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## IFCI to issue bonds this FY

Our Bureau  
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LEADING financial institution IFCI is planning to tap the bond market during this financial year, its chief executive officer Atul K Rai said.

"We have already raised Rs 1,500 crore and plan to come out with a bond issue this year," Mr Rai said on the sidelines of a meeting here on Tuesday. He didn't give the quantum of funds that the institution planned to raise.

The meeting was organised to announce a management contract between IFCI Infrastructure Development (IIDL) with Frasers Hospitality of Singapore for serviced apartments.

The company has comfortable liquidity with capital adequacy ratio of over 20% against the regulatory requirement of 10%, he said.

Asked about plans for induction of a strategic investor, Mr Rai said the option was "open".

The IFCI board had, in 2007, aborted the process for 26% equity sale to a strategic partner as it did not agree with the bidders' demand for management control.

Mr Rai said IFCI could raise its paid-up equity from Rs 278 crore now to Rs 500 crore over next three years.

IIDL's tie-up with Frasers marks the institution's entry into the hospitality segment. The serviced apartments, named Fraser Suites, spread over 1 acre in Mayur Vihar, in the Capital involves an investment of about Rs 100 crore.

IIDL which has a land bank of 3.5 million square feet has plans to foray into housing as well.