

IL&FS Puts More of Its Properties on the Block

Monetisation of 2 standalone buildings and other properties could fetch over ₹700 cr given their location, size: Consultants

Kailash.Babar@timesgroup.com

Mumbai: After selling its iconic headquarters in Mumbai's business district, crisis-hit non-banking finance company Infrastructure Leasing & Financial Services (IL&FS) has put more commercial properties on the block, including two standalone prime properties, Business Arcade and IL&FS House in Mumbai.

Property consultants said the monetisation of these properties owned by the company and its wholly owned subsidiaries is expected to fetch over ₹700 crore given their location and size.

The commercial tower, Business Arcade, spread over one-fifth of an acre in the Lower Parel central business district, has a total built-up area of 28,591 square feet. The tower, built on the former Elphinstone Mill property, has 14 upper floors, two basements, and one stilt parking.

IL&FS House in Mumbai's Chandivali suburb, owned by IL&FS Securities Services, is spread over 0.4 acres with a total built-up office space of 28,734 sq ft, comprising a basement, ground floor and six upper floors.

Apart from these two entire office towers, IL&FS has also put up two commercial units spread over nearly 17,000 sq ft in Mafatlal Chambers on Delisle Road, one unit in Trade World in Lower Parel, 18 offices in Kohinoor Square in Dadar, 23 shops in Virar's Residency Park and one office in Ahmedabad.

These properties are owned and held by IL&FS and its subsidiaries, IL&FS Financial Services, IL&FS Transportation Networks and IL&FS Securities Services. IL&FS board

On Sale

In Mumbai

2 office buildings: **Business Arcade** in Lower Parel, **IL&FS House** in Chandivali

2 commercial units spread over nearly **17k sq ft** in **Mafatlal Chambers**, **Delisle Road**

1 unit in **Trade World**, **Lower Parel**
23 shops in **Virar's Residency Park**

18 offices in **Kohinoor Square**, **Dadar**

Ahmedabad

1 office



invited expressions of interest for the proposed asset divestments pursuant to the orders of the dedicated bankruptcy court, the National Company Law Tribunal (NCLT) in October, 2018.

IL&FS invited expressions of interest for these properties until August 1. Consummation of any transaction under this asset divestment process will be subject to requisite clearances, including approvals required under applicable law and that of the NCLT.

IL&FS is monetising its assets with the objective of managing debt obligations. The failure of IL&FS to meet repayment obligations in September 2018 triggered a liquidity squeeze that gripped India's non-banking finance sector.

As part of a clean-up, the government then replaced the IL&FS board, which has since been engaged in trying to resolve the debt situation.

"We confirm putting these properties up for sale. The sale of real estate assets forms part of the overall resolution plan undertaken by the new board," said IL&FS' spokesperson, Sharad Goel. However, he declined to comment on the likely recovery to be made through these deals.

While the term of Uday Kotak, the chairman of this government-appointed board, ended on April 2, IL&FS shared that it has addressed debt of ₹55,000 crore, up from ₹52,200 crore as of November 2021.