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PRESS RELEASE

DEBT PRIVATE PLACEMENT MOBILISATION INCREASES BY 21 PER CENT TO RS. 2.04 LAKH CRORE IN FIRST HALF OF 2015-16: PRIME DATABASE

The first half of the current fiscal 2015-16 witnessed a mobilisation through corporate bonds on private placement basis of Rs. 2,03,987 crore. This was mobilised by 233 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-September period's raising of Rs. 2,03,987 crore was an increase of 21 per cent over the Rs. 1,68,991 crore mobilised in the corresponding period of the previous year, courtesy higher raisings by the private sector, 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.

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	1,74,342
2009-10	1,89,830
2010-11	2,02,590
2011-12	2,59,229
2012-13	3,52,103
2013-14	2,70,997
2014-15	4,32,692

As per PRIME, the highest mobilisation in the quarter was made by the Private Sector at Rs. 1,09,006 crore. This was in comparison to Rs. 70,407 crore in the corresponding period of the previous year, representing an increase of 55 per cent.

According to Mr. Haldea, mobilisation by the Public Sector Undertakings (PSUs) also went up by 56 per cent to Rs. 19,120 crore compared to Rs. 12,255 crore in the corresponding period of the previous year.

A fall in mobilisation was witnessed by All-India Financial Institutions/ Banks, down by 11 per cent to Rs. 75,359 crore compared to Rs. 84,278 crore in the corresponding period of the previous year. Mobilisation by State Level Undertakings (SLUs) too went down by 67 per cent to Rs. 502 crore compared to Rs. 1,502 crore in the corresponding period of the previous year. Mobilisation by State Financial Institutions (SFIs) went down to nil compared to Rs. 548 crore in the corresponding period.

Government organisations and financial institutions, put together, mobilised 35 per cent of the total amount, less than the 41 per cent in the corresponding period of the previous year. As per PRIME, among government organisations, All-India Financial Institutions/Banks led with a 72 per cent share, followed by a 27 per cent share by PSUs, 1 per cent by SLUs and 0 per cent share by SFIs. The overall break-up by issuer-type was as follows:

Issuer Type	No. of Issuers	Amount (Rs.crore)	%
All-India Financial Institutions & Banks/Subsidiaries	24	75,359	37
State Financial Institutions	0	0	0
Public Sector Undertakings	8	19,120	9
State Level Undertakings	1	502	0
Private Sector	200	1,09,006	54
Total	233	2,03,987	100

The highest mobilisation through debt private placements during the period was by PFC (Rs. 19,312 crore), LIC Housing (Rs. 10,768 crore), HDFC (Rs. 9,701 crore), REC (Rs. 8,121 crore), IDFC (Rs. 7,042 crore), Indiabulls Housing (Rs. 6,277 crore) and PGCIL (Rs. 5,928 crore).

According to Haldea, on an industry-wise basis, the Financial Services sector continued to dominate the market, collectively raising Rs.1,39,963 crore or 68 per cent of the total amount. Power sector ranked second with a 9 per cent share (Rs. 17,962 crore).