

Inland Waterways Authority of India raises Rs. 660 crore through Bonds**Inland Waterways Authority of India raises Rs. 660 crore through Bonds**

The Inland Waterways Authority of India (IWAI) has raised Rs. 660 crore as “GOI Fully Serviced Bonds”. The resources raised by way of bonds are in addition to the budgetary support from the Government of India. The Government had taken a decision to enable IWAI to raise Rs 660 crore through GOI Fully Serviced Bonds in 2017-18.

The IWAI had engaged arrangers, credit rating agencies, registrars and trustees prior to raising the Bonds. Both CRISIL and CARE rated the proposed instrument of IWAI as “AAA: STABLE”. The e-bidding for raising the bonds was organized on 11th October, 2017 on the BSE Portal with the issue size of Rs. 300 crore and Green Shoe option of Rs. 360 crore. The issue was oversubscribed and the entire amount of Rs.660 crore has been raised in single tranche at a coupon rate of 7.47 percent.

The proceeds from the Bonds are intended to be utilized by IWAI exclusively for capital expenditure for development of National Waterways (NWs) under National Waterway Act, 2016 during 2017-18.

The principal and interest in respect of the EBRs worth Rs.660 crore shall be financed by the Government of India by making suitable budgetary provisions in the Demand for Grants of the Ministry of Shipping to meet the bond servicing requirements as and when the need arises. The interest payment will be on semi-annual basis and the principal on maturity.

NP/MS

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