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## ED probes IL&FS' ₹860cr funding of Kohinoor Square

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**Mumbai:** The Enforcement Directorate (ED) and Serious Fraud Investigation Office are probing IL&FS group's loan and equity investment amounting to Rs 860 crore in Kohinoor CTNL, the company constructing Dadar's Kohinoor Square towers. The company was founded by Unmesh Joshi, son of former chief minister and senior Shiv Sena leader Manohar Joshi.

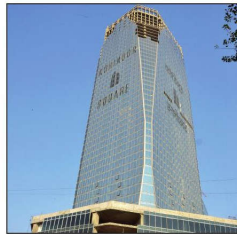
Investigating agencies are probing the shareholding and investment in Kohinoor CTNL for which a consortium was formed by Unmesh, Maharashtra Navnirman Sena (MNS) chief Raj Thackeray and his business partner Rajan Shirodkar to purchase Kohinoor Mills Number 3 for Rs 421 crore.

Sources said IL&FS group had invested Rs 225 crore in the company, representing half the equity. In 2008, IL&FS surrendered its shares for only Rs 90 crore and booked a loss. The same year, Thackeray, too, exited the consortium by selling his shares.

After surrendering its shares, IL&FS advanced loans to Kohinoor CTNL, which it allegedly failed to repay. In

2011, Kohinoor CTNL entered into an agreement to sell some commercial-residential premises in Kohinoor Square to IL&FS and settled Rs 500 crore pending loan amount.

Registration of this agreement was executed only in 2017. After the settlement, IL&FS lent a further Rs 135 crore to Kohinoor CTNL, on which it defaulted.



Kohinoor Square tower, Dadar

The ED recorded the statement of the CFO of Kohinoor CTNL and may call others for further explanation. According to sources, the agencies are investigating the transfer of shares in the company.

Under the initial charge sheet, IL&FS group companies are accused of advancing loans to various entities without adequate collateral, resulting in lack of security wh-

en the company defaulted. In September-end 2018, IL&FS group, too, started defaulting on a series of its debt obligations which exposed the scam. Delhi police's economic offences wing had registered a cheating case against IL&FS after one of the investors complained that the group convinced him to invest for attractive returns but failed to fulfil the promise.

Top management of IL&FS group, including IL&FS Financial Services' former joint MD Arun Saha, IL&FS Transportation Networks' former MD K Ramchand, IL&FS Financial Services' former CEO Ramesh Bawa and former vice-chairman Hari Sankaran, were taken into custody during the investigation. It was alleged that they sanctioned loans to different companies without adequate collateral security that caused wrongful loss to IL&FS group.

Unmesh's Kohinoor Group has lost control of Kohinoor CTNL and now it is with Sandeep Shikre and Associates (SSA), a Prabhadevi-based architectural firm.

Despite repeated attempts, Unmesh could not be contacted for comment.