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# Shriram Properties buys new project in city; eyes Rs 1,200 cr sales revenue

**CHENNAI:** Realty firm Shriram Properties Ltd on Tuesday said it has acquired development rights for 1.9 million square feet at an ongoing housing project in Chennai and aims Rs 1,200 crore worth sales revenue over the next five years.

As per a release, the project named 'Divine City' is to be developed in three phases with an aggregate saleable area of 3.2 million square feet.

The first phase of 1.3 million square feet area was already launched by the erstwhile owners under the brand 'Shriram Divine City', with Shriram Properties as the development manager.

The project was launched pre-COVID while the remaining two phases (1.9 million square feet area) is yet to be launched.

"Given the change in partner's market strategy, the erstwhile owners have decided to monetise their development rights in the remaining phases of the project..." the statement said.

To grow its business in Chennai, Shriram Properties has decided on the "acquisition of development rights in Phase-2 & 3 of the project with a saleable area of 1.9 million square feet. The project has a revenue potential of around Rs 1,200 crore in next 5 years." The company plans to re-launch the project under a

new identity during the first half of FY24.

M Murali, CMD, Shriram Properties, said, "The acquisition is value accretive and will help us leverage the strong position in the micro market. Also, the acquisition will allow Shriram Properties to have full control of the remaining phases of the project and unlock better value." Shriram Properties said its Chennai portfolio comprises four key projects, with around 6.8 million square feet of saleable area, including 1.8 million square feet in completed projects/phases and about 5 million square feet in ongoing project/phases.

Nearly 60 per cent of ongoing project is sold already and there are no material inventory in completed projects/phases.

The company is targeting to launch two new projects over the next 12-18 months in the Chennai markets, with an aggregate sales potential of 3.3 million square feet.

Shriram Properties is one of South's leading residential real estate development companies, primarily focused on the mid-market and affordable housing categories. Its key markets include Bengaluru, Chennai and Kolkata which together accounts for nearly 85 per cent of its development activities.

