

Mahindra Lifespace may raise Rs 250 cr debt by end-FY'12

Bureau

Mahindra Lifespace Developers, the real estate and infrastructure arm of the USD 14 billion Mahindra Group, may raise Rs 250 crore in debt before the end of the fiscal to part-fund ongoing projects in various states, a top executive said here today.

Mahindra Lifespace Managing Director and CEO Anita Arjundas said the company will soon launch a Rs 250 crore real estate housing project in Hyderabad.

"Though the board has given approval to raise Rs 500 crore, we may not raise entire amount. But we will certainly raise at least 50 per cent of it," Arjundas said at a press conference.

She said the company currently has around 10 million square feet of space at various stages of development and it requires a Rs 2,000 crore investment to complete all these projects in the next four years.

"In addition to Rs 500 crore, we have other sources such as advances from customers," the real estate developer added.

Elaborating on the Hyderabad project, which is coming up on 10 acres of land, Arjundas said the housing project will occupy around one million square feet of space and will be ready in the next three years.

According to her, Hyderabad, Pune and Nagpur will be the next important markets for the company and it is also exploring other long-term opportunities in Hyderabad.

Mahindra Lifespace, which currently caters to the middle and high-end housing segment, with unit sales prices ranging from Rs 2,700 to Rs 10,000 per square feet, is drawing up plans to enter the affordable housing segment in Tier-II cities, offering units in the price range of Rs 5 lakh to Rs 15 lakh, she said.

Shares of Mahindra Lifespace closed at Rs 251 apiece on the BSE today.