

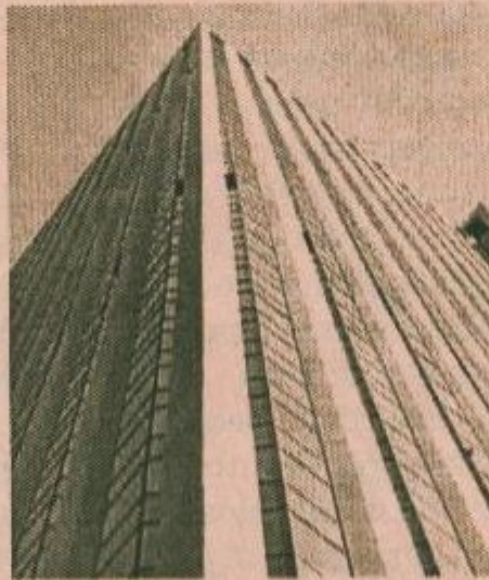
# Hyd's Vasathi Housing plans 3 affordable housing projects

**Kavitha Venkatraman**

Hyderabad, Mar 19: Hyderabad-based real estate firm, Vasathi Housing & Infra Pvt Ltd, is planning to develop three affordable residential housing projects at an estimated cost of Rs 200 crore, to cater to the surging demand for low-cost housing.

While the company will launch the first project, 'Vasathi Navya', in Hyderabad in April, the second project 'Vasathi Anandi' is likely to be launched by June 2010. 'Vasathi Navya' is a self-contained gated community with 200 apartments of sizes ranging from 950 square feet to 1,150 sqft, at a starting price of about Rs 19 lakh, excluding stamp duty, registration and government taxes. Similarly, 'Vasathi Anandi' is also a gated community project, with 500 apartments. The estimated cost of the two projects is about Rs 100 crore.

Vasathi is planning to start another project in Bangalore by December at a total cost of Rs 100 crore. The company is in the process of raising long-term debt from banks and financial institutions for the three projects.



According to PV Ravindra Kumar, CEO, Vasathi Housing & Infra Pvt Ltd, the affordable housing segment offers a lot of scope for developers as there is a huge demand. According to a Knight Frank report on affordable housing during the second quarter of 2009, the housing requirement for the Rs 3-10 lakh income group across the NCR, Mumbai, Pune, Bangalore, Chennai, Hyderabad and Kolkata is approximately 2 million units by 2011, which, assuming an average unit size of 800 sqft, translates into a latent requirement of 1.60 billion sqft of residential space.

Hyderabad accounts for approximately 2.25 lakh residential units.

He said, "The roadmap of the company is to focus on

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the segment and develop more affordable housing projects in other parts of the country. In 2011, Vasathi would look at other cities like Chennai and Bhubaneswar to develop projects. By 2014, Vasathi aims to deliver 15,000 housing units in select major urban agglomerations in India. The company has already raised money from angel investors across the globe to the tune of Rs 15 crore. Rs 20 crore and within the next few days, we will be further mobilising funds to the tune of \$2 million to partly fund the three projects which we have planned for in 2010. Our target is to raise Rs 100 crore from venture capitalists and other investors in 2011 to support our development plans."