

# Vedanta Resources defers dollar bond issue due to mkt volatility

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Billionaire Anil Aggarwal's Vedanta Resources has deferred the company's \$1.2 billion bond issuance following volatility in the market after US justice department, in a report, charged Gautam Adani and others with \$250 million bribery. The Vedanta dollar bond issue was to be priced on Thursday.

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Following the US justice department setback, Adani Green Energy, the renewable energy arm of the Adani group, scrapped a \$600 million bond issue. The company had priced the 20-year bonds at 7.45 per cent and planned to use the proceeds for refinancing its existing loan facilities.

Dollar bonds of the Adani group slid on Thursday following the move by the US justice department. There is caution in the market and investors are being a bit cautious towards Indian issuers, said a source, who did not want to be quoted.



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Bankers said that while there may be some short-term implications for Indian companies seeking overseas funds, as seen with Vedanta Resources, India Inc. will likely continue to tap the dollar bond market in the long run, given the strong demand for high-yield papers.

“Foreign Portfolio Investors (FPIs) assess each entity on its individual merits, driven by India’s consistent economic growth and stable macroeco-

nomc indicators. While initial market reactions may cause temporary turbulence for Indian corporates tapping offshore markets, I anticipate that Indian companies will continue securing offshore borrowings at competitive rates, reaffirming global confidence in their strong financial fundamentals”, said Venkatakrishnan Srinivasan, founder & managing partner, Rockfort Fincap LLP.

“That said, corporate entities may prefer to wait briefly to ensure they can proceed with borrowings under optimal conditions once the situation stabilises.”

So far in FY25 (up to October), Indian corporates have raised around ₹35,000 crore from overseas investors through bonds. Some of the major issuers included Manappuram Finance, Samvardhana Motherson International, Piramal Capital, and REC Ltd. In FY24, domestic companies had raised a little over ₹45,000 crore from overseas investors, with major issuers being State Bank of India, HDFC Bank, Adani Green Energy, and IRB Infrastructure, according to data from Primedatabase.

Vedanta did not respond to an email seeking a comment on the issue.