

MMRDA APPROVAL FOR TRANSFER OF ASSET TO BROOKFIELD UNIT

IL&FS Seeks Nod Afresh for Sale of Mumbai HQ

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Mumbai: Beleaguered infrastructure lender IL&FS has applied for a fresh approval from the Mumbai Metropolitan Region Development Authority (MMRDA) for transfer of its headquarters, an iconic 10-storey property in Mumbai's business district Bandra-Kurla Complex (BKC), to global institutional investor Brookfield Asset Management.

The authority has recently provided an approval for the sub-lease of the property, The IL&FS Financial Center (TIFC), based on an application made by IL&FS. However, the sale of the property as approved by the National Company Law Tribunal (NCLT) is for a complete transfer.

"The approval provided by us for the transaction as of now is as per the application made by IL&FS and the revised approval will be granted soon after reviewing the same under the land disposing policy," a senior MMRDA official told ET.

According to an IL&FS spokesperson, the approval granted by MMRDA is in variance with the approval that was sought

for assignment or sale of TIFC basis the NCLT order:

"It restricts both parties' ability to complete the transaction under the terms/conditions outlined in the approval. We have already sought re-issue of the approval from MMRDA," said IL&FS' response to ET's query.

According to Brookfield, the assignment and transfer of the property is in "very advanced stages" with several approvals received, including the clearance from the NCLT.

"In March 2022, Brookfield's affiliate Chronos Properties signed a definitive agreement and placed a significant part of the purchase consideration to conclude the transaction in accordance with the terms. The deal is expected to be concluded very soon," Brookfield spokesperson said.

The Brookfield affiliate company emerged as the successful bidder to acquire the marquee property for over ₹1,080 crore. IL&FS has already received 10% of the total consideration.

