

Sobha Developers' net profit rises 20%

Our Bureau

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Real estate company Sobha Developers' net profit for the third quarter of this fiscal was up 20 per cent to Rs 49 crore from Rs 40.8 crore recorded during the corresponding quarter of last year.

This was achieved on the back of a 17 per cent growth in turnover to Rs 364.7 crore (Rs 310.4 crore).

The company sold about seven lakh sq ft during the October-December quarter, said a company release.

"While our sales have been on a constant rise, the price realisation has also increased from Rs 3,000 per sq ft to Rs 4,000. Encouraged by the demand, we launched three residential projects in the third quarter," said Mr J.C. Sharma, Ma-

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naging Director, Sobha Developers.

BETTER PERFORMANCE

The company, he added, was performing better than its earlier best times of 2007-08. "Our net worth has doubled, cash flows are higher, execution capability has increased, and our debt-equity ratio is healthier," he pointed out.

According to him, during the quarter under review, the company generated operational cash flow of Rs 300.6 crore, and its debt-equity ratio stood at 0.67. The company also monetised land for Rs 34.2 crore in this quarter, taking the total value of monetised land to Rs 450 crore in the past three years. "We would not be monetising land any more," he told *Business*

Line. On the corporate contractual work side, the company completed and handed over 0.46 million sq ft in this quarter, has 6.53 million sq ft to be delivered over two years and fresh committed orders of 6.94 million sq ft.

NEW CONTRACTS

According to the release, in the third quarter, the company bagged contractual orders worth about Rs 90 crore, from clients including Infosys Technologies, ITC, Biocon, Institute of Public Enterprises, GMR and Hotel Leela Ventures.

On future plans, Mr Sharma said that the company plans to launch 11 million sq ft in the next few quarters.