

# Nisus Finance Services eyes REIT route to raise funds

In the process of mopping up \$50 m of offshore funds

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Real estate focussed fund Nisus Finance Services Co (Nifco) has said it may look at applying for a REIT licence even as the company said it is in the process of raising \$50 million (₹335 crore) of offshore fund to invest in key residential markets in India.

"We are interested in Real Estate Investment Trust (REIT) and may look at launching it in 9-10 month time.

"We expect by then some players would have already entered the REIT market," Amit Goenka, CEO, Nisus Finance Services, told *BusinessLine*. The company which has also kick-started its offshore

fund raising said it expects to raise close to ₹335 crore.

## Utilisation

The capital from the offshore fund will be deployed in housing projects in Mumbai, National Capital Region, Bengaluru, Chennai, Pune and Kolkata. Goenka said the new fund will invest in both debt and mezzanine transaction.

Speaking on the current investments, Goenka said the company has so far invested in three projects. "We always look at smaller ticket size investment to the tune of ₹25-30 crore. We recently invested ₹30 crore in Shriram Land Development's residential project in Bengaluru. We are looking to invest close to ₹100 crore in three more projects — two in Mumbai and one in Bengaluru, shortly," he added.

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Goenka said it has clocked an assets under management of ₹100 crore. "We are looking to double this to ₹200 crore by 2017," he added.

Nifco typically deploys capital through debt instruments by subscribing to non-convertible debentures (NCDs) and second by bulk-buying inventory from developers at a deep discount, "We typically invest in projects which are nearing completions and hold on to the investment for about 2-3 years," Goenka added.