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## Motilal Oswal realty arm to invest ₹1,000 cr in FY18

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Mumbai, 27 September

Motilal Oswal Real Estate, the real estate arm of Motilal Oswal Private Equity (MOPE), is looking to invest ₹1,000 crore in the current financial year.

Investments will be made from India Realty Excellence Fund-III (IREF-III) and IREF-II, said Sharad Mittal, director and head of real estate funds at Motilal Oswal Real Estate.

Mittal on Tuesday announced the fourth and final close of its third fund, which raised a total of ₹1,030 crore.

The IREF-III has concluded 12 transactions across top six cities in the country. The fund is 70 per cent

committed and expected to be fully committed by the end of this financial year, Motilal Oswal said. The fund focuses on early-stage mezzanine/structured equity investments with established developers across the six cities.

Motilal Oswal Real Estate has assets under management of over ₹2,000 crore spread across IREF (₹200 crore), IREF-II (₹500 crore), IREF-III (₹1,030 crore) and the balance under non-convertible debentures / Prop Investments.

“We believe that after Real Estate Regulatory Authority (Rera) and goods and services tax (GST), consolidation in the industry is inevitable. Only large and serious players having meaningful scale, dedicated focus towards timely

delivery and customer satisfaction would do well. Given the Rera regulations, our kind of capital shall become much more suited to these developers, going forward. We see significant growth and opportunity in the regularised markets, especially with the continued progress towards broader institutional ownership,” Mittal said.

Vishal Tulsyan, chief executive officer of MOPE, said, “Our real estate fund business has scaled up over the past few years and our assets under management now stands over ₹2,000 crore. We see abundant opportunities in the sector to scale up and our real estate fund business would continue to be a critical piece of our private equity fund management business.”

