

1st March, 2016

PRESS RELEASE

DEBT PRIVATE PLACEMENT MOBILISATION INCREASES BY 15 PER CENT TO RS. 3,43,898 CRORE IN FIRST NINE MONTHS OF 2015-16: PRIME DATABASE

The first nine months of the current fiscal 2015-16 witnessed a mobilisation through corporate bonds on private placement basis of Rs. 3,43,898 crore. **This was mobilised by 470 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. 3,43,898 crore was an increase of 15 per cent over the Rs. 2,99,725 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	3,52,759
2013-14	2,87,893
2014-15	4,65,643

As per PRIME, the highest mobilisation in the quarter was made by the Private Sector at Rs. 1,93,639 crore. This was in comparison to Rs. 1,31,345 crore in the corresponding period of the previous year, representing an increase of 47 per cent.

According to Haldea, a fall in mobilisation was witnessed by All-India Financial Institutions/ Banks, down by 8 per cent to Rs. 1,27,254 crore compared to Rs. 1,38,063 crore in the corresponding period of the previous year.

Mobilisation by the Public Sector Undertakings (PSUs) also went down by 4 per cent to Rs. 22,503 crore compared to Rs. 23,534 crore in the corresponding period of the previous year. Mobilisation by State Level Undertakings (SLUs) also went down by a huge 91 per cent to just Rs. 502 crore compared to Rs. 5,899 crore and mobilisation by State Financial Institutions (SFIs) was nil compared to Rs. 883 crore in the corresponding period of previous year.

Government organisations and financial institutions put together, mobilised 32 per cent of the total amount, less than the 43 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 20 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	37	1,27,254	37
State Financial Institutions	0	0	0
Public Sector Undertakings	8	22,503	7
State Level Undertakings	1	502	0
Private Sector	424	1,93,639	56
Total	470	3,43,898	100

The highest mobilisation through debt private placements during the period was by PFC (Rs. 21,112 crore), LIC Housing (Rs. 17,343 crore), HDFC (Rs. 15,376 crore) and REC (Rs. 12,931 crore).

According to Haldea, on an industry-wise basis, the Financial Services sector continued to dominate the market, collectively raising Rs.2,23,647 crore or 65 per cent of the total amount. Power sector ranked second with a 9 per cent share (Rs. 32,086 crore).