

## PRESS RELEASE

### HIGHEST EVER MOBILISATION THROUGH BOND PRIVATE PLACEMENTS IN 2023 AT ₹9.58 LAKH CRORE: primedatabase

The recently concluded calendar year 2023 witnessed an all-time high fund mobilisation through corporate bonds on private placement basis of ₹9,58,125<sup>#</sup> crore, an increase of a huge 26 per cent from last year, according to primedatabase.com, India's premier database on the primary capital market. This was mobilised by 920 institutions and corporates. Such deals, listed and unlisted, which have a tenor and put/call option of above 365 days have been considered.

According to Pranav Haldea, Managing Director, PRIME Database Group, a surge in credit demand on the back of strong economic growth and constrained liquidity in the banking system has led to this.

**Summary by Issuer Type:** According to primedatabase.com, the highest mobilisation in the year was made by the All-India Financial Institutions/Banks category at ₹4,71,599 crore. This was in comparison to ₹3,66,224 crore in 2022, representing an increase of 29 per cent. An increase in mobilisation was also witnessed by the private sector (excluding banks/FIs), up by a huge 40 per cent to ₹4,45,033 crore compared to ₹3,18,602 crore in 2022.

Full year mobilisation through Debt Private Placements	
Year	Amount (₹ crore)
2014	3,86,446
2015	5,26,905
2016	6,26,481
2017	7,03,176
2018	5,64,868
2019	7,04,871
2020	7,94,757
2021	6,51,593
2022	7,58,110
2023	9,58,125

Source:primedatabase.com

Government entities, put together, mobilised 41 per cent of the total amount, higher than 38 per cent in 2022. As per primedatabase.com, among government entities, All-India Financial Institutions/Banks led with a 89 per cent share followed by a 9 per cent share by PSUs.

Issuer Type	2022			2023		
	No. of Issuers	Amount (₹crore)	% share	No. of Issuers	Amount (₹crore)	% share
<b>Government</b>						
All-India Financial Institutions & Banks/Subsidiaries	22	2,12,838	28	21	3,47,765	36
Public Sector Undertakings	14	56,470	7	10	35,743	4
State Financial Institutions	-	-	-	2	863	0
State Level Undertakings	3	16,714	2	5	4,888	1
<b>Sub-Total</b>	<b>39</b>	<b>2,86,022</b>	<b>38</b>	<b>38</b>	<b>3,89,258</b>	<b>41</b>
<b>Private Sector</b>						
All-India Financial Institutions & Banks/Subsidiaries	14	1,53,486	20	15	1,23,834	13
Private Sector - NBFCs / Financial Services	288	1,93,394	26	318	2,38,770	25
Private Sector - Manufacturing / Services	522	1,25,209	17	549	2,06,263	22
<b>Sub-Total</b>	<b>824</b>	<b>4,72,088</b>	<b>62</b>	<b>882</b>	<b>5,68,867</b>	<b>59</b>
<b>Total</b>	<b>863</b>	<b>7,58,110</b>	<b>100</b>	<b>920</b>	<b>9,58,125</b>	<b>100</b>

Source:primedatabase.com

**Top Issuers:** The highest mobilisation through debt private placements during the year was by HDFC (₹74,062 crore) followed by NABARD (₹63,164 crore), PFC (₹52,575 crore), REC (₹51,354) and SBI (₹51,080 crore). The top 5 issuers of 2023 raised ₹2,92,235 crore (or 31 per cent of total) in comparison to ₹1,96,276 crore (or 26 per cent of total) raised by the top 5 issuers of 2022.

**Summary by Tenor:** Maximum amount of monies was raised in the **above 10 year maturity bucket (₹3.46 lakh crore or 36 per cent of the total amount)** followed by 3-5 years bucket (₹2.67 lakh crore or 28 per cent of the total amount).

Tenor	2022		2023	
	Amount (₹crore)	%	Amount (₹crore)	%
1 - 2 years	37,370	5	60,402	6
2 - 3 years	74,532	10	1,04,376	11
3 - 5 years	2,28,719	30	2,67,469	28
5 - 7 years	1,06,974	14	1,26,630	13
7 - 10 years	37,390	5	30,535	3
10 - 15 years	1,99,583	26	2,56,606	27
Above 15 years	41,238	5	89,180	9
Perpetual	32,136	4	22,927	2

Source:primedatabase.com

**Summary by Coupon:** **59 per cent of the total amount (₹5.61 lakh crore) was in 7-8 per cent coupon range** and 16 per cent (₹1.55 lakh crore) in the 8-9 per cent coupon range.

Coupon	2022		2023	
	Amount (₹crore)	%	Amount (₹crore)	%
Below 7%	1,23,820	16	31,039	3
7% - 8%	3,74,201	49	5,61,100	59
8% - 9%	1,06,624	14	1,54,995	16
9% - 10%	30,442	4	32,570	3
Above 10%	46,477	6	89,085	10
Zero Coupon	19,079	3	38,612	4
Floating Rate	57,466	8	50,724	5

Source:primedatabase.com

**Summary by Credit Rating:** Issues of as much as **₹6.59 lakh crore or 69 per cent of the overall amount were AAA rated.**

Credit Rating	2022		2023	
	Amount (₹crore)	%	Amount (₹crore)	%
AAA	4,97,675	66	6,58,916	69
AA+	86,383	11	66,267	7
AA	46,543	6	37,708	4
AA-	15,412	2	20,122	2
A+	19,466	3	12,217	1
A	7,323	1	7,976	1
A-	5,467	1	5,937	1
BBB+ and below	16,737	2	28,927	2
Not rated / Not known	63,109	8	1,20,057	13

Source:primedatabase.com

**Summary by Sector:** On an industry-wise basis, the **Banking/Financial Services sector continued to dominate the market, collectively raising ₹7,07,932 crore or 74 per cent of the total amount.** Housing/Civil Construction/Real Estate sector ranked a distant second with a 6 per cent share (₹55,379 crore).

**404 first-time issuers hit the market in 2023 in comparison to 408 last year.**

**Public Bonds:** Public bonds market saw a near 175 per cent increase with 44 issues raising ₹18,176 crore in comparison to 29 issues raising ₹6,611 crore last year. The largest issue was from Power Finance Corp. raising ₹2,824 crore.

**Overseas Bonds:** In addition, Indian companies also raised ₹3.29 lakh crores through overseas borrowing (including ECBs<sup>\$</sup>), up by 4 percent from ₹3.18 lakh crores in 2022.

# Mobilization amount of some unlisted issues is not available

\$ ECB data updated till November 2023

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