

Salarpuria Sattva to enter affordable housing business

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Bengaluru-based realty firm Salarpuria Sattva is entering the affordable housing segment with plans to develop two projects in the city at an estimated investment of around ₹900 crore.

Salarpuria Sattva is one of the leading real estate developers in South India with a focus on commercial real estate projects. The company, in partnership with global investment firm Blackstone, has developed many commercial projects.

Recently, Blackstone and

Salarpuria Sattva bought 'Global Village Tech Park' in Bengaluru from Coffee Day Enterprises Ltd for ₹2,700 crore.

"We are entering into the affordable housing segment. We are coming up with two projects to begin with," Salarpuria Sattva group Managing Director Bijay Agarwal told PTI.

He said the company will sell residential units in a price range of ₹25-60 lakh in these two projects comprising about 2,500 flats. The price will be around ₹3,500-4,000 a sq ft.

Both projects, one located near the Kempegowda Airport

and other on the Mysore Road, are expected to be launched early next year.

When asked about the investment, Agarwal said it will be around \$130 million (about ₹900 crore).

Real estate developers are focusing on affordable housing segment to beat the demand slowdown.

The government is promoting this segment by charging lower GST of 1 per cent and providing additional ₹1.5 lakh income tax deduction on interest paid on home loans. It is also providing interest subsidy under a central scheme.

According to a report by brokerage firm PropTiger, real estate developers are expected to deliver over 4.5 lakh affordable housing units by 2020.

Besides Bengaluru, the group has a presence in Hyderabad, Kolkata, Pune, Coimbatore, Jaipur and Goa.

The group is also into education and hospitality businesses among others. It has forayed into two major growing segments – co-working and co-living – in partnership with Co-live and Simpliwork.