

**Rs.127.54 Crore SAVED BY FCI BY ISSUE OF Rs.5000  
Crore GoI GUARANTEED BONDS**

The Food Corporation of India has raised Rs.5000 crore by issue of taxable bonds backed by Government of India Guarantee to meet its additional working capital requirement. Bond issue was opened on 21.03.2013 and closed on 22.03.2013. The issue is rated "**CRISIL AAA (SO) Stable**" by **CRISIL & "AAA(SO)"** by ICRA. The Bonds are of two tenures i.e., 10 years (Rs.300 crore) and 15 years (Rs.4700 crore). The coupon rate for 10 years was 8.62% per annum and for 15 years 8.80% per annum.

FCI is having Cash Credit Limit with Consortium of 62 banks. Present Cash Credit Limit is Rs.54,495 crore which is secured by mortgaging entire stock of FCI and guaranteed by Government of India. The present interest rate on Cash Credit Limit is 10.79% on monthly basis which translates into 11.34% on annualized basis. The annual interest saving through issue of this bond will be Rs.127.54 crore with reference to interest cost on Cash Credit Limit.