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Exclusive: Bahrain's TAIB Bank exits Logix's IT park

BY SWET SARIKA



Bahrain's TAIB Bank has exited its eight-year-old investment in a commercial project of Logix Group, a top executive at the Noida-based developer told VCCircle.

TAIB Bank, through its real estate investment company Acacia Real Estate, had invested Rs 102 crore for a 49% stake in Logix's Techno Park in Noida's Sector 127 in 2008.

Shakti Nath, chairman and managing director at Logix Group, said the total exit value is Rs 137 crore. Of this, Rs 35 crore was paid earlier for a part-exit and the remaining will be paid now. "We signed the agreement last Friday and will disburse the exit money tomorrow," he said.

The move comes months after Logix, which develops commercial and residential projects as well as IT parks, said it was in talks with TAIB Bank to flesh out the modalities of an exit.

Nath said the company bought back the investor's stake through internal accruals.

"We have given healthy exits to our FDI partners, be it Apollo or TAIB Bank... We look forward to collaborating with them for more projects in future," he said.

Logix had earlier said it bought back the 50% stake of US-based private equity firm Apollo Global Management in its Logix Cyber Park, also in Noida, through internal accruals and gave an exit to the investor at a 10x multiple on an investment of Rs 72 crore.

Apollo had got exposure to Cyber Park in 2010 after it acquired Citi Property Investors, which had invested in the project in 2006. Apollo invested again in a Logix project recently, [putting in Rs 400 crore through structured debt](#).

Logix has also given [full exit to ICICI Prudential PMS Real Estate](#), which had backed its Blossom Greens residential project in 2011.

"We had (earlier) given them part-exit and paid the last leg of Rs 36 crore to them recently. We have returned money at a multiple of 2x," Nath said. He added that the total exit value for ICICI Prudential stands at Rs 160 crore.

India's real estate market has attracted a lot of money over the years. In the first six months of 2016, the real estate sector attracted a total of \$1.6 billion in equity and debt capital, according to VCCEdge, the data research platform of News Corp VCCircle.

However, exit has been a pain point for investors. Some recent exits include JM Financial and [Edelweiss exiting residential projects](#) of Bengaluru-based developer Century Real Estate. Apollo Global also recently exited Mumbai-based Ahuja Constructions' luxury project Ahuja Towers at Worli.

In some cases, though, investors have dragged developers to courts. Gurgaon-based developer BPTP, for instance, created exits for JP Morgan and Apollo Global in 2015 after a long-drawn arbitration battle.

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