

ArthVeda eyes Rs 300-cr via realty fund

MUMBAI, DEC. 7:

Dewan Housing Finance Corporation's (DHFL) fund management arm, ArthVeda Fund Management (AVFM) aims to raise Rs 200 crore, with a green shoe option of Rs 100 crore through its second real estate fund — ArthaVeda Star.

The fund will be invested in middle income housing projects in Tier-II and III cities. The investment ticket size will be between Rs 5 crore and Rs 20 crore, with minimum investment duration of three years.

“We have already identified 16 Tier-II and III cities. We have received soft commitment of Rs 80 crore from ultra HNIs and HNIs for this fund,” says Mr Bikram Sen, CEO, ArthVeda Fund Management. The fund is expecting a 30 per cent return on these investments.

“We have asked rating agencies like CARE to come and rate each investment,” said Mr Sen. This would make investors more confident about the fund, he said. The fund aims to invest in Special Purpose Vehicles (SPVs) having an ownership of 51 to 75 per cent.

Previously known as DHFL Venture capital, the fund had raised Rs 101crore in its first real estate fund in 2006-07 and has made six exits ever since.

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