Ministry of Finance

India's first mortgage backed Pass Through Certificates listed on the National Stock Exchange

Secretary, DFS stresses the importance of housing sector and the housing finance sector for the growth of the economy

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Shri M. Nagaraju, Secretary, Department of Financial Services, Ministry of Finance listed India's first Mortgage backed Pass Through Certificates (PTC) structured by RMBS Development Company Limited on the National stock Exchange on 05 May 2025. Listing was done by Shri M. Nagaraju by ringing the bell. The listing ceremony was attended by several Heads of Banks, Housing Finance Companies and other financial institutions.

These PTCs are backed by pool of housing loans originated by LIC Housing Finance Limited. The issue of Rs. 1,000 crores (1,00,000 PTCs of Face value of Rs. 1,00,000/-). was fully subscribed.

This is the first issue of a PTC where the coupon was discovered on the "Electronic Book Provider (EBP)" platform of the National Stock Exchange. The final maturity of the PTC issued will be nearly twenty years and the coupon is 7.26% per annum. The rating of the Instrument is AAA(SO) by CRISIL and CARE Ratings. These PTCs are issued in demat form and are transferable. As the PTC is listed on a stock exchange, they can be traded in the secondary market.

Speaking on the occasion, Shri Nagaraju stressed the importance of housing sector and the housing finance sector for the growth of our economy. He stated that housing finance has many forward and backward linkages with many other industries including the infrastructure. With a country of such vast population, housing needs have to be addressed at the earliest to achieve overall economic development.

He stated that securitization can act an integrating factor for housing finance market and the debt market. Reiterating the importance of RMBS, he stated that it could act as a catalyst for the growth of the housing finance sector.

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