

[Nisus Finance backs Shriram Land project](#)



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Courtesy: Shriram Land

The Shriram Hamsadhwani project in Bengaluru has residential plots and low-cost flats

Alternative asset management company Nisus Finance Services Co Pvt. Ltd said on Monday it has invested Rs 30 crore (\$4.5 million) in an ongoing residential project of Bengaluru-based developer Shriram Land Development.

Nisus, led by former Essel Finance chief Amit Goenka, said the money has been invested in the Shriram

Hamsadhvani project at Anekal near Electronic City in Bengaluru. The project is spread across a million sq ft and has residential plots as well as low-cost apartments.

Goenka, managing director and CEO at Nisus, said the investment is in line with the company's strategy to back affordable housing and plotting projects.

Affordable housing has received a lot of attention after the Narendra Modi government set a target to provide housing for all Indians by 2022. Many developers have started affordable housing projects while International Finance Corporation and a couple of impact investors have struck deals in this segment, although mainstream private equity investors have stayed away due to thin margins.

Nisus has two strategies to back residential projects; it offers debt funding through non-convertible debentures and purchases apartments in bulk. Goenka said the deal with Shriram Ram is the first investment from the company's maiden fund.

Debt deals dominate real estate investments in the country with new lenders taking out existing ones in many cases. With sales dropping considerably and banks curbing lending to the sector, developers are heavily relying on high-cost debt from PE firms, non-banking finance companies and other financial institutions to stay afloat.

Some recent deals in the sector include Altico Capital investing Rs 575 crore across mid-income residential projects in Mumbai, Pune and Bangalore and Xander Finance backing a project of North India-based Orris Infra.