Bajaj Housing, Aditya Birla Housing raise ₹2.7K cr through bonds

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Aditya Birla Housing Finance and Bajaj Housing Finance collectively raised about ₹2,767 crore through bond issuances on Thursday, with the latter securing funds at a yield of 8.15 per cent through a reissue of existing securities.

Aditya Birla Housing Finance raised ₹440 crore through a three-year bond issue maturing on June 5, 2029, against a base issue size of ₹500 crore. The price-based issue was accepted at par with a coupon of 8.22 per cent.

THE ISSUANCES COME AT A TIME WHEN ACTIVITY IN CORPORATE BOND MARKET HAS SLOWED SHARPLY

The housing finance also raised ₹326.5 crore through a fresh five-year bond issue maturing on June 5, 2031. The issue, carrying a coupon of 8.25 per cent, was accepted at par.

Meanwhile, Bajaj Housing Finance raised ₹2,000 crore through a reissue of its 7.83 per cent bonds maturing on May 18, 2029. The yield-based issue was accepted at a cut-off yield of 8.15 per cent. Separately, PNB Housing Finance has invited bids for a proposed issue of secured, rated, listed, redeemable non-convertible debentures maturing on June 9, 2031.

The company plans to raise up to ₹500 crore through the issue, comprising a base size of ₹400 crore and a greenshoe option of ₹100 crore.

The bonds carry an annual coupon of 8.35 per cent and will be issued through the NSE Electronic Book Provider platform on Friday. The issue has been rated AAA with a stable outlook by CARE Ratings and India Ratings.

The issuances come at a time when activity in the corporate bond market has slowed sharply as elevated yields have kept many borrowers on the sidelines. Companies raised a little over ₹1.07 trillion through private placements in April-May, down nearly 58 per cent from a year ago and the lowest mobilisation for the first two months of a financial year since FY23, according to Prime Database data. Market participants have attributed the slowdown to higher bond yields, geopolitical tensions, and uncertainty over the interest-rate outlook, with many issuers preferring bank loans or waiting for greater clarity on rates before tapping the market.