

Ajmera Realty expects Rs 4,000 cr revenue in 3-4 yrs from Rs 2,500 cr investment

Mumbai, Aug 16 (PTI) The city-based developer Ajmera Realty is expecting around Rs 4,000 crore in topline from the upcoming seven projects which need an investment of around Rs 2,500 crore, a top company official has said.

The company, which had a revenue of Rs 330 crore in the pandemic-hit FY21, is expecting to close FY22 with Rs 500 crore and has started off the fiscal on a robust note with the June quarter sales touching Rs 134 crore.

It earned a profit of Rs 10.26 crore in Q1, up from Rs 2.10 crore in June 2020. The proposed seven projects are coming up in Mumbai (four, one of which is a relaunch in the Mulund area), Pune (two) and one in Bengaluru and will have a saleable area of around 2 million sqft when fully developed.

"We are expecting topline to grow by Rs 4,000 crore from these seven projects and have budgeted around Rs 2,500 crore of investment in these projects," Dhaval Ajmera, director of Ajmera Realty & Infra, told PTI on Monday.

"Despite the pandemic we almost doubled our sales in the June quarter to Rs 134 crore, selling 91,000 sqft of home-units, which was a growth of 92 per cent on-year in volumes terms, and 70 per cent sequentially.

"While we lost April and May, June was very robust and so was July," he said, adding he expects the topline to sniff at Rs 500 crore this fiscal from Rs 330 crore last fiscal.

He credited the stamp duty cut effected last year as one of the major demand drivers and wants the states to continue this incentive for some more time. Other reasons for the rising home sales, according to Ajmera, are the pandemic driven need for larger homes, increasing demand from youngsters to buy a unit for staying on instead of the earlier trend of looking at a home unit as an investment, apart from the record low interest rates.

There is a huge demand for large homes and we had good sales of 3/4BHKs as many customers chose to upgrade as also many chose to shift from rented homes to own flats, he said.

Of the Rs 4,000 crore revenue expectation, he expects Rs 2,000 crore to come from the three projects it launched in January this year (two in Mumbai and the other in Bengaluru), investing around Rs 500 crore and the remaining four will be launched later this year, which it expects to fetch another Rs 2,000 crore.

That apart, it also has a ready-to-move-in inventory worth Rs 300 crore in Mumbai and Bengaluru that is nearing completion and is has already invested more than Rs 190 crore.

Its Mumbai projects include the 200-units Wadala project 40 per cent of which is already sold. That apart, it has four ongoing projects in London, from which it expects over Rs 300 crore sales and has so far invested Rs 75 crore.

Ajmera said the company exited the Bahrain market three months ago as the housing trend changed from ownership to rental apartment.

The Ajmera Group has built Asia's first township of 600 buildings comprising 16,000 flats at the Mira Road suburb in Mumbai in the 1980s, and since then it has delivered over 30 million sqft. The group has also played a major role in developing the real estate landscape in Wadala. (Bhakti Park).