

Sobha raises Rs 124 crore from land sales in Q4

Expects to raise Rs 200 cr more this fiscal; eyes 30% margins

Pooja Sarkar. Mumbai

Sobha Developers Ltd, the Bangalore based realtor, has booked Rs 124 crore through land parcel sale in the last quarter, just missing its own target of Rs 150 crore.

It raised Rs 178 crore for the full year through land sale of 80 acres in Bangalore.

In the current year it is looking raising 200 crore by monetising land parcels.

It could also launch its Gurgaon project by the end of this financial year as it has started initial preparation for it.

The company officials said they would launch 8 million



square feet (msft) in the current financial year, with target sales of 3 msft, of which it has already launched 0.76 msft super luxury project in Bangalore with base price of Rs 6,502 per sft. It is expecting to sell at an average value of Rs 3,500 per sft for other residential projects and expects better pricing than last year without any discounts.

It at present has unsold inventory of 4.69 msft, of which it plans to sell 2 msft which is part of the annual target.

These projects are close to one-and-a-half year old and would take another 1.5 years to complete.

Last quarter Sobha announced it would come up with a product whose price range would begin from Rs 40 lakh with lesser size specification. But the company is still in discussion stage for it and has increased project price and expects to receive more price realisation from the forthcoming launches. Its present starting rate is approximately Rs 55 lakh. Even in its Sobha Garrison project, it could sell only 50 apartments in the last quarter taking the total to 194 of 310 flats.

Baaskaran Subramanian, chief financial officer, Sobha, said, "This quarter we are launching one or two projects in Bangalore, one each in Pune and Coimbatore."

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