

IL&FS Invites Bids for BKC Corporate Home

The 10-storey property to be monetised through price-discovery mechanism

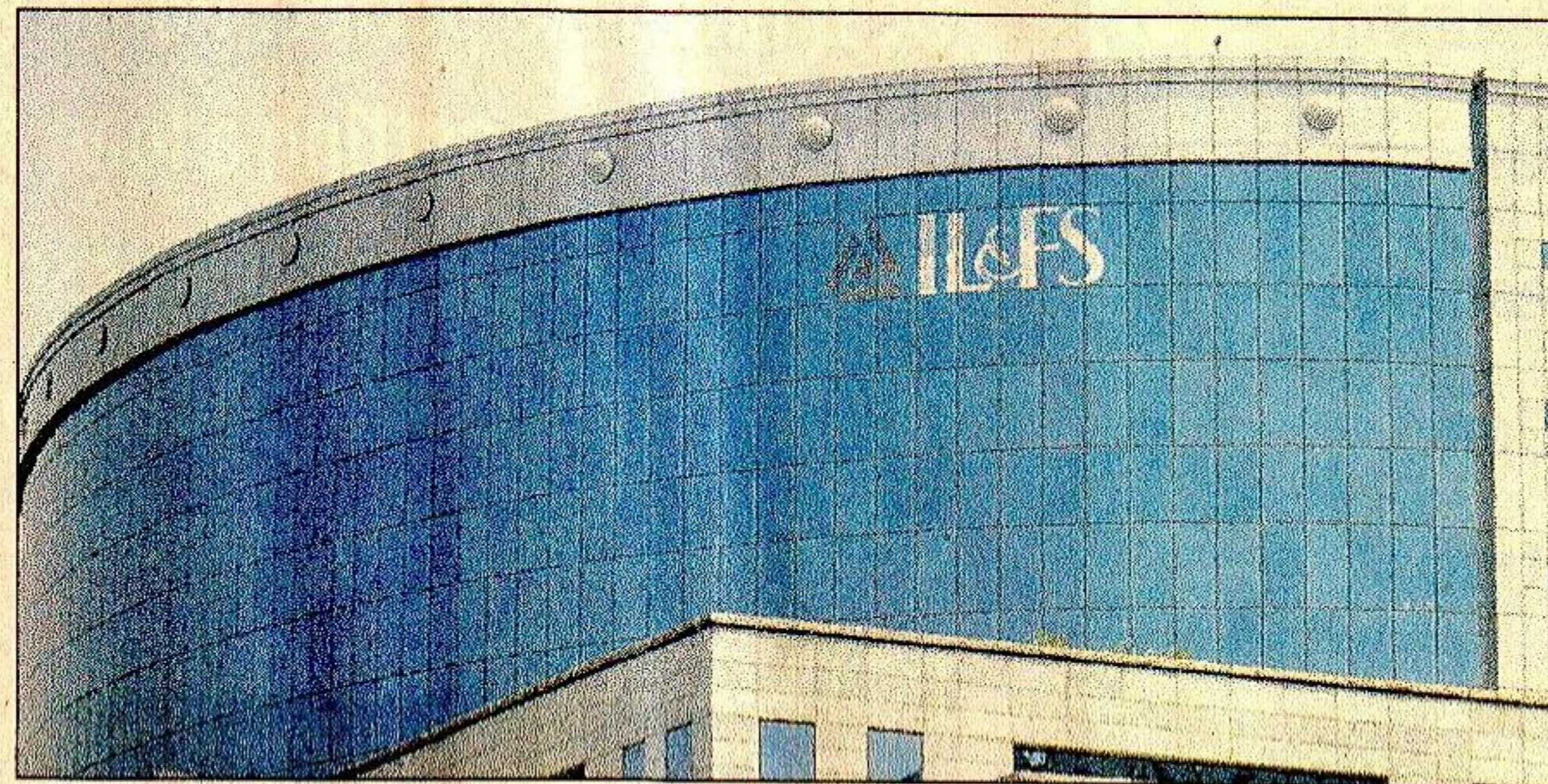
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Mumbai: Crisis-hit infrastructure lender IL&FS has begun the process of selling its corporate home in Mumbai's Bandra-Kurla Complex, inviting bids for the prime 10-storey property that had heralded the suburb's emergence as the Maximum City's new central business district at the expense of Nariman Point.

The company hasn't set any reserve price for the asset, said two industry sources with direct knowledge of the development.

Bids for the property being monetised through a price-discovery mechanism are expected to be submitted by November 20. Last month, **ET** had reported about the company's plan to put the asset on the block.

"The property is estimated to fetch ₹1,500 crore and the



sale process is expected to be completed by the end of this financial year," said one of the persons mentioned above.

Bidders are expected to have a minimum networth of around ₹500 crore, while funds seeking to buy the property must have ₹1,000 crore of assets under management. This condition, however, has been waived for any public sector undertaking bidding for the property.

"Sale of real estate assets forms an important part of

the resolution process adopted by the new board," said a spokesman for IL&FS. "We have decided to follow a publicly solicited, competitive, price discovery process for the sale of TIFC (The IL&FS Financial Centre), subject to necessary approvals."

Its transaction advisor, CBRE South Asia, declined to comment.

The iconic property was one of the first structures to come up in BKC, which is the de facto central busi-

ness district of the country's commercial capital. The high-end office building with around 4.5 lakh square feet of leasable area counts IBM, IDFC, The Carlyle Group, Avendus and Paypal among its list of key tenants.

The top three floors of the building are occupied by offices of IL&FS Group companies and these are expected to be vacated in the due course as the deal reaches closure. IL&FS has also recently put two 28-storey commercial towers in Gujarat's Gift City on the block.

The government-appointed board of IL&FS is monetising these assets with an objective to manage its debt obligations. In a video conference held in August, the Uday Kotak-led IL&FS board told the media that it plans to recover ₹50,500 crore of loans, or about half of the ₹1 lakh crore total dues, by March 2021.