

IL&FS to raise more than ₹10K cr



Ravi Ranjan Prasad

Mumbai

IL&FS Financial Services plans to raise funds worth Rs 10,000 crore to Rs 11,500 crore in overseas and domestic markets in this financial year to reduce and restructure the IL&FS Group's large debt exposures and use capital for financing new projects, top officials said.

Ramesh C Bawa, managing director & CEO, speaking on occasion of completion of 10 years of IL&FS Financial Services, said, "Institutional investors in foreign countries are becoming more positive towards India and we expect huge investment flow from countries like South Korea, Japan and Australia."

When asked which sectors would have major funding requirements in the near future, Bawa said, "Most funding requirement will be faced in the energy and transportation sectors."

IL&FS Financial Services said it would be raising \$600 million to \$700 million through Infrastructure

Investment Trusts (InvITs), and Rs 5,000 crore by issuing bonds in the domestic market.

For InvITs, IL&FS plans private placements with institutional investors. The domestic bond issuance worth Rs 5,000 crore will be through issue of non-convertible debentures or NCDs in more than one

tranche.

Additionally, IL&FS plans to issue masala bonds worth \$300 million sometime next month.

The debt burden of IL&FS has swollen to several thousand crores as it deployed cash in group companies. It has now decided to reduce debt by raising funds by March 2017. With above capital rais-

ing plans part of the original debt will be housed outside and with recycled capital IL&FS will build new portfolios.

IL&FS is into financing infrastructure projects with substantial exposure to road projects. Besides, it is having exposure to thermal power, gas-based power projects, wind power, solar power projects and smaller exposure to urban infrastructure, maritime and skills development projects.

raviranjana
@mydigitalfc.com

**The
company
also plans to
issue masala
bonds worth \$300
million sometime
in January
2017**