



Nitesh Estates, which had a net debt of ₹1,500 crore as of 31 December, has cut it by around ₹450 crore through these two deals. (Mint)

## Nitesh Estates pares ₹450 crore debt via asset sale

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Madhurima Nandy

- Nitesh Estates has sold a 21,000 sq. ft residential plot for ₹55 crore in Bengaluru's Cunningham Road
- Nitesh Estates, in March, sold Plaza Centre Mall in Pune to Era Realty Pvt Ltd, part of ABIL Group



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**Bengaluru:** Bengaluru-based Nitesh Estates Ltd has sold a 21,000 sq. ft residential plot for ₹55 crore in the city's upscale Cunningham Road as part of its effort to pare debt and exit residential projects.

With the transaction, signed on Monday, Nitesh Estates has repaid ₹40 crore borrowed from HDFC Ltd, the company said. The plot was sold to a high net-worth individual investor, whose details were not disclosed.

Nitesh Estates, in March, sold the Plaza Centre Mall in Pune, comprising 1 million sq.ft, to Era Realty Pvt Ltd, part of ABIL Group.

Goldman Sachs Investments (Mauritius), an investor in the development, has exited with this deal, the company said.

Nitesh Estates, which had a net debt of ₹1,500 crore as of 31 December, has cut it by around ₹450 crore through these two deals.

"We had aimed to reduce ₹700 crore of debt, so the remaining ₹250 crore will be pared through the sale of assets in Bengaluru and by bringing in strategic partners or investors into specific projects," chairman and managing director Nitesh Shetty said in an interview.

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Currently, the developer has around nine residential projects in Bengaluru and a couple of commercial office developments. While the nine residential projects will be completed and handed over to customers, the company plans to sell another residential project and raise capital.

Shetty said there are six to seven more land parcels which the company wants to divest.

"While we were growing at a fast pace in the residential space, there have been multiple stumbling blocks the sector has gone through in the past year or so. We were a B2C (business-to-customer) company but now we want to become a B2B (business-to-business) company, where we don't want to own the products," he said.

India's realty sector has faced extreme volatility in the last few years due to regulatory changes, an ongoing slowdown and most recently, the liquidity crisis in non-banking financial companies.

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