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PRESS RELEASE

DEBT PRIVATE PLACEMENT MOBILISATION FALLS BY 29 PER CENT TO RS.1,81,808 CRORE IN NINE-MONTH PERIOD OF 2013-14

The first nine months of the current fiscal 2013-14 witnessed a mobilisation through corporate bonds on private placement basis of Rs.1,81,808 crore. This was mobilised by 188 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.1,81,808 crore was a huge decrease of 29 per cent over Rs. 2,56,327 crore mobilised in the corresponding period of the previous year, courtesy lower 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.

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	1,89,640
2010-11	1,97,055
2011-12	2,56,498
2012-13	3,52,169

As per PRIME, the biggest mobilisation in the nine-month period was again made by the category of All-India Financial Institutions/Banks at Rs.98,145 crore. This was in comparison to Rs.1,35,379 crore in the corresponding period of the previous year, representing a decrease of 27 per cent.

According to Mr. Haldea, mobilisation by the private sector also witnessed a decrease; it went down by 25 per cent to Rs. 66,632 crore compared to Rs.88,336 crore in the corresponding period of the previous year. Mobilisation by State Financial Institutions (SFIs) also went down by 73 per cent to Rs.1,251 crore compared to Rs. 4,569 crore. Mobilisation by PSUs also was lesser by 43 per cent at Rs.13,069 crore compared to Rs.23,052 crore and mobilisation by State Level Undertakings (SLUs) also saw a major fall by 46 per cent to Rs. 2,711 crore compared to Rs.4,992 crore in the corresponding period of the previous year.

Government organisations and financial institutions put together, mobilised 50 per cent of the total amount, same as corresponding period of the previous year. As per PRIME, among government organisations, All-India Financial Institutions/Banks led with a 82 per cent share, followed by a 14 per cent share by PSUs, 3 per cent share by SLUs and 1 per cent share by SFIs.

Issuer Type	No. of Issuers	Amount (Rs.crore)	%
All-India Financial Institutions & Banks/Subsidiaries	25	98,145	54
State Financial Institutions	3	1,251	1
Public Sector Undertakings	7	13,069	7
State Level Undertakings	8	2,711	1
Private Sector	145	66,632	37
Total	188	1,81,808	100

The highest mobilisation through debt private placements during the period was by PFC (Rs.18,648 crore), followed by HDFC (Rs.16,675 crore), LIC Housing (Rs.14,170 crore) and REC (Rs.14,113 crore).

According to Mr.Haldea, on an industry-wise basis, the Financial Services sector continued to dominate the market, collectively raising Rs.1,33,111 crore or 73 per cent of the total amount. Power ranked second with a 7 per cent share (Rs.13,160 crore).