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## INVESTMENT

**US firm to invest \$1 bn in Indian real estate****REUTERS**

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A US-based firm has entered a strategic partnership with New York-based real estate investment banking firm, Greenwich Group International LLC, to raise \$1 billion to finance commercial and residential projects in India. The money will be a mix of equity and debt, according to a statement on Thursday from Nevada-based Royal Indian Raj International Corp., which is headed by people of Indian origin. Royal Indian Raj will develop townships in four big cities Bangalore, Mumbai, Kolkata and New Delhi. The first, an \$18-million project in Bangalore, has been approved by the Indian government's foreign investment promotion board. "With the recent landmark legislation allowing foreign direct investment in real estate, the opportunity for participation in this formerly closed market is heightening," said Manoj Benjamin, Chairman and Chief Executive of Royal Indian Raj. India in February allowed full foreign direct investment in construction projects, but India has no real estate investment trusts listed vehicles that own buildings and pay dividends from rental profits which have emerged elsewhere in Asia. In June, leading Asian property developer Ascendas Pvt. Ltd. launched a 10-billion rupee (\$227 million) Indian technology parks fund and aims to double the fund's size over seven years. Ascendas Real Estate Investment Trust is Singapore's second-biggest listed property trust. GE Commercial Finance Real Estate, part of General Electric Co., has invested \$63 million in the Ascendas fund. "We are confident that India will be a major destination for worldwide capital in real estate investment and development over the coming decades," the statement quoted Simon Mil de, chairman and chief executive of Greenwich Group, as saying. The share of real estate in India's \$700-billion economy has risen to around 7 per cent from 5 per cent two years go. A US-based firm has entered a strategic partnership with New York-based real estate investment banking firm, Greenwich Group International LLC, to raise \$1 billion to finance commercial and residential projects in India. The money will be a mix of equity and debt, according to a statement on Thursday from Nevada-based Royal Indian Raj International Corp., which is headed by people of Indian origin. Royal Indian Raj will develop townships in four big cities Bangalore, Mumbai, Kolkata and New Delhi. The first, an \$18-million project in Bangalore, has been approved by the Indian government's foreign investment promotion board. "With the recent landmark legislation allowing foreign direct investment in real estate, the opportunity for participation in this formerly closed market is heightening," said Manoj Benjamin, Chairman and Chief Executive of Royal Indian Raj. India in February allowed full foreign direct investment in construction projects, but India has no real estate investment trusts listed vehicles that own buildings and pay dividends from rental profits which have emerged elsewhere in Asia. In June, leading Asian property developer Ascendas Pvt. Ltd. launched a 10-billion rupee (\$227 million) Indian technology parks fund and aims to double the fund's size over seven years. Ascendas Real Estate Investment Trust is Singapore's second-biggest listed property trust. GE Commercial Finance Real Estate, part of General Electric Co., has invested \$63 million in the Ascendas fund. "We are confident that India will be a major destination for worldwide capital in real estate investment and development over the coming decades," the statement quoted Simon Mil de, chairman and chief executive of Greenwich Group, as saying. The share of real estate in India's \$700-billion economy has risen to around 7 per cent from 5 per cent two years go

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