

VC Circle

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Milestone Capital tops up investment in ATS' Greater Noida project Dolce to \$16M

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It had originally invested in the project in November 2013.

Real estate focused private equity firm Milestone Capital has invested an additional sum in North-based privately held developer ATS Infrastructure's ongoing project in Greater Noida, taking its total commitment to Rs 100 crore (\$16 million), a top company executive told VCCircle.

The investment has gone to top up the existing investment in an under-construction residential project christened Dolce.

The PE fund has put in Rs 35 crore (\$5.6 million) in the project. It had previously invested Rs 65 crore (\$10.3 million then) in the project in November, 2013.

The residential project Dolce is located in Greater Noida, which forms the outer layer of the Delhi NCR market. Greater Noida is in Uttar Pradesh.

The project offers 2 & 3 BHK units across 13 towers of 26-29 floors each and 14 row houses. The project is being executed in two phases of 1.3 and 1.1 million sq ft.

"The NCR market has generated strong end user demand due to its affordability and a well developed civic infrastructure. The developed Noida-Greater Noida Expressway and an upcoming Metro link have further enhanced the attractiveness of this region," said Rubi Arya, vice chairman and director, Milestone Capital Advisors.

The investment has been made in the form of structured debt. Milestone has routed the deal through Milestone Domestic Scheme III (MDS III) and with this investment it has exhausted its dry powder from this fund vehicle. The development comes soon after its proposed deal with another North-based developer Assotech Realty fell through. The deal was structured as an apartment bulk-buying transaction and was expected to be one of the first set of such transactions.

Milestone is currently raising its tenth realty fund Milestone Opportunities Fund 10 which has a target corpus of Rs 500 crore and aims to wrap up fundraise in three-four months. It has so far received commitment for Rs 150 crore (\$23.5 million).

The company recently said that it has returned roughly Rs 635 crore to its limited partners in the first seven months of this financial year. This has taken the total amount returned by the firm to LPs to date to Rs 2,000 crore. Creating exits has been a major area of focus of the company and is chasing an annual target of Rs 750 crore worth of liquidity from its existing portfolio.

ATS Infrastructure, which counts ASK Group, ICICI Pru and IL&FS as its financial partners, has so far delivered 12 million sq ft of residential housing units. Currently, it has around 20 million sq ft under construction, out of which 13 million sq ft is being developed and 7 million sq ft will be launched in the coming years. The company aims to deliver this 20 million sq ft in four-five years.

The promoters also have a separate low cost housing arm Jeevan Geet.