

■ Gammon, HCC, Simplex, Soma Push To Cash In On Boom Infrastructure sector leaders to kick off housing play

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NEW DELHI

TO CASH in on the real estate boom, infrastructure developers such as Gammon India, Hindustan Construction Company, Simplex and Soma Enterprise are foraying into housing development.

Gammon India — which has been involved in building roads, ports and power projects — now wants to venture into housing sector. “We are looking at opportunities for constructing housing complexes. There is a huge demand for quality products. We intend to cater to all segments,” Gammon India’s assistant vice-president Umesh Gupta said.

Feedback Ventures’ infrastructure division managing director Gopal Sarma says that infrastructure developers have a definite advantage in venturing into real estate business. “Construction firms have an edge in the real estate segment since they have the required technical skills. This reduces

their business risk considerably,” he said. Certain infrastructure developers have created separate divisions for the new venture. Soma Enterprise, which is in the process of finalising details for its first real estate project in Bangalore, has created a separate real estate division. The Bangalore project is a 100-acre township, primarily with residential housing.

The company’s decision to enter into real estate business is due to increasing demand for urban housing. “Soma had invested in lands in the last few years. The investment has now matured and this is the time for entering into property development,” Soma Enterprise director Ankineedu Maganti said. He admitted that the executional requirements in the real estate segment are similar to that of the infrastructure sector.

Simplex Infrastructure, which has so far confined itself to developing roads and power projects, is now entering the real estate market primarily in the south. “Simplex is looking at

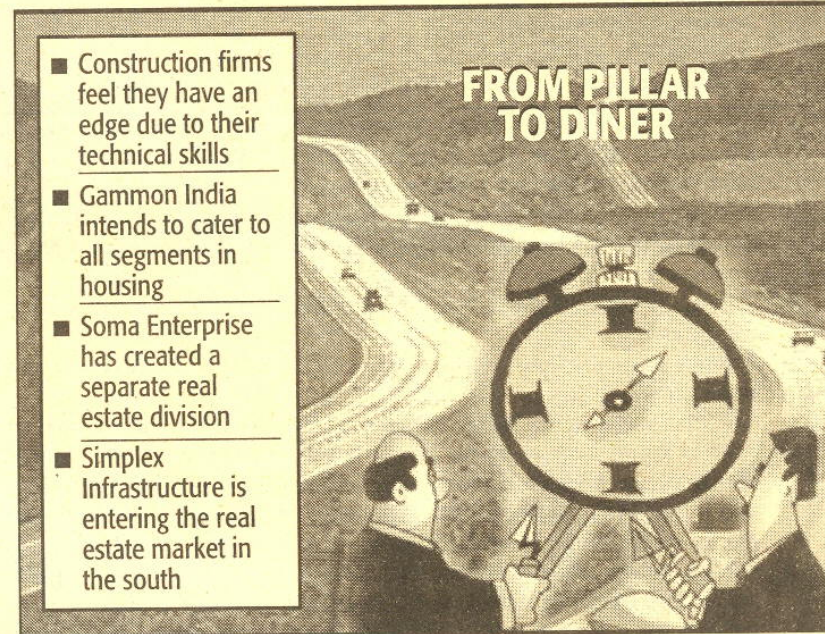
■ Construction firms feel they have an edge due to their technical skills

■ Gammon India intends to cater to all segments in housing

■ Soma Enterprise has created a separate real estate division

■ Simplex Infrastructure is entering the real estate market in the south

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value addition by entering the segment. We have already identified 1.5 million square feet for real estate con-

struction for retail, commercial and residential spaces,” said Simplex director Amitabh Mundhra.