

PRESS RELEASE

DEBT PRIVATE PLACEMENT MOBILISATION INCREASES BY 40 PER CENT TO RS. 2,67,621 CRORE IN FIRST NINE MONTHS OF 2014-15: PRIME DATABASE

The **first nine months of the current fiscal 2014-15** witnessed a mobilisation through corporate bonds on private placement basis of **Rs. 2,67,621 crore**. This was mobilised by **256 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 period-on-period basis, the April-December period's raising of Rs.2,67,621 crore was an increase of 40 per cent over the Rs. 1,91,119 crore mobilised in the corresponding period of the previous year, courtesy higher raisings by the financial institutions/banks, according to Mr. 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 highest mobilisation in the nine months was made by the All-India Financial Institutions/ Banks at Rs. 1,32,714 crore. This was in comparison to Rs. 1,04,660 crore in the corresponding period of the previous year, representing an increase of 27 per cent.

According to Mr. Haldea, mobilisation by the Private Sector also went up by 65 per cent to Rs. 1,09,699 crore compared to Rs. 66,386 crore in the corresponding period of the previous year. Mobilisation by Public Sector Undertakings (PSUs) too went up by 26 per cent to Rs. 20,191 crore compared to Rs. 16,011 crore and mobilisation by State Level Undertakings (SLUs) went up by 47 per cent to Rs. 4,134 crore compared to Rs. 2,811 crore.

A fall in mobilisation was witnessed by State Financial Institutions (SFIs), down by 29 per cent to Rs. 883 crore compared to Rs. 1,251 crore in the corresponding period of the previous year.

Government organisations and financial institutions, put together, mobilised 44 per cent of the total amount, less than the 53 per cent in the corresponding period of the previous year. As per PRIME, among government organisations, All-India Financial Institutions/Banks led with a 79 per cent share, followed by a 17 per cent share by PSUs, 4 per cent 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	1,89,730
2010-11	1,98,955
2011-12	2,58,969
2012-13	3,52,103
2013-14	2,70,997

Issuer Type	No. of Issuers	Amount (Rs.crore)	%
All-India Financial Institutions & Banks/Subsidiaries	30	1,32,714	50
State Financial Institutions	5	883	0
Public Sector Undertakings	9	20,191	8
State Level Undertakings	6	4,134	2
Private Sector	206	1,09,699	41
Total	256	2,67,621	100

The highest mobilisation through debt private placements during the period was by PFC (Rs. 26,050 crore), REC (Rs. 21,965 crore), HDFC (Rs. 18,495 crore), LIC Housing (Rs. 16,907 crore), EXIM Bank (Rs. 9,768 crore), IDFC (Rs. 8,679 crore), PGCIL (Rs. 7,002 crore), Indiabulls Housing (Rs.5,708 crore), Axis Bank (Rs. 5,705 crore) and Shriram Transport (Rs. 5,019 crore).

According to Mr.Haldea, on an industry-wise basis, the Financial Services sector continued to dominate the market, collectively raising Rs.1,92,535 crore or 72 per cent of the total amount. Power sector ranked second with a 10 per cent share (Rs. 25,424 crore).