

JM Financial was Lead Manager to Public Issue of NCDs (Tranche I) by Power Finance Corporation Limited

PFC recently concluded its Public issue of NCDs in January 2021, with a base issue size of INR 500 crores, with an option to retain oversubscription of up to INR 4,500 crores, aggregating up to 5,000 crores (Tranche I) which is within the Shelf Limit. The Issue was rated CRISIL AAA/Stable, CARE AAA/ Stable and [ICRA] AAA / (Stable).

The offering had tenor options of 3,5,10 and 15 years. The coupons for the QIB / Corporates were in the band of 4.65% - 6.95%, while for retail / HNIs investors it was 4.80% - 7.15%.

The 10 Year Tenor NCDs offered both fixed & floating rate of interest with floating linked to G-sec 10 Yr. (annualized).

This was first public issue of NCD to offer option of applying through UPI Mechanism to Retail investors for an Application amount of up to INR 2, 00,000/-

JM Financial was appointed as one of the Lead Managers to this debt issuance.

Issue Performance

The issuer was able to mobilize applications to the tune of INR ~4,431.13 Cr till the last day of the Issue.

JM Financial played a key role in this issuance, contributing ~51% of both mobilization and allotment in the Issue, thereby ranking 1st among the four Lead Managers.

The performance further consolidates JM Financial's rapid strides as a leading player in the debt public issue space.

This speaks of the appreciable value shown by JM Financial and put it in the limelight for the other potential issuers to tap the market via public route in the fourth quarter of the current year and for the next financial year.