

Shapoorji Pallonji Real Estate to launch six projects in FY18

Mumbai: Diversified Shapoorji Pallonji group's real estate arm is lining up at least six projects across the country in 2017-18, with two in the affordable housing segment, a senior company official said.

"We plan to launch at least six projects this financial year. Out of these, we would be developing two projects under our 'Joyville' brand to build affordable homes," Shapoorji Pallonji Real Estate chief executive Venkatesh Gopalakrishnan told *PTI* in Mumbai.

Of the six, 2-3 projects are being planned to come up in the megapolis, two in Pune and one in the National Capital Region (NCR), he said, adding that the company already has 40 million sq ft land bank across the country.

"We will be officially launching our affordable housing project in Virar by September-October. The second project under the Joyville brand at Hinjewadi in Pune will be launched by March 2018," Gopalakrishnan said.

The SP Group entered the affordable housing segment last year by joining hands with Standard Chartered Private Equity, International Finance Corp. (IFC), an arm of the World Bank, and the Asian Development Bank (ADB).

Under the agreement, the partnership will invest about \$250 million, which will be used primarily for buying land and setting up initial infrastructure. The company launched its first project under the brand Joyville at Howrah near Kolkata.

Asked whether the company is looking to raise funds for these projects, he said, "We already have the land, so the funds would be raised on project to project basis. This would be mainly through debt."

About the impact of the new Real Estate Regulatory Act (RERA) and the goods and services tax (GST), he said there will be certain teething issues in the beginning, but then developers will have to adapt to the change.

"As per the RERA, we have registered five ongoing projects, with four in Maharashtra and one in Bengaluru where the rules are out. We have projects in West Bengal and the north, but the rules there are not yet out," Gopalakrishnan added.