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PRESS RELEASE

76 PER CENT INCREASE IN FUNDS RAISED IN PUBLIC EQUITY MARKETS IN 2015, OFS & IPOs DOMINATE: PRIME DATABASE

2015 witnessed a raising of Rs.68,608 crore through the public equity markets, 76 per cent higher than Rs.39,067 crore that was raised in the preceding year, according to Pranav Haldea, Managing Director, PRIME Database, India's premier database on primary capital market. The year could have been even better but for the deferment of several PSU offerings. The year, of course, fell short of Rs.97,746 crore, the highest amount that has ever been raised (in 2010).

FUNDS MOBILIZATION-PUBLIC MARKETS

Rs. crore

Year	IPOs	FPOs	OFS (SE)	QIPs	IPPs	IDRs	Total Equity	Bonds (Public)	Total Equity + Bonds
2015	13,862	0	35,564	19,182	0	0	68,608	12,240	80,848
2014	1,468	497	5,000	31,684	418	0	39,067	24,216	63,284
2013	1,619	6,959	23,964	8,075	4,823	0	45,440	34,643	80,083
2012	6,938	0	23,769	4,705	841	0	36,253	23,365	59,619
2011	5,966	8,055	0	3,459	0	0	17,481	27,268	44,749
2010	37,535	31,577	0	26,147	0	2,487	97,746	2,727	1,00,474
2009	19,544	23	0	34,676	0	0	54,242	3,500	57,742
2008	16,904	23	0	3,586	0	0	20,514	0	20,514
2007	34,179	10,962	0	23,400	0	0	68,542	1,000	69,542
2006	19,862	4,817	0	3,935	0	0	28,615	0	28,615
2005	9,990	12,764	0	0	0	0	22,754	4,095	26,848

Source: PRIME Database

IPOs: According to Haldea, a major revival was witnessed in the IPO market after 4 disappointing years. Despite turbulent secondary markets, 21 main-board IPOs (previous year 5 IPOs for Rs. 1,201 crore) came to the market collectively raising Rs.13,602 crore*. The highest-ever mobilization through IPOs was in 2010 at Rs. 37,535 crore.

The year, again, witnessed a flurry of activity on the **SME platform**; there were as many as 43 SME IPOs which collected a total of Rs. 260 crore (previous year 40 IPOs for Rs. 267 crore).

Number of companies and amounts raised through main board IPOs in the last 5 years are given in the table below:

Mainboard IPOs

Year	No. of Companies	Amount (Rs.crore)
2015	21	13,602
2014	5	1,201
2013	3	1,284
2012	11	6,835

2011	37	5,966
2010	64	37,535

The largest IPO was from Interglobe Aviation for Rs.3,017 crore. The average deal size was a high Rs. 648 crore.

A notable feature of the year was that several companies that hit the market had a prior PE/VC investment. This was true for 11 out of the 21 IPOs. Offers for sale by such PE/VC investors at Rs.1,937 crore accounted for 14 per cent of the total IPO amount.

Out of the 21 IPOs, 19 companies had anchor investors, which collectively subscribed to 30 per cent of the total public issue amount. The domestic institutional investors played a significant role as anchor investors, with their subscription amounting to 13 per cent of the amount, compared to 16 per cent from FII's.

As far as retail investors are concerned, the year witnessed a good response from them. The highest number of applications was received by Alkem Laboratories at 6.06 lakhs followed by Dr.Lal Pathlabs (5.53 lakhs), VRL Logistics (5.39 lakhs), Inox Wind (3.99 lakhs), Syngene International (3.20 lakhs), S.H.Kelkar (2.18 lakhs) and Navkar Corp. (2.06 lakhs).

The response from the public to the mainboard IPOs of the year, according to PRIME, was good. While 7 IPOs received a mega response (VRL Logistics at 53 times, followed by Alkem Laboratories at 31 times, Power Mech Projects at 26 times, Dr.Lal Pathlabs at 24 times, Syngene International at 24 times, S.H.Kelkar at 20 times and Inox Wind at 14 times), 2 other IPOs were oversubscribed by more than 3 times. The balance 12 IPOs, were oversubscribed between 1 to 3 times.

OFS (SE): According to PRIME, Offers for Sale through Stock Exchanges (OFS), which is for dilution of promoters' holdings, saw a huge increase from just Rs. 5,000 crore raised last year to Rs. 35,564 crore** raised in this calendar year. This was almost entirely **accounted for by the government's divestment at Rs. 35,291 crore. The largest OFS was that of Coal India in January (Rs. 22,558 crore) followed by Indian Oil in August (Rs.9,396 crore).**

OFS accounted for as much as 52 per cent of the total year's amount.

QIPs: Already listed companies continued to raise funds from institutional investors through **the QIP route- with 32 QIPs mobilizing Rs.19,182 crore***.** This, however, was a huge fall from the Rs. 31,684 crore raised in the previous year. The largest QIP of 2015 was from IndusInd Bank raising Rs. 4,328 crore.

Fresh Capital

Of the total amount of Rs. 68,608 crore, the amount raised through fresh capital was only Rs. 25,964 crore; the remaining Rs. 42,644 crore being offers for sale.

Outlook for 2016

According to Haldea, 2016 looks even more promising. Already at the beginning of the year, there are 20 companies holding SEBI approval wanting to raise Rs. 7,315 crore and another 11 companies wanting to raise Rs. 5,445 crore awaiting SEBI approval. Many more filings are expected in the near future.

A big disappointment for the primary market has again been the lack of divestments by the Government. While a good start was made with over Rs. 35,000 crore being raised in the first 8 months, the balance 4 months of the calendar year did not see even a single divestment hitting the market.

Investment Bankers- League Table

For the above equity issuances (IPOs, FPOs, OFS (SE), QIPs, IPPs), the ranking of investment banks is as follows (If an issue has been handled by more than one Lead Manager, full credit for such an issue has been given to all the concerned Lead Managers):

2015 Rank	2014 Rank	Investment Banker	Issue Amount (Rs.Crore)	% of Issue Amount
1	14	JM FINANCIAL	42,333	61.9
2	12	KOTAK MAHINDRA	40,485	59.2
3	4	DEUTSCHE BANK	32,328	47.3
4	3	BANK OF AMERICA-MERILL LYNCH	29,575	43.2
5	20	CREDIT SUISSE	29,436	43.0
6	8	SBI CAPS	29,421	43.0
7	16	GOLDMAN SACHS	28,886	42.2
8	7	CITIGROUP	19,174	28.0
9	2	AXIS CAPITAL	14,774	21.6
10	-	NOMURA FINANCIAL	12,744	18.6

SME ITP: The SME Institutional Trading Platform saw 22 companies being listed (7 at BSE and 15 at NSE).

Year	No. of Issues	Amount (Rs.crore)
2015	13	12,568
2014	18	5,224
2013	12	4,101
2012	17	7,295
2011	21	7,665
2010	23	9,203

Public Bonds: In the public bonds market, 19 issues raised Rs.12,240 crore (lower than 33 issues raising Rs. 24,216 crore last year).

Rights Issues: Mobilisation of resources through rights issues, according to PRIME, recorded an increase in 2015. By amount, the period saw **Rs. 12,568 crore being raised**, which was **higher by 141 per cent** than Rs. 5,224 crore that was raised in the preceding year. By number, the year witnessed

13 companies using the rights route (previous year, 18 companies).

Number of rights issues and amounts raised in the last 5 years are given in the table below:

Rights

The largest rights issue in the year, as per PRIME Database, was from Tata Motors (Rs.7,498 crore), followed by Future Retail (Rs.1,589 crore), GMR Infrastructure (Rs.1,402 crore), IL&FS Transportation Networks (Rs.740 crore) and State Bank of Travancore (Rs.474 crore).

* Narayana Hrudayalaya IPO amount not finalized

** Jarigold Textiles & Udaipur Cement Works OFS amount not finalized

***Deepak Nitrite QIP amount not finalized