

Indiabulls AMC to Raise ₹1,000-cr Realty Fund

Firm hires Ambar Maheshwari, corporate fin MD at JLL India, to head its maiden real estate fund, receives Sebi nod to manage it as well



NEW ROLE: Ambar Maheshwari

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Mumbai: Indiabulls AMC is planning to raise a total of ₹1,000 crore through a real estate fund and it has roped in Ambar Maheshwari, MD, corporate finance, at JLL India, to lead the effort for the newest entrant in mutual fund industry, said a top company executive.

Maheshwari will be joining the company in the next week as CEO of the fund to be known as Indiabulls Real Estate Fund. This will be Indiabulls AMC's maiden real estate fund and it has already received the Securities & Exchange Board of India's (Sebi) approval for being the fund manager of the same.

The domestic fund, including a green shoe option of ₹500 crore, is likely to be launched post the market regulator's approval for an alternative investment fund. The fund will invest primarily in debt securities through listed non-convertible debentures of developers undertaking residential projects in top 7 property markets of the country, including Mumbai and the NCR. Indiabulls Housing Finance will be the sponsor of the fund. Indiabulls Real Estate Fund will be targeting returns of 19-20% through its investments in secured debt of these developers.

"Real estate has touched the bottom of the cycle in the past five years and is now expected to see good times. This is the

right time to raise a fund to invest in Indian real estate as developers are looking to get financial support for their development plans," Akshay Gupta, group executive head, asset management, private equity and private wealth at Indiabulls Group, told ET.

Maheshwari confirmed the decision to join and lead Indiabulls Real Estate Fund. Maheshwari had joined property consultancy JLL India as MD, corporate finance, in June 2011. Prior to this, he held key positions in companies such as DTZ, KPMG, Ambit Corporate Finance and Infrastructure Leasing & Financial Services. Maheshwari has over 19 years of experience in corporate finance and consulting across a range of industries.

Gupta is confident that with a 10-member dedicated team led by Maheshwari, coupled with his experience, the fund will receive good response. "We are hoping to conclude the fund raising in six months of launching the same, following Sebi's approval. We are also considering launching an offshore fund following that in the next year," Gupta said.

According to Gupta, early macro indicators like GDP growth and employment numbers are showing signs of recovery in housing. But, he admitted there's an inventory hangover in the housing market that is getting cleared and one can expect the market to turn positive after that.