

IL&FS firm picks up 50% in Uppal's Gurgaon project

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IL&FS-controlled real estate firm, QVC Realty, is investing Rs 300 crore for a 50% stake in an integrated township project being developed by Delhi-based real estate developer Uppal group.

The joint venture between Uppal Housing and Bangalore-based QVC, called Uppal QVC Realty, will develop the 150-acre project in Sector 99 of Gurgaon near Delhi.

"We have already acquired 120 acres of land for the project. We have also applied to the government for licences to develop the township which may come in the next three months," Uppal group managing director Manish Uppal told ET.

The current investment covers only the land cost at Rs 4 crore per acre. The development cost is likely to be worked by the two partners later. The basic development work would be completed in the next 18 months. The developers are planning to build and sell bungalows and plots of 300-500 sq yard size.

"It will all depend on market conditions. If it allows us, we would only like to sell houses and not plots," Mr Uppal said. The township would have a complete range of residential, commercial, office, hotel and entertainment facilities.

QVC Realty is a Bangalore-based firm majority-owned by IL&FS Investment Managers (IIML), the private equity arm of IL&FS. IIML invested \$100 million last April for equity stake in QVC.

The Uppal group, which clocked a revenue of close to Rs 650 crore last year is present across residential, commercial, hotel and SEZ space. It owns five-star hotel 'The Uppal's Orchid' in Delhi and is setting up two more in Gurgaon and Chandigarh. It has tied up with JW Marriott for managing its upcoming Chandigarh property.

The group is also setting up two SEZs in Gurgaon for which it has entered into equity partnerships with a private equity and realty trust.

UK-based PE player Trinity Capital is investing Rs 300 crore to develop 86-acre SEZ, while New York-based realty investment trust Vornado has taken 50% stake in the 263-acre SEZ Uppals are developing.
