

Co to cut debt to Rs 1,000 cr

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Bangalore, Aug. 9

Real estate company Sobha Developers wants to bring down its debt to about Rs 1,000 crore this year, and its debt equity ratio to below 0.5. Currently, the company has debt of about Rs 1,300 crore, and its debt equity ratio stands at less than 0.7.

“During the first quarter of this fiscal, our debt went up by Rs 100 crore, primarily for our project launch in Gurgaon. But going forward, we would be able to bring it down to about Rs 1,000 crore,” Mr J.C. Sharma, Managing Director, Sobha Developers, told *Business Line*.

The company's debt was at Rs 1,450 crore at the beginning of last fiscal, and was reduced to Rs 1,250 crore during 2010-11.

The company raised debts from banks of Rs 250 crore during the quarter. “We do have unutilised limits of about Rs 500 crore available to us,” he added.