

DLF considering to enter Mumbai market with a residential project

Synopsis

According to ICICI securities, in spite of the impact of the second Covid wave in North India during the quarter, DLF clocked net sales bookings of Rs 10.1 bn in Q1FY22 vs. Q4FY21 bookings of Rs 10.6 bn and Q1FY21 bookings of just Rs 1.5 bn.



The company is also looking at Noida market and was evaluating a stressed asset.

DLF will soon enter the Mumbai market even as the company is finalising plans to monetise its land bank in Nagpur and **Pune**, DLF's newly appointed chief executive, Ashok Tyagi told investors on Tuesday.

"Tulsiwadi in Mumbai is something we are looking to monetise and we feel now is the right time to take it to the market. We are talking to both the shareholders," Tyagi said.

With a development potential of 9 lakh sq ft and a premium location, the company is expected to launch high-end residential towers by the end of this fiscal.

"A lot of local players are approaching us from Mumbai and we are in discussions with them. We don't want to be on our own and there are multiple proposals. We are currently evaluating all the proposals," Tyagi said.

The company is also looking at **Noida** market and was evaluating a stressed asset.

DLF Ltd reported a net profit of Rs 337.17 crore for the quarter ended June compared to a loss of Rs 71.52 crore in the corresponding quarter last year as strong demand in residential business buoyed overall sales.

The consolidated revenue of the company stood at Rs 1,243 crore, reflecting a 92 per cent Y-o-Y increase.

Net sales bookings stood at Rs 1,014 crore, reflecting a Y-o-Y growth of 567%, while sales from new launches totted up to Rs 542 crore.

"Sale of Super luxury apartments in The Camellias and independent floors have contributed Rs 900 cr of the sale. While demand for large apartments has pushed the sale for Camellias, many fence sitters have bought after we launched the club. The club is something which the world has never seen and we have done a lot of work in Camellias in the last four years," said Aakash Ohri, senior executive director of DLF Home **Developers Ltd.**

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“We expect the sales to increase further around September-October when NRIs start coming into India. Whatever inventory we have, we are focusing on selling it and then will do the same in the new geographies we are entering,” said Ohri.

The company intends to launch new projects of 8.3msf in FY22E and is targeting an annual booking run-rate of at least Rs40bn vs. pre-Covid levels of Rs20-25bn on the back of new launches along with completed inventory worth Rs51.8bn as of Jun '21.

According to industry reports, the value of the units in The Camellias has appreciated by 88% on an absolute basis.

The Camellias, launched in 2014 at Rs 22,500/sq ft, is currently selling it at Rs 38,500/sq ft.

The total value of the project is Rs 12,000 crore and, according to DLF, about 15% of the owners are upgraders from ‘The Magnolias’ and ‘The Aralias’, while most buyers are from Delhi NCR.

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