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GIC to acquire stake in Mumbai developer Provenance Land

By Swet Sarika | 23 August, 2018



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Singapore sovereign wealth fund GIC Pte Ltd is acquiring a "significant minority stake" in Mumbai-based developer Provenance Land Pvt. Ltd to ramp up its India real estate play.

"As a long-term global investor, we continue to have a positive outlook in India's growth potential in the long run," Lee Kok Sun, chief investment officer at GIC Real Estate, said in a statement.

GIC didn't disclose the exact size of the stake it is buying or the deal value. However, media reports said it is purchasing a 49% stake in Provenance Land. The *Mint* newspaper also reported, citing two people it didn't identify, that the deal was struck at an enterprise value of Rs 1,300 crore (\$186 million).

Provenance Land was the first developer in India to introduce the Four Seasons hotel brand. The company owns a mixed-use project on over four acres of land in Worli, central Mumbai. The development comprises the five-star Four Seasons Hotel Mumbai, the under-construction Four Seasons Private Residences Mumbai and a proposed office tower. A wholly owned Provenance Land entity will be managing the development.

Adarsh Jatia, managing director at Provenance Land, said: "This investment marks a key milestone for Provenance Land, as it directly bears out the intent to expand quickly and strategically into new best-in-class developments and deliver on our vision."

GIC's Sun said the investment offers the Singapore firm an opportunity to acquire a stake in a high-end mixed-use development situated in a prime location in Mumbai. "In addition to the exclusive Four Seasons properties, the proposed office development is an attractive proposition, given continued demand for quality office space and expected long-term rental growth in Mumbai."

The deal adds to GIC's growing India real estate portfolio that covers residential, commercial, retail and, now, hospitality projects.

Last year, in one of the biggest real estate deals in the country, GIC had bought a 33% stake in the rental arm of DLF Ltd from the developer's promoter group for as much as \$1.3 billion. With DLF, it had also struck another deal to back its residential

Among publicly listed companies, GIC now has exposure to four of India's five most-valued developers. It recently picked up a 1.4% stake in Oberoi Realty Ltd for Rs 225-250 crore (around \$33-37 million). It also has stakes in Godrej Property and Prestige Estate Projects.

Among unlisted companies, GIC has investments in projects of north India-based developer Vatika Group and a retail project of Mumbai-based Sheth Group.

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Provenance Land Pvt. Ltd

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