

Sattva to bet ₹14,000 cr on realty

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BENGALURU

Real estate firm Sattva Group, backed by American investment firm Blackstone Inc., plans to invest ₹12,000-14,000 crore in the next 2-3 years developing commercial office, residential, and hotel projects, said a top company executive.

Around 40% of the planned investment will be deployed in office projects, 50% in housing development and 10% in hotel projects across existing cities it operates in, such as Bengaluru, Pune and Hyderabad. It is also set to enter two new property markets—Chennai and Mumbai, Sattva Group's managing director Bijay Agarwal told reporters.

The investment will be financed through a combination of equity, debt and internal accruals like sales.

Bengaluru-based Sattva Group has completed roughly 80 million sq. ft of projects across various business verticals. Another 88 million sq. ft is



Sattva Group's managing director Bijay Agarwal.

in various stages of planning and development—23 million sq. ft under construction and 65 million sq. ft in the pipeline.

Sattva and Blackstone have partnered to develop 32 million sq. ft, of which 18 million sq. ft has been completed and the remaining is under development.

It aims to almost double its residential sales from ₹3,500 crore in 2023-24 to ₹6,000-6,500 crore in FY25. On the commercial office front, it is expecting a 20% growth in annuity income from ₹2,000

crore in FY24.

“Up until the pandemic in 2020, our bigger focus was on the commercial office business. However, given the momentum in the residential sector since then, we have witnessed strong sales and have a significant launch pipeline of housing projects. We are also seeing a resurgence and stronger pick-up in office leasing this year,” Agarwal said.

India's real estate sector is currently undergoing a housing boom, with developers clocking record growth in sales in the aftermath of the pandemic. The commercial office sector, which went through its share of challenges, also seems to be on a recovery path with leasing picking up and a huge pipeline of projects.

Sattva Group, which counts Google, Novartis, JP Morgan as some of its largest tenants, has around 9 million sq. ft of office projects under development in Bengaluru, Hyderabad and Pune. It is launching a 4.5 million sq. ft office development in Chennai's Old Mahabalipuram Road (OMR).