

# Bandra Reclamation project: Now, just L&T, Adani Realty

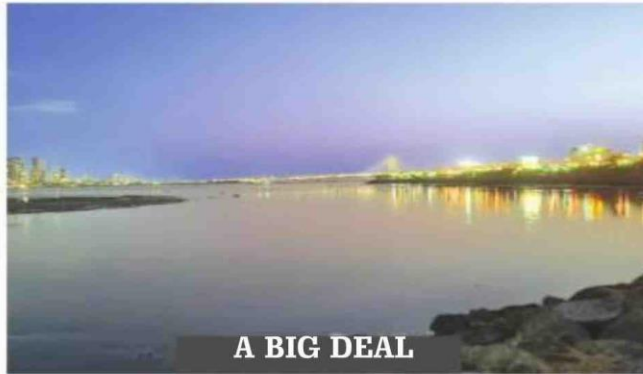
**JLL Property Consultants disqualified Mayfair Housing on ground that it could not meet financial criterion of single entity with ₹15,000 crore net worth; builders rued this condition**

DRAUPADI ROHERA / MUMBAI

It's official now. Developers Larsen and Toubro (L&T) and Adani Realty have qualified as the main contenders for the redevelopment of the grand 24-acre Bandra Reclamation sprawl proposed by the Maharashtra State Road Development Corporation (MSRDC). In its final report submitted to the MSRDC on Wednesday, JLL Property Consultants have disqualified Mayfair Housing from the bidding process.

According to reliable sources, JLL Consultants have mentioned in its report that L&T's net worth is in the range of Rs84,000 crore and that of Adani Realty is around Rs48,000 crore. Mayfair Housing, on the other hand, has stacked up resources from its various sister companies/units and come up with a total figure of around Rs15,000 crore. "Individually, their (Mayfair) net worth is about Rs2,000 crore. We do not want financially weak players. We are looking for financially and technically strong developers who will be able to undertake a project of this magnitude and scale, and be able to complete it on time. Mayfair Housing has, therefore, been disqualified", a top source told The Free Press Journal.

Reasoning further, he said that if they allow Mayfair then "by the same logic all the other 15-18 developers, who had attended the pre-bid meet hosted by JLL about three weeks ago, could also apply and become eligible". Sources pointed out that both L&T and Adani Realty have met the stringent criteria and eligibility norms laid out by the MSRDC in its tender process. One of the challenging conditions was that the bidder must have a minimum consolidated net worth of not less than Rs15,000 crore on March



▶ L&T's net worth is in range of <b>₹84,000</b> cr, say sources	▶ Its individual net worth is <b>₹2,000</b> cr
▶ Adani Realty comes at around <b>₹48,000</b> cr	▶ Financially weak players won't be able to carry forward grand project, assert sources
▶ Mayfair Housing stood at <b>₹15,000</b> cr after stacking up resources	

31, 2023. This is a criteria that most developers cannot meet in a single entity, said sources.

After a thorough scrutiny of the JLL report by its finance, legal and technical departments on Wednesday, the MSRDC is all set to open the financial bids/envelopes of both L&T and Adani Realty on Thursday. The high-level meeting will be attended by top MSRDC officials, JLL Consultants, L&T and Adani Realty representatives. Whoever offers the highest bid will be awarded the contract, MSRDC Joint Managing Director Kailas Jadhav told this newspaper. He added that since the MSRDC bids were of a revenue sharing model, the developer who offers the maximum percentage of revenue to MSRDC will "be the obvious choice".

It may be recalled that the pre-bid meet hosted by JLL for MSRDC had been attended by 18 top players, including Godrej Properties, Sunteck Realty, K Raheja

Corp, Wadhwa Group, Runwal, Oberoi Realty, Lodha, Sattva, Phoenix Realty, Sahana Group, JSW, Mahindra Lifespaces, Wellspun and Sumitomo. Of them, L&T, Adani Realty and Mayfair responded to the bidding process.

Many builders had questioned the eligibility norms in the tendering process. Raising serious concerns, some top builders had alleged that the MSRDC was favouring one or two big developers and that the bids were tailor-made for a select few. "The biggest of us will find it difficult to meet these norms. Imposing a financial criterion to have Rs15,000 crore net worth in one single entity is restricting the opportunity to one or two builders," a top builder had said.

Another builder, on condition of anonymity, added that the norms are stringent because the developer is expected to pay Rs8,000 crore to the MSRDC over a period of 9-14 years."