

Inox to invest Rs 100 cr in Indiareit as strategic investor



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THE Ajay Piramal-promoted real estate fund, Indiareit, has sealed a strategic alliance with multiplex chain Inox, which will invest over Rs 100 crore in Indiareit's domestic unit as a 'value added' investor. On its part, Indiareit will offer a 'preferred tenant' status to Inox in its all upcoming shopping malls and townships projects.

The move reflects the trend of growing alliances in the domestic real estate market. "This will set a trend in the real estate funding wherein leading brands join up with real estate funds to approach as a team to developers and offer a win-win situation for all the participants," Indiareit CEO Ramesh Jogani told ET. He said that the real estate fund will offer a 'first right of refusal' to Inox to set up multiplex in Indiareit's various projects.

Industry analysts said the alliance will help Inox wide access to upcoming real estate projects across primary tire I and tire II

cities, thus getting the right customer exposure to multiplexes and branded outlets. Indiareit could ensure preferential access to Inox for these properties. The new alliance would also bring financial support, expertise, presence of leading brands and strong pre lease to developer.

Mr Jogani said that the initiative would ensure timely completion as well as success of the given project owing to the resources available to develop the project. "Besides, the brand strength and active pre-lease/sale though value added partnership lends a further protection buffer to the invested capital," he said.

Currently, Indiareit is in the process of raising Rs 3,800 crore through domestic and offshore offerings by March 2008. Of this, Rs 3,000 crore is an offshore fund slated for end January. The domestic version will follow in March. Out of its total Rs 1,800-crore corpus, Indiareit already deployed over 70% in eight different projects.

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