

Altico invests ₹570 crore in Bengaluru real estate projects

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Altico Capital India Ltd, a real estate-focused non-banking financial company (NBFC), has invested ₹ 570 crore in the Bengaluru residential market. It has backed projects of **Assetz Property Group** and a plotted development project of Century Real Estate Holdings Pvt. Ltd. **The NBFC has sanctioned ₹ 450 crore in debt financing across Assetz's five projects, underwriting a saleable area of 6.3 million sq ft.**

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Century's managing director Ravindra Pai said since the plotted project was launched in September, it has already sold 120 of the 450 plots. "The debt will primarily be used for land acquisition payment."

Mint could not immediately reach out to any Assetz spokesperson for comments.

The real estate projects are in the mid-income residential segment across north and north-east parts of Bengaluru, besides projects in the Whitefield neighbourhood. It also marks Altico's second investment in Century Real Estate, after co-investing ₹ 765 crore with Piramal Capital and Housing Finance Ltd in a portfolio of projects in 2015.

The new investment is in a 30-acre plotted development, Century Greens, in north Bengaluru.

The plots are being sold at ₹ 25-40 lakh.

"Mid-income affordable housing is moving fast in the Bengaluru market, along with projects which are closer to completion and has acquired occupation certificates (OC). This is the segment that fits into our philosophy of investing in mid-market and affordable projects as well," said Sanjay Grewal, chief executive officer, Altico Capital.

According to Grewal, the firm plans to broad-base its investment portfolio in the city. "We want to invest in the office and logistics sector, and are on our way to investment in the education sector in the city as well." Bengaluru has been one of the best performing property markets despite the prolonged slowdown in the real estate sector.

Altico is backed by Fiera Capital (formerly Clearwater Capital Partners Llc), Abu Dhabi Investment Council and Varde Partners Inc.

Recently, many NBFCs have lost significant market value on growing concerns around asset-liability mismatches and tightening liquidity in the short-term money market, after a series of defaults by Infrastructure Leasing and Financial Services Ltd (IL&FS) became public.

However, Altico has maintained that it is well-capitalized with adequate cash and liquidity, and most of its debt is long term. As the residential market normalizes, it aims to reach its target of ₹ 9,000 crore in assets under management in FY19.

Altico recently said that it had entered the warehousing and logistics sector by investing ₹ 650 crore in Renaissance Group's ongoing industrial and warehousing park in Bhiwandi near Mumbai.

The NBFC has elevated former HSBC India head Naina Lal Kidwai as chairman of the firm. She has been an independent director in it since 2016.

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