



Press Release

Bombay Dyeing to monetize the land parcel at Worli for ~Rs. 5,200 Crs

Mumbai, September 13, 2023:

The Board of Directors of The Bombay Dyeing and Manufacturing Company Limited (BDMC) in its meeting held today on 13th September 2023, approved the proposal to sell the land parcel of about 22 acres (along with the associated FSI) in Worli, Mumbai to **Goisu Realty Private Limited** (a subsidiary of Sumitomo Realty & Development Company Limited) ("Buyer") in 2 phases, for a total consideration of about Rs. 5,200 Crs, subject to approval of its Shareholders. Upon approval of Shareholders, BDMC will receive about Rs. 4,675 Crs from the Buyer for Phase-I. The balance amount of about Rs. 525 Crs will be received upon completion of certain conditions by BDMC and execution & consummation of the definitive agreements thereto for Phase- II.

Commenting on the proposed transaction, Mr. Nusli Wadia, Chairman, said:

"I am happy to inform that BDMC is entering into agreements with Sumitomo group for sale of about 22 acres of land (along with the associated FSI) in Worli, Mumbai for a total consideration of about Rs. 5,200 Crs.

On completion of the proposed transaction, the Company will be able to:

- Record a pre-tax profit in excess of Rs. 4,300 Crs on account of this transaction.
- Report a strong positive net worth.
- Extinguish all its borrowings thereby saving interest costs and releasing the charge on encumbered assets.
- Pay dividend in future.
- Have a strong Treasury balance to fund the future realty projects.

The Board of Directors of BDMC had charted out a Strategy in March 2022 to change the company's trajectory which envisaged:

- Focusing on realty business for future growth and profitability.
- Accelerating sale of flats in Island City Center, Dadar [ICC].
- Monetizing its land bank.
- Deleveraging the Company by retiring its borrowings & improving credit rating.
- Developing the unutilized land parcels of the Company.
- Exploring joint development opportunities.



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We are happy to report that BDMC was able to generate a Net Revenue of about Rs. 1,050 Crs between April 2022 and June 2023, through sale of the flats in ICC by focused execution, leading to a reduction in the Company's borrowings by about Rs. 900 Crs in the same period.

Further, with a view to deleverage and strengthen the Balance sheet of the Company for funding future real estate projects, the Board decided to monetize BDMC's land parcel at Worli, Mumbai, after evaluating various other options.

The Board has also, in-principle, approved the development of the unutilized land parcels available with the company having a potential to create about 3.5 Million Square feet of residential / commercial property and generate a Revenue of about Rs. 15,000 Crs over the next few years. The development will be planned judiciously in phases to manage Company's cashflows efficiently. The Company will also evaluate other joint development and partnership opportunities to create a steady pipeline of future revenue and profits.

Considering the scale and impact this transaction will have on the future prospects of the Company, we seek support of all the stakeholders to ensure that the Company delivers sustainable shareholder value as we move forward."

For more details, please contact:

Edelman India Pvt Ltd

Kopal Jain - Mobile No: +91 8879591096

Shaheen Jordan - Mobile No: +91 9867146877