

Suncity to raise Rs 1,000 crore

Sudipto Dey
NEW DELHI

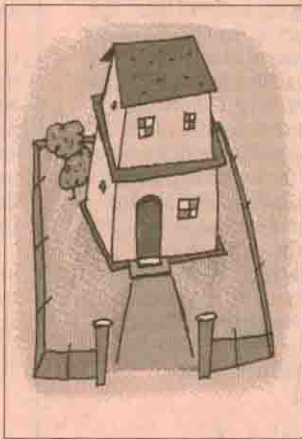
ESSEL Group's real estate venture, Suncity Projects, is raising around Rs 1,000 crore through private equity placements. Private equity placements would happen at the project level and there would be no dilution of equity in the company, which has three equal partners — Essel Group, Action Footwear promoters and Delhi-based Odeon Builders.

Already, Gaurav Dalmia-promoted private equity fund has picked up 33% stake in Suncity-developed township project in Indore for around Rs 30 crore. Other ongoing projects of the company, where talks are on with private equity players, include Leisure City project in Greater Noida, and township projects in Ghaziabad, Mathura, Kaithal and Rewari. The company has earmarked plans to develop 15 million square feet of residential, office, retail, and hotel space over the next two years, with fund requirements to the tune of around Rs 9,000 crore.

When contacted, Suncity Projects chairman LN Goel said that talks are on with sev-

eral private equity players for raising funds in various projects. However, the group would retain majority stake in the project, he added. Of the group's total fund requirement of around Rs 9,000 crore over the next two years, about Rs 1,000 crore would be raised through the private equity route, Mr Goel said.

Co-development with land own-



HOUSE THAT

The group is looking at tapping the capital market sometime in 2009. The company claims to have a land bank of around 3,500 acres. It has been involved in developing around 5 million sq ft space.

ers is another route that is getting popular with many developers.

Mr Goel said that the group is looking at tapping the capital market sometime in 2009 to raise funds for its real estate projects. The company claims to have a land bank of around 3,500 acre. It has been involved in developing around 5 million sq ft of residential, office and retail space over the last four years.

sudipto.dey@timesgroup.com