

IDFC bets big on infrastructure

MICHAEL GONSALVES

Pune

INFRASTRUCTURE Development Finance Company (IDFC) is betting big on investing in core and infrastructure sectors such as energy, transportation and telecommunication.

"We expect huge growth in profitability in infrastructure and we will focus on financing in energy, integrated transportation and telecommunication," said SJ Balesh, senior director for

resources at IDFC.

As of September 30, IDFC has invested Rs 44,000 crore out of its balance sheet of Rs 52,000 crore in energy, integrated transportation, telecommunication and commercial and industrial infrastructure.

He said the company had invested 44 per cent in energy, 24 per cent in integrated transportation, 21 per cent in telecommunications and 11 per cent in other sectors till date. "We are aiming to grow 15 per cent at the end

of this financial year in lending and investing in infrastructure sectors," Balesh said. IDFC is seeking to raise up to Rs 5,000 crore through tax saving long-term infrastructure bonds under Section 80 CCF of the Income Tax Act, 1961 in this financial year. Balesh said investors would be eligible for tax deduction for investment up to Rs 20,000. This deduction will be over and above the Rs 1,00,000 deduction available under Section 80C, 80CCC, 80CCD of

the Income Tax Act, 1961. The five-year bond issue carries an interest rate of 9 per cent per annum.

Balesh said these were 100 per cent secured bonds as the company will maintain a security cover of at least one time of the outstanding amount of bonds at all times till the bonds are completely redeemed.

IDFC/BSE Rs 113.7 ▲

NSE Rs 113.5 ▲

michaelgonsalves

@mydigitalfc.com