rs.23,615 crore) followed by Travel/Transportation/Courier (Rs.6,935 crore).

According to PRIME, an amount of Rs.3,059 crore (previous year Rs.2,773 crore) in 7 deals was raised through pass-through certificates (securitised paper).