India's DLF mulls auction bid for New Delhi mall with base price of $366m - sources

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India's biggest real estate developer DLF is evaluating a bid for a prominent New Delhi shopping mall that has a starting auction price of $366 million, according to two sources and a public notice seen by Reuters.

The 1.2 million square feet Ambience Mall in the upscale southern district of India's capital has been put up for auction as its current owner, the Ambience Group, has not paid a debt of $149 million to Indiabulls Housing Finance and other creditors, according to a previously unreported public auction notice.

DLF will review data related to the mall's occupancy status and contractual obligations and then consider whether to bid for it or not, one of the sources with direct knowledge said.

DLF declined to comment. A director of Ambience Group, Aman Gehlot, also declined to comment on the notice or auction process.

The Ambience mall houses prominent brands like Swedish fashion retailer H&M and Uniqlo, owned by Japan's Fast Retailing. It is located right next to two other giant DLF malls on the same stretch, including one that houses luxury brands.

"It's a very well-located asset. It's become a destination in itself because of other malls around it. It's a bouquet of brands together," said the second source who declined to be named.

The Ambience Group's website states it has interest in residential and office real estate, as well as shopping malls and hotels.

A public notice stated the auction will end on September 5 and that the reserve price for the mall was INR29 billion.
A public notice stated the auction will end on September 5 and that the reserve price for the mall was INR29 billion ($366 million). It was not immediately clear when the auction began.

An Indiabulls executive involved in the auction process told Reuters two companies had expressed interest in the mall already, but declined to share their names.