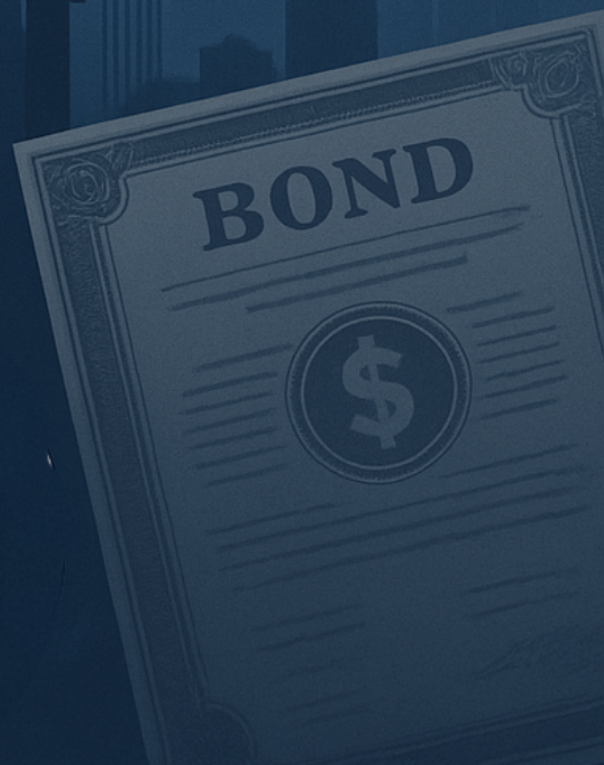


Debt Market at IFSC

LANDSCAPE & TRENDS

2024 - 2025





Debt Market at IFSC: Landscape & Trends

(2024-2025)

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Executive Summary

India's GIFT IFSC has emerged as a growing hub for offshore debt issuance. Financial Year 2024-25 saw a total listing of **57** debt issuances, raising approximately **USD 6.99 billion**¹. The market demonstrated significant growth with diverse participation from financial institutions, banks, infrastructure companies, and renewable energy firms.

Key highlights of the IFSC debt market for 2024-2025:

- **USD-denominated issuances** dominated the market, with **100%** of bonds issued in USD
- Issuers mainly from Indian financial institutions, particularly **NBFCs**.
- Growing focus on sustainable finance with listing of **GSS+ Bonds**.
- Maximum issuance size is **USD 650 million** [2 issuances]
- Issue size of most issuers less than **USD 150 million**
- **October 2024** was the most active month with over **USD 1.7 billion** in issuances
- A mix of both **investment grade** and **high-yield issues**, with a significant portion of unrated bonds (in terms of number of listings)
- Majority of instruments rated are having credit rating between **BB** and **BBB**, with prominent global credit rating agencies like S&P, Moody's, and Fitch involved.
- Over **60% of issuances** are floating-rate, mostly linked to **SOFR** benchmarks.
- **All issues** were **private placements**, indicating a focus on institutional investors.

¹ For the purposes of this report, bonds issued in previous financial years and already listed on other markets (such as the SGX), but which got listed on IFSC Exchanges (secondary listing) in 2024-25, have been excluded.

Introduction

As India's gateway to international capital markets, GIFT IFSC provides a streamlined and globally aligned regulatory framework – IFSCA (Listing) Regulations, 2024. The India International Exchange (India INX) and NSE International Exchange (NSE IX) act as primary platforms for offshore bond listings, supported by Indian International Depository (IIDI) and other international depositories like the Depository Trust Company (DTC).

This report provides a comprehensive analysis of debt market at the GIFT IFSC for the financial year 2024-2025. Further, it attempts at examining issuer profiles, instrument characteristics and market trends to provide strategic insights for market participants.

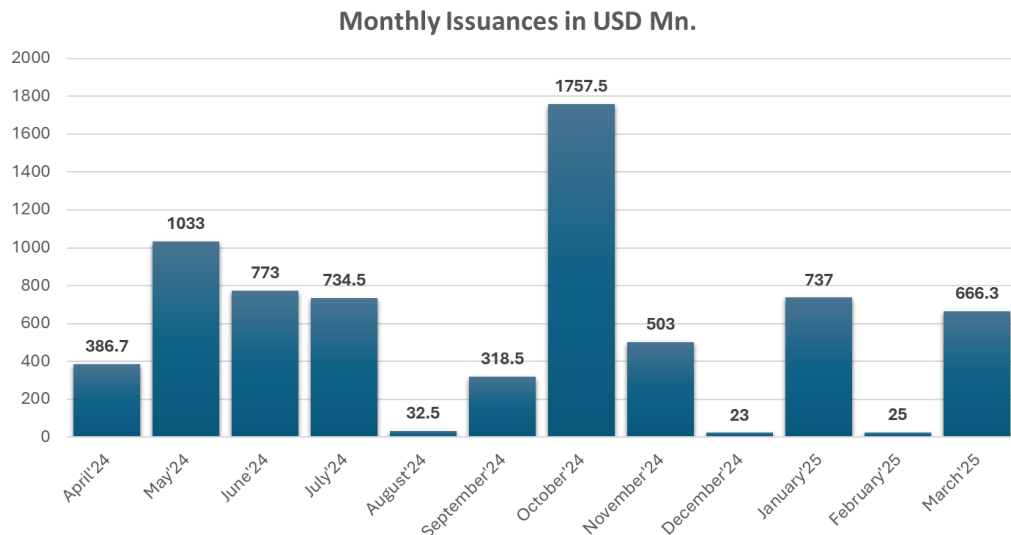
1. Market Size and Composition

1.1. Cumulative Issuance

The total primary debt issuance at IFSC was **USD 6.99 Bn.** across **57** listings during the financial year 2024-25. This reflects the growing importance of IFSC as a gateway for Indian companies to tap international capital.

1.2. Issuance Volume Trends

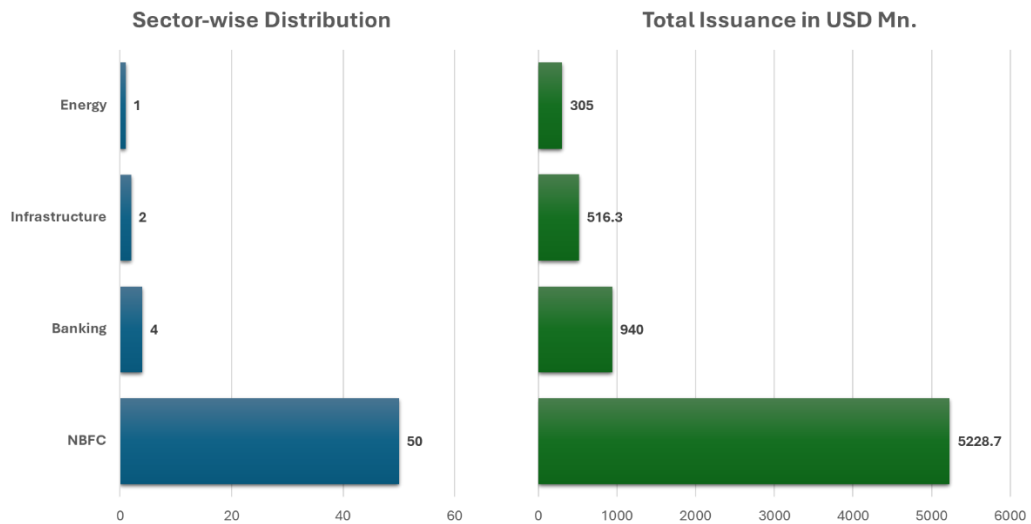
The IFSC debt market showed significant monthly variations in issuance volume during 2024-2025. The total cumulative issuance for the year reached USD 6.99 billion.



The monthly issuance trend shows some seasonality, with stronger activity in the beginning of the financial year and in the middle just before US went for elections in 2024.

1.3. Sectoral Distribution

The debt market at IFSC showed strong participation across various sectors. The key sectors represented were:



(NBFC here includes microfinance institutions, housing finance companies etc.)

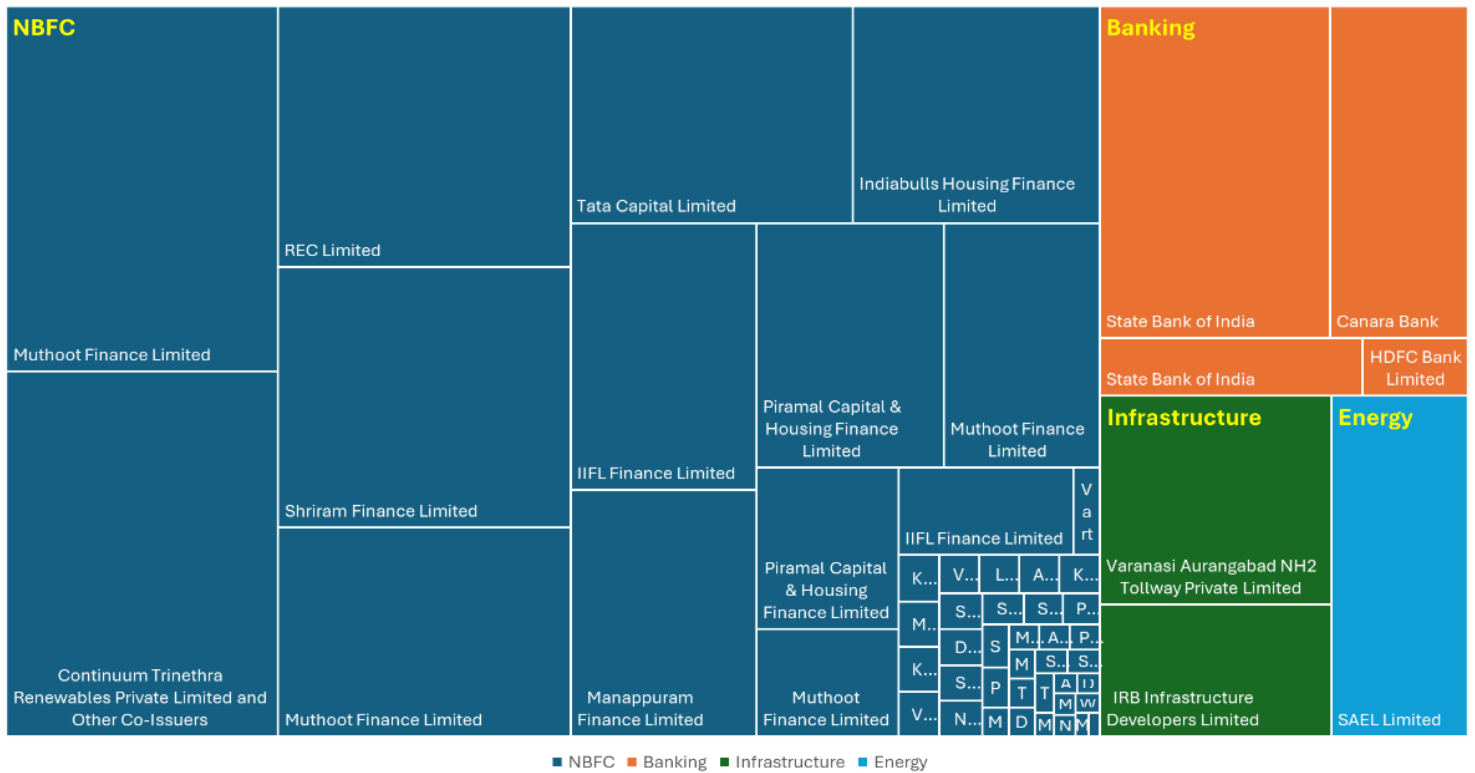
The financial sector (mainly NBFCs) clearly dominates both by number of issuances and total value, highlighting IFSC's role in connecting Indian financial institutions to global markets.

Out of total 57 issuances, **50 issuances were by NBFC with cumulative listing of USD 5.23 Bn. (out of total USD 6.99 Bn.) during the financial year 2024-25.**

1.4. Issuer Profile

The market features a mix of large established players and emerging financial institutions, with NBFCs being particularly active.

Issuer Profile Map

*Top Issuers*

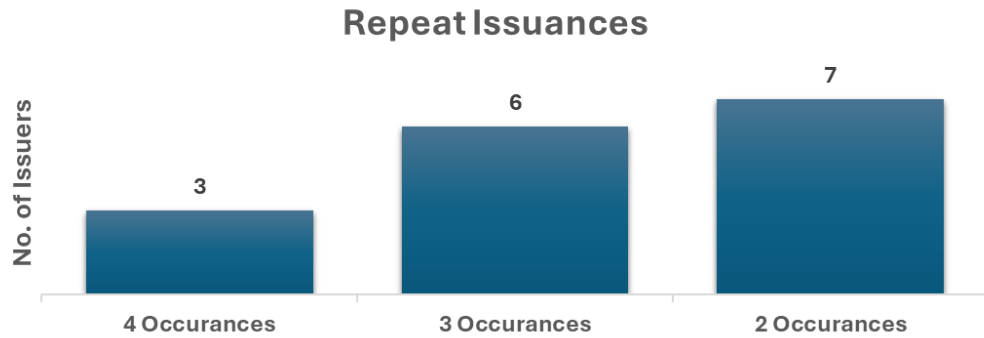
The top 5 issuers in terms of volume are:

- **Muthoot Finance Limited:** \$650 million (9.3% of total issuance)
- **Continuum Trinethra Renewables Pvt Ltd and other co-issuers:** \$650 million (9.3% of total issuance)
- **State Bank of India:** \$500 million (7.2% of total issuance)
- **REC Limited:** \$500 million (7.2% of total issuance)
- **Shriram Finance Limited:** \$500 million (7.2% of total issuance)

These five issuer groups accounted for approximately 40% of the total issuance volume, indicating some concentration in the market.

Repeat Issuers

Several issuers accessed the market multiple times during the year, demonstrating confidence in the IFSC platform:



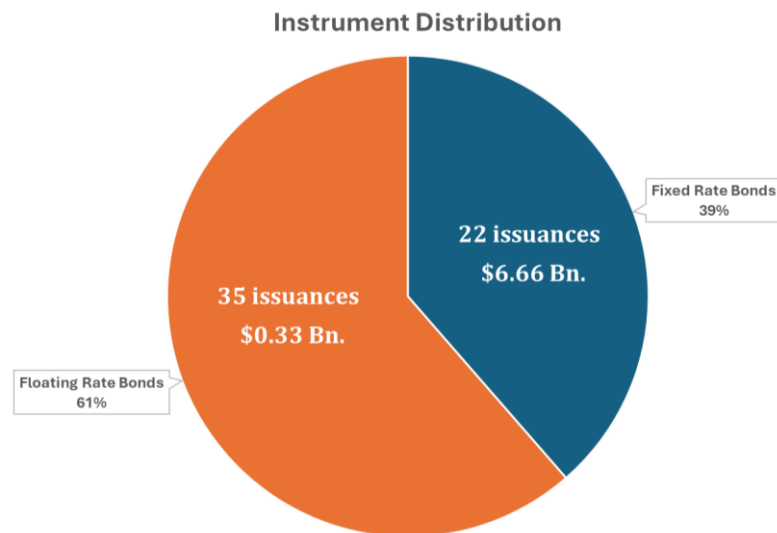
Issuer	Observation
<ul style="list-style-type: none"> Satin Creditcare Network Limited Muthoot Finance Limited Aviom India Hosing Finance Private Limited 	4 occurrences
<ul style="list-style-type: none"> Kinara Capital Private Limited Varthana Finance Private Limited Dvara Kshetriya Gramin Financial private limited Midland Microfin Limited Pahal Financial Services Private Limited Satya MicroCapital Ltd 	3 occurrences
<ul style="list-style-type: none"> TruCap Finance Limited State Bank of India Piramal Capital & Housing Finance Limited Namdev Finvest Private Limited Muthoot Microfin Limited Mufin Green Finance Limited IIFL Finance Limited 	2 occurrences

2. Instrument Analysis

2.1. Instrument Types

Fixed v/s Floating Rate

The debt market at IFSC has seen both fixed and floating rate instruments. Their distribution is as follows:



- **Fixed Rate Bonds:** 22 issuances (38.6%) totalling \$6.66 billion (95% of value)
- **Floating Rate Bonds:** 35 issuances (61.4%) totalling \$329.20 million (5% of value)

This indicates a clear preference for **fixed-rate instruments for larger issuances**, while **floating-rate bonds are typically used for smaller**, more specialized funding needs. The average size of fixed-rate issuances is \$302.76 million, compared to just \$9.37 million for floating-rate issuances.

2.2. Currency Profile

All issuances at IFSC are denominated in USD, reflecting the international orientation of the market and investor base. It may be inferred that this single-currency approach may often simplifies market operations but also represents an opportunity for future diversification with different central banks across the world following varied rate-cut/hike cycles.

2.3. Coupon Rates

Fixed Rate Bonds:

- **Range:** 3.75% to 9.7%
- **Average:** 6.63%
- **Most common range:** 6-9%

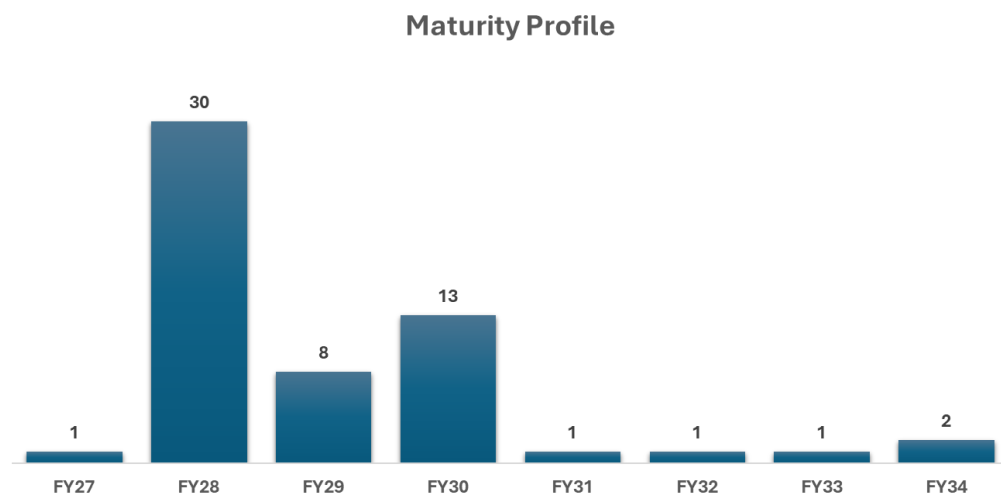
Floating Rate Bonds

- Predominantly **SOFR-linked** (Secured Overnight Financing Rate)
- **Spread range:** SOFR + 0.95% to SOFR + 5.0%
- **Average spread:** SOFR + 4.43%

Higher-rated issuers like banking institutions command significantly lower coupon rates compared to NBFCs and financial institutions. For example, State Bank of India's issuances carry rates 5.125% for fixed rate bonds and SOFR + 0.95% for floating rate bonds, while microfinance institutions typically pay SOFR + 4.5% or higher.

2.4. Maturity Profile

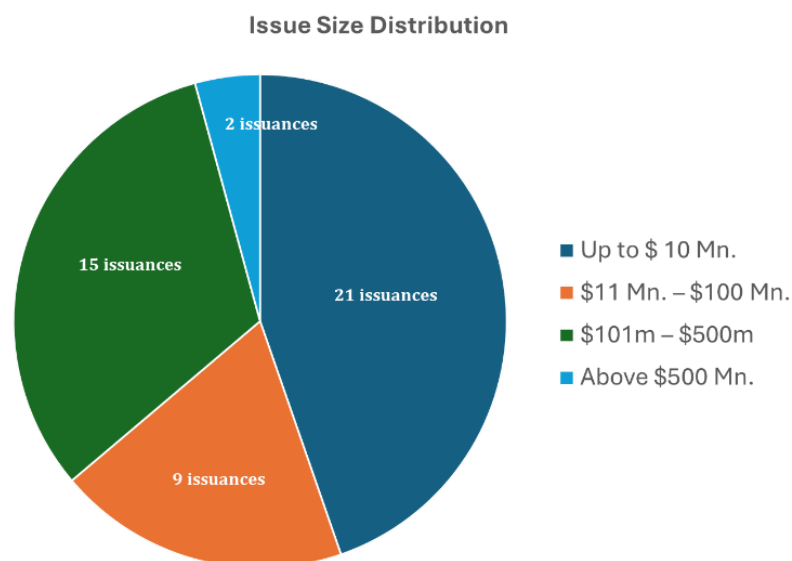
The maturity profile of IFSC debt issuances showed concentration in the 3-5 years tenor, with the majority of bonds maturing between 2027 and 2034:



The **longest-dated bond** was issued by **Varanasi Aurangabad NH2 Tollway Private Limited**, maturing in February 2034.

2.5. Issue Size Distribution

The Issue Size Distribution is as below



Value Range	Count	Percentage	Issue Size (in USD Mn.)
Up to \$ 10 Mn.	21	36.84%	190.2
\$11 Mn. – \$100 Mn.	9	43.08%	403.50
\$101m – \$500m	15	26.31%	5096.30
Above \$500 Mn.	2	3.51%	1300.00
Total	57	100%	6990.00

The market showed a significant concentration in smaller issue sizes, with many issuances of size USD 10 Mn. and below

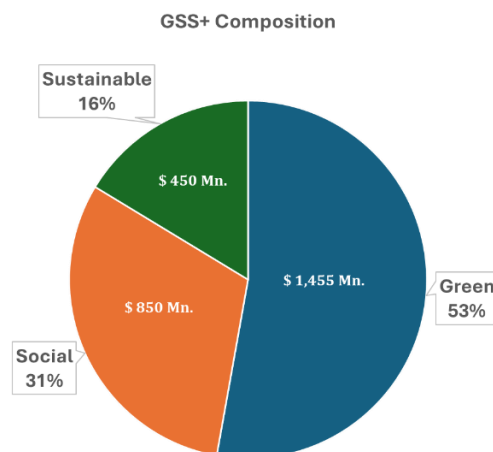
The prevalence of smaller issue sizes reflects the participation of smaller NBFCs and financial institutions testing the market with initial issuances.

Further, this pattern indicates that IFSC serves two distinct market segments: large corporations accessing international bond markets and smaller financial institutions seeking specialized funding. The gap between these segments is notable, with few issuances in the \$11 – 100 million range.

3. Sustainable Finance

3.1. ESG-Focused Instruments

GIFT IFSC jurisdiction has emerged as a go to jurisdiction for sustainable finance. The break-up of ESG labelled bonds listed during FY 2024-25 is as follows:



- **Green Bonds:** USD 1,455 million (20.8% of total issuance)
- **Social Bonds:** USD 850 million (12.1% of total issuance)
- **Sustainable Bonds:** USD 450 million (6.43% of total issuance)

In total, sustainable finance instruments represented approximately 39.4% of the total issuance volume, indicating strong market interest in ESG-focused investments.

3.2. Sustainability Sector Focus

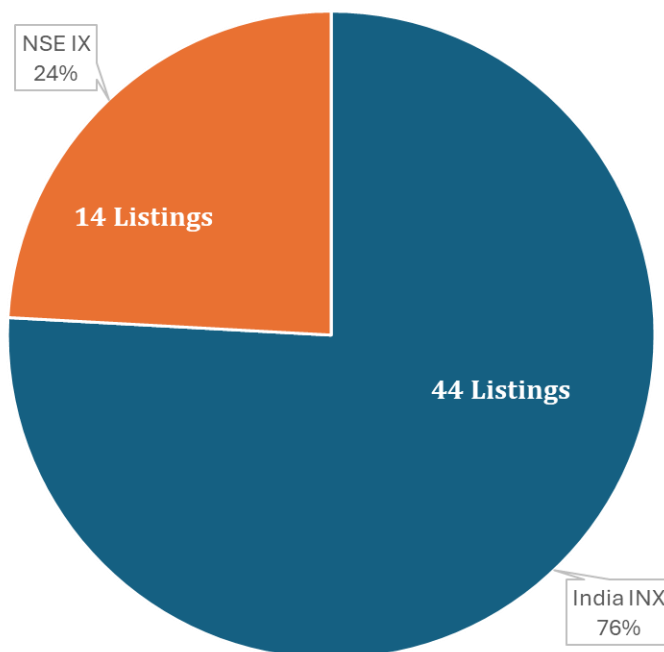
Green bonds were primarily issued by renewable energy companies like Continuum Trinethra Renewables Private Limited and Other Co-Issuers, REC Limited and SAEL Limited. Social bonds were mainly issued by financial institutions focusing on financial inclusion, such as Indiabulls Housing Finance and Shriram Finance.

4. Market Infrastructure and Participants

4.1. Exchange Distribution

The listings are distributed across the two recognised international stock exchanges at GIFT IFSC:

Listing Distribution on International Exchanges at GIFT IFSC



(REC Limited had a primary listing at both the exchanges)

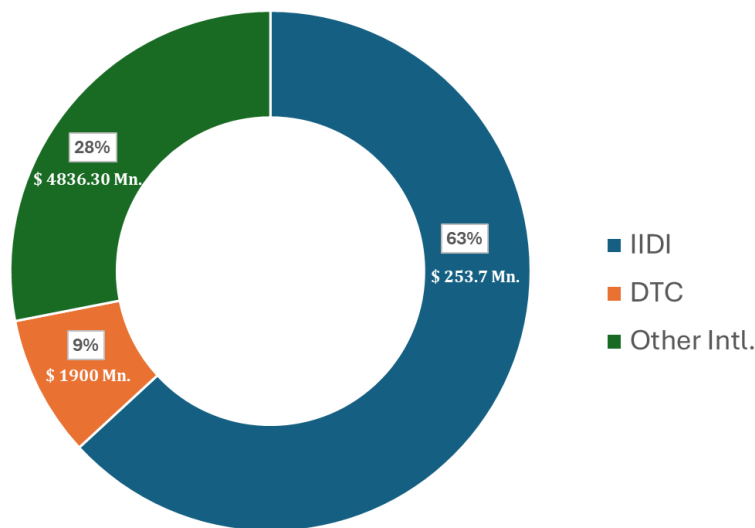
While India INX has a higher number of listings, both exchanges are active in the market, suggesting a competitive exchange ecosystem.

4.2. Depositories

The most commonly used depositories included:

- **India International Depository Limited (IIDL)** – 36 issuances with a total size of USD 253.7 Mn.
- **The Depository Trust Company (DTC)** – 5 issuances with a total size of USD 1,900 Mn.
- **Other ICSDs** (like Euroclear, Clearstream etc.) – 16 issuances with a total size of USD 4836.30 Mn.

International Depositories – Issuance Distribution



It is observed that small size issuances are being placed at IIDL, while large size issuances are placed at other ICSDs.

Out of total 57 issuances, 36 issuances are placed at the IFSC depository.

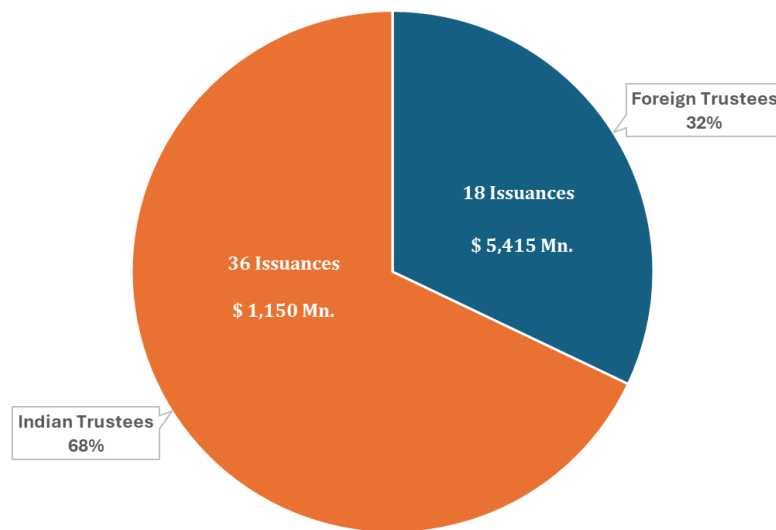
4.3. Placement Method

All 57 issuances were through **private placement**, indicating a focus on international institutional investors rather than retail participants.

4.4. Trustee Services

The market shows a mix of trustee jurisdictions:

Trustee Services - Jurisdictional Distribution



- **Foreign Trustees:** 17 issuances with a total size of USD 5,415 Mn.
- **Indian Trustees:** 36 issuances with a total size of USD 1,150 Mn.

Common trustees included Catalyst Trusteeship Limited, The Bank of New York Mellon, Deutsche Bank AG, GLAS Trust Company LLC, and Citicorp International Limited.

Once again it is observed that small size issuances are preferring Indian trustee services and large size issuances are preferring foreign trustee services.

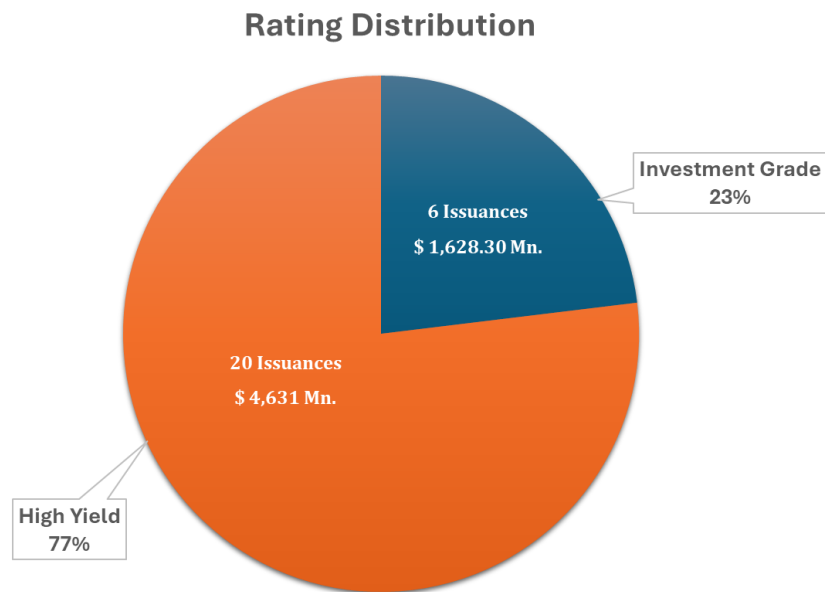
4.5. Lead Arrangers (for major issuances)

- Deutsche Bank: 10 issuances
- Standard Chartered Bank: 8 issuances
- Barclays Bank: 5 issuances
- Citigroup Global Markets: 3 issuances

5. Credit Rating Patterns

5.1. Rating Distribution

The market showed a mix of rated and unrated bonds. Of the 57 issuances, **26 (45.6%)** with a total volume of **USD 6259.30 Mn (89.5%)** obtained credit ratings:



- **Investment Grade (BBB- and above):** 6 issuances with a total volume of USD 1,628.30 Mn.
- **High Yield (BB+ and below):** 20 issuances with a total volume of USD 4,631 Mn.

It is observed that out of the total rated issuances, majority are rated high yield, reflecting the nature of emerging markets.

Majority of instruments rated (16 out of 26) are having credit rating between BB and BBB

Further, with IFSCA (Listing) Regulations, 2024 mandating Issuers to obtain credit rating, it may be expected that issuances with credit ratings are only going to increase in the following years.

5.2. Rating Agencies

The most active rating agencies involved in rating the issuances at GIFT IFSC were:

- Moody's
- Fitch
- S&P Global Ratings
- CareEdge Global Ratings

Ratings appear to be more common for larger issuances, with 18 of 26 rated issuances being \$100 million and above.

Disclaimer: This report has been prepared based on the information provided by the recognised stock exchanges at the IFSC. While efforts have been taken to make this report as accurate as possible, please refer the official websites of recognised stock exchanges at the IFSC.