

## IDFC launches infra bonds

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INFRASTRUCTURE Development Finance Company (IDFC), which aims to raise up to Rs 5,000 crore through bond issues in the current fiscal, has issued its first tranche of long-term infrastructure bonds with a 9 per cent yield today.

IDFC raised Rs 1,451 crore in three tranches from over 7.3 lakh retail investors last year. Vikram Limaye, Executive Director of IDFC, said, "We are looking to raise at least as much this year." The bonds, which have been rated AAA by ICRA and Fitch, largely appeal to individual retail investors as they are priced in a series of two Rs 5,000 instalments as secured redeemable non-convertible debentures, thereby holding benefits under Section 80CCF of the I-T Act.

Investments of up to Rs 20,000 in a long-term infrastructure bond are eligible for a deduction in taxable income for an Indian resident or a Hindu Undivided Family, with the extent of redemption dependent on your tax bracket.