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PRESS RELEASE

DEBT PRIVATE PLACEMENT MOBILISATION FALLS BY 23 PER CENT TO RS. 2,70,946 CRORE IN FISCAL 2013-14: PRIME

The recently-concluded fiscal 2013-14 witnessed a mobilisation through corporate bonds on private placement basis of Rs.2,70,946 crore. This was mobilised by 245 institutions and corporates. This has been reported by **PRIME Database** which operates the country's premier and only database on debt private placements. Only such deals which have a tenor and put/call option of above 365 days have been considered.

On a year-on-year basis, the 2013-14's raising of Rs.2,70,946 crore was a decrease of 23 per cent over Rs. 3,52,169 crore mobilised in 2012-13, according to **Pranav Haldea, Managing Director of PRIME**. Full year mobilisations for previous years through debt private placements have been given in the table.

As per **PRIME**, the biggest mobilisation was again made by the category of **All-India Financial Institutions/Banks** at Rs. 1,44,926 crore. This was in comparison to Rs.1,84,586 crore in the previous year, representing a decrease of 21 per cent.

According to Mr. Haldea, mobilisation by the private sector also witnessed a decrease; it went down by 21 per cent to Rs. 89,603 crore compared to Rs.1,14,054 crore in 2012-13. Mobilisation by State Financial Institutions (SFIs) also went down by 73 per cent to Rs. 1,482 crore compared to Rs. 5,394 crore. Mobilisation by PSUs also was lesser by 21 per cent at Rs. 31,248 crore compared to Rs. 39,551 crore and mobilisation by State Level Undertakings (SLUs) also saw a major fall by 57 per cent to Rs. 3,686 crore compared to Rs. 8,584 crore in 2012-13.

Government organisations and financial institutions put together mobilised 53 per cent of the total amount, higher than 49 per cent in 2012-13. As per **PRIME**, among government organisations, All-India Financial Institutions/Banks led with a 75 per cent share, followed by a 21 per cent share by PSUs, 3 per cent share by SLUs and 1 per cent share by SFIs.

Full year mobilisations through Debt Private Placements	
Year	Amount (Rs.crore)
2001-02	45,427
2002-03	48,424
2003-04	48,428
2004-05	55,409
2005-06	81,847
2006-07	93,891
2007-08	1,15,423
2008-09	1,74,327
2009-10	1,89,640
2010-11	1,98,555
2011-12	2,58,869
2012-13	3,52,169

Issuer Type	No.of Issuers	Amount (Rs.crore)	%
All-India Fin.Inst. & Banks/Subsidiaries	32	1,44,926	53
State Financial Institutions	5	1,482	1
Public Sector Undertakings	12	31,248	12
State Level Undertakings	10	3,686	1
Private Sector	186	89,603	33
Total	245	2,70,946	100

The highest mobilisation through debt private placements during the period was by PFC (Rs.24,698 crore) followed by HDFC (Rs.24,269 crore), REC (Rs.24,253 crore), LIC Housing Finance (Rs. 20,850 crore) and EXIM Bank (Rs.10,461 crore).

According to Mr.Haldea, on an industry-wise basis, the Financial Services sector continued to dominate the market, collectively raising Rs.1,93,789 crore or 71 per cent of the total amount. Power ranked second with a 8 per cent share (Rs. 20,942 crore).