

VOLUME 20 | ISSUE 09 | JULY 2024

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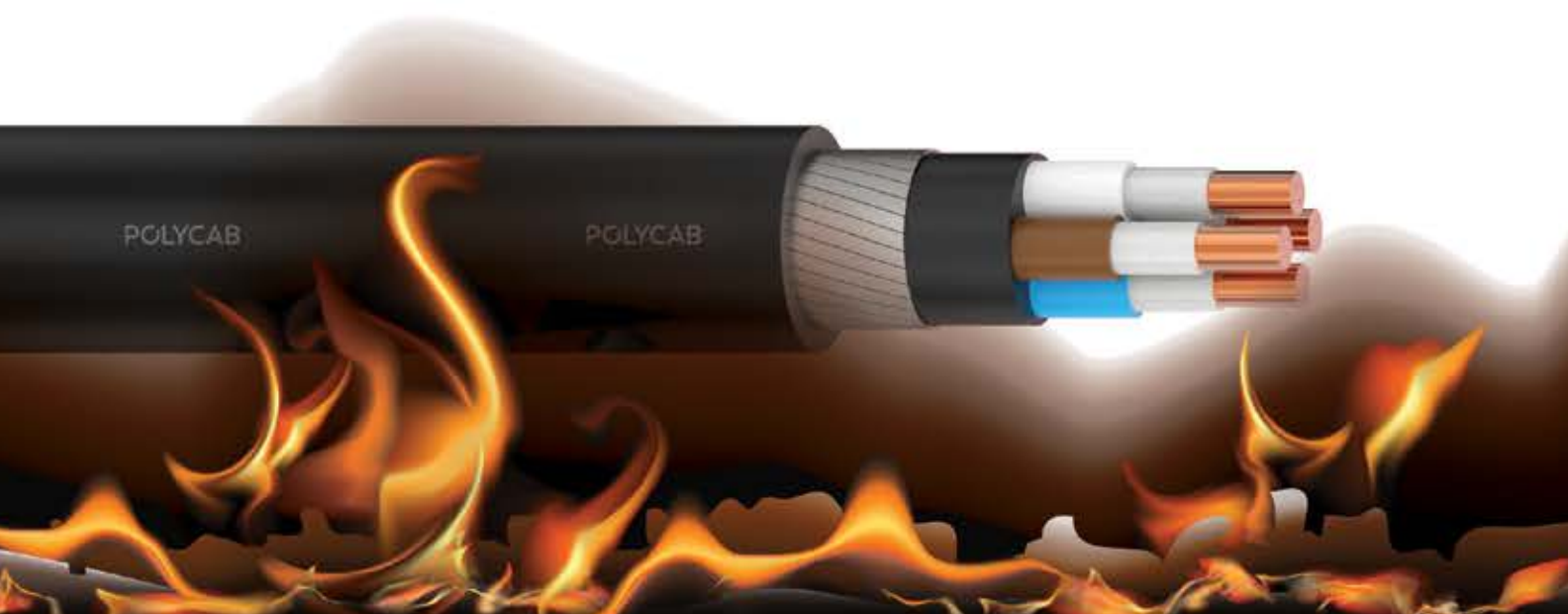
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*by* **ANNURAG BATRA**

Editor-in-Chief

## GOOD NEWS IS A RAY OF SUNSHINE

**T**he month of July has been quite eventful. The announcement of Union budget 2024-25 brought quite a bit of cheer with its new tax regime rate structure providing salaried employees with significant benefits. Reduction on customs duties on various imported goods and gold has been another good news. For real estate the significant allocation of Rs 11.11 lakh crore towards capital expenditure will lead to infrastructure development boosting real estate market and allocation of Rs 2.2 lakh crore under the PM Awas Yojana-Urban is set to address the housing needs. There have been other forward-looking steps in the budget that align with India's growth story.

Another exciting happening of the month was the launch of Architecture And Design Festival by Realty+ that is set to create a benchmark in the Indian design industry. The inaugural edition held in Mumbai was a unique gathering of top designers and architects from across India and other countries.

The high-profile event was a day full of insightful discussions followed by the felicitation of Iconic Designers of India and awards for architects and designers in various segments. What sets it apart in the industry is its vision to be a business platform for the design fraternity and a place to network with designers from across the field as well as the prospective clients and partners.

Presence of Hong Kong based Ar James Law, Founder Cybertecture was inspirational as he presented the future of what design and architecture could become and how it could address the challenges of the mankind,

As we keep building new products and initiatives, our underlying endeavor has always been to create value for all the stakeholders of the real estate, building and construction sector. As the month of July draws to an end, the coming days will unwrap many new programs that are under planning

So, keep watching this space as more exciting news is on the anvil.

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# FROM THE EDITOR'S DESK



The union budget 2024 -25 was a mixed bag of hope and disappointments for the country. Talking of real estate, the long-standing demands of industry status, single window clearance and GST rationalization were once again dodged. However, increasing the income tax slab for the salaried and investment of ₹10 lakh crore, including the central assistance of ₹2.2 lakh crore in the next 5 years is a positive for real estate sector in the long run.

Housing shortage has been the bane of Indian metropolises and redevelopment seems to be the answer. The key is to ensure, the deserving and the needy are the ones that get benefited from various state's redevelopment schemes.

**Sapna Srivastava**

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You can access the web edition of Realty+ at [www.rprealtyplus.com](http://www.rprealtyplus.com) and also subscribe for the Daily Newsletter. You can send your letter to us at [realtyplus@exchange4media.com](mailto:realtyplus@exchange4media.com) mentioning the sections name in the subject line.

# IN BOX



It is an immense honor to receive the Realty+ Excellence Award 2024 in Gujarat and I am humbly thankful to Jury who selected Property Buildtech for Best Property consultant Residential. This accomplishment is a milestone for us. We are currently operating in Premium residential Real Estate category in Ahmedabad & we plan to expand our footprints in other cities across India. Our aim is to streamline traditional way of real estate transactions in modern way wherein buyer would be aware of all nitty gritty of property, location & specifications etc. This shows in our annual numbers wherein we see maximum percentage of transactions happened by existing client's word of mouth.

**Prateek Shrivastava**

Founder & CEO,

Prachit Property Buildtech Pvt. Ltd.

I am deeply grateful and honored to receive the Realty+ Architecture Award for our project, 'The Elevated Compact House.' I sincerely appreciate the award committee for recognizing 'The Elevated Compact House' as 'The Architecture Design of the Year.' This award motivates us to keep pursuing excellence and making a positive impact on the built environment. Thank you for this incredible honor. As a globally active architecture and interior design firm, our future vision is driven by a commitment to excellence, innovation, and the preservation of India's rich architectural heritage through the design of cultural campuses. We aim to expand our portfolio across India and internationally, developing exceptional residential, commercial, hospital, educational, and cultural spaces.

**Ar. Prashant Parmar**

Shayona Consultants

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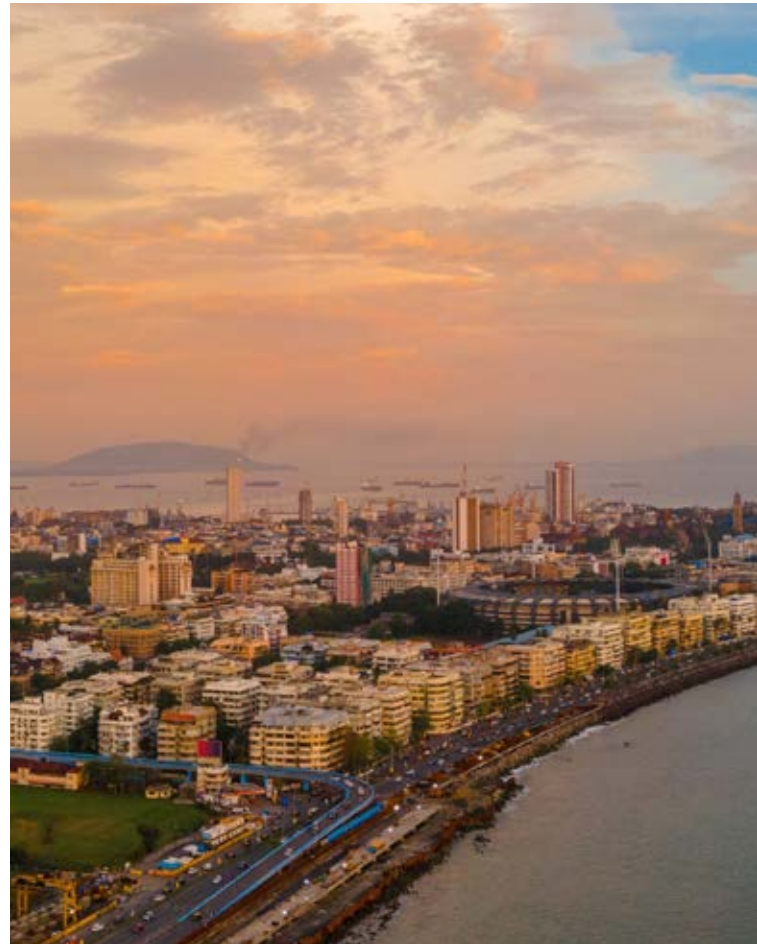
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**EVENT : PRIDE OF GUJARAT'S REAL ESTATE**

## Retail Sector's Strongest H1 Leasing In 5 Years

**C**BRE South Asia Pvt. Ltd. recent report highlights real estate growth, trends, and dynamics across the retail sector in India.

According to the report, retail leasing soared 5-year high in Jan-Jun '24, taking 3.1 mn. sq. ft. across eight cities compared to last 5-year H1 period. On an annual basis, retail leasing witnessed a growth of 7% Y-o-Y in H1 2024 to touch 3.1 mn. sq. ft,

compared to 2.9 mn. sq. ft. in H1 2023.

In H1 2024, the absorption was led by Bengaluru, followed by Chennai and Delhi-NCR, accounting for nearly 59% of the total leasing. In the coming quarters, the influx of investment-grade mall supply will influence primary leasing trends, while leading malls across key cities will continue to witness strong demand for secondary spaces.



## India Keeps Crypto Tax Rules Unchanged

**I**ndia's Finance Minister Nirmala Sitharaman kept crypto tax rules unchanged in her address announcing the nation's budget for 2024-2025. The primary demand from India's crypto industry was to reduce the controversial tax-deducted-at-source (TDS) policy on crypto transactions from 1% to 0.01%. It made its representations to government

officials with evidence from several sources, including a think tank study that provided evidence to support a reduction in the TDS.

The industry also asked the government to establish progressive taxes on gains instead of the flat 30% rate, and allowing losses to offset gains. They have also pushed for multi-agency regulation.

## GCCs To Absorb 26 Mn SqFt Office Space By 2027



**K**night Frank, in their report 'cited that office absorption by Global Capability Centres (GCC) is estimated to reach 26 mn sq ft by 2027 up from 19.69 mn sq ft in 2023. Transaction activities have increased by 16% from 16.99 mn sq ft in 2018 with GCCs completing 6,667 office leasing deals across eight major cities between 2018 and 2023.

The growth of GCCs highlights India's potential to enhance processes and drive business innovation. The report highlighted an urgent need for Data, AI and Analytics leaders in GCCs to collaboratively come together to discuss their greater role to create competitive advantage for their global enterprises. It is imperative to constantly identify new growth opportunities, drive innovation with Gen AI and realign business strategies.

IT/ITeS sector GCCs lead the chart followed by BFSI and Consulting GCCs. For BFSI, Mumbai leads with highest percentage of GCCs under the BFSI sector and Bengaluru leads with highest percentage of GCCs in the IT/ITeS sector.

## LICHFL Individual Home Loan Disbursements Up 16%

LICH Housing Finance Ltd announced its standalone audited results for the first quarter. Total disbursements were at Rs. 12915 crs in Q1 FY2025, as against Rs 10856 crs for the corresponding period in FY 2024, up by 19%. Out of this, disbursements in the Individual Home Loan segment were at Rs. 10932 crs against Rs 9419 crs in Q1 FY2024, up by 16%, whereas Project loans were at Rs. 521 crs compared with Rs 251 crs in Q1 FY2024, up by 108%.

The Individual Home Loan portfolio stood at Rs. 246275 Cr as on June 30, 2024, as against Rs. 231087 cr as on June 30, 2023, up by 7 %. The Project loan portfolio stood at Rs. 8099 crs as on June 30, 2024, as against Rs 11321 crs as on June 30, 2023. The total outstanding portfolio grew by 4 % to Rs. 288665 crs from Rs 276440 crs in the earlier year.

## Indian Logistics Industry To Grow At 11% CAGR



The Indian logistics industry is expected to grow at an impressive CAGR of 11%, reaching a size of USD 468 billion by FY2027. With a 500% increase in budget allocation since 2014, road infrastructure has seen remarkable improvements, potentially saving up to INR 4.8 trillion annually in logistics costs, as per Rubix Data Sciences.

Rail freight loading has grown steadily, reaching 1,591 million tonnes in FY2024, with dedicated freight corridors enhancing operational efficiency. The Indian air cargo industry recorded a robust CAGR of 23% from FY2021 to FY2023, overcoming pandemic challenges.

Major ports handled 819 million metric tonnes of cargo traffic in FY2024, marking a 7% CAGR growth between FY2021 and FY2024.

## SNIPPETS

### Mhada Announces NOC Fee Waiver For Eligible Applicants

MHADA's Mumbai Building Repair and Reconstruction Board, regional unit, has granted offer letters to 158 eligible applicants from the Master List of old cess buildings through a computerized lottery.

### YEIDA To Build Flatted Factory Units For Startups

The Yamuna Expressway Industrial Development Authority (YEIDA) has decided to develop and allot flatted factories for setting up start-up businesses.

### RERA Disposes Of Nearly 1.25 Lakh Consumer Complaints Across India

Real Estate Regulatory Authorities (RERA) of various states and Union Territories (UTs) resolved 1,24,947 consumer cases as of July 1, 2024, as per the Economic Survey 2023-24

### Hong Kong To Provide Free Retail Space To Emerging Startups

The Wellbeing Start-up program will run for seven months – from October this year to April next year –and will provide 10 shop premises in the authority's shopping centres.

### Dubai Using Drones & AI To Monitor Housing Projects

Drones and AI (artificial intelligence) are used to monitor construction activities at residential and housing project sites in Dubai.



## PE Investment In Indian Real Estate Increases 42% YoY



Private equity investment inflows into the Indian real estate sector were recorded as USD 1.7 billion (INR 142 billion) during H1 2024, registering a 42% increase YOY. However, the inflows in Q2 2024 were at par with the corresponding period previous year and stood at USD 1.1 billion (INR 96 billion) in Q2 2024, according to the latest findings by Savills India, a global real estate consulting firm.

The quarterly data indicates

that commercial office assets maintained their leading position, capturing approximately 51% of the total investment volume. Further, investment in residential sector is picking up pace, as it stands a close second with a 47% share. This could be attributed to the sector's attractiveness due to sustained demand as well as constant infusion of new projects by developers that is being funded by institutional investors.

## Construction Equipment Sales Remain Flat

Indian Construction Equipment Manufacturers' Association (ICE-MA) estimates about 24,000 units have been sold during the three-month period, similar to the volume reported in the same period last fiscal year.

As per projections, sales of construction equipment remained largely flat in the first quarter of the ongoing fiscal year, after posting robust growth the last two fiscal years, hurt by a slowdown in the award of road construction projects and subdued demand due to general elections.

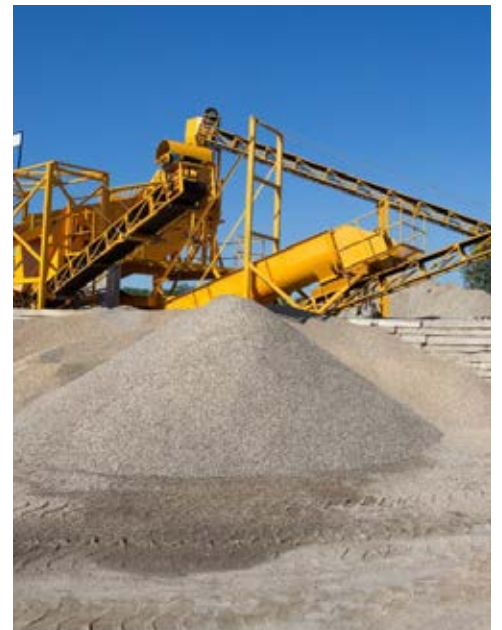
While the election impact had hurt first-quarter sales, the rainy season when construction activity dwindles is likely to keep demand subdued in the rest of the first half of the ongoing FY25.

## Indian Cement Sector Bright Forecast Despite Stagnant Global Demand

Cement demand in India continues to be a bright spot as it bucks global trend of flattish demand, the Economic Survey 2023-24 said. Focus on mega infrastructure projects such as highways, railways, housing schemes and smart cities will boost demand "significantly". This apart, the push for rural development and increased investment in industrial and commercial construction support growth prospects.

Apart from India, other markets witnessing growth in cement demand include, Africa, West Asia and North America.

The survey noted that the industry has maintained a capacity utilisation rate of approximately 60-65 per cent in recent years. Gross margins in the cement industry will likely be robust globally, helped by higher prices and lower fuel costs.



AUGUST  
**22**  
THURSDAY



KEYNOTE SPEAKER

**DR NIRANJAN  
HIRANANDANI**

CHAIRMAN



TAJ SANTACRUZ, MUMBAI  
12:00 PM TO 1:00 PM

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By: Sapna Srivastava

**M**umbai, the city of dreams has 77% of India's tall buildings and also has the distinction of being the city with Asia's largest slum, Dharavi. And along with Dharavi, there are a few other major slum areas that are gradually undergoing a transformation.

The Government of Maharashtra slum rehabilitation scheme, using land as a resource and by allowing incentive floor space index (FSI) in the form of tenements for sale in the open market, has been engaging private developers for slum rehabilitation tenements which are

to be provided free to the slum-dwellers. Keeping in mind the ever-increasing number of slums in the city, the state government has taken up some of the major redevelopment projects across the city of Mumbai.

### Dharavi Redevelopment Project

Dharavi, spanning 600 acres, is one of Asia's largest slums, home to 60,000 families. A significant step forward was taken in 2024 with the commencement of a survey of each resident's tenement, expected to be completed by October or November 2024. The Adani Realty has won the bid for the 259-hectare redevelopment project. The ambitious seven-year project aims to rehabilitate 6.5 lakh slum dwellers across 2.5 sq km.



An aerial photograph of Mumbai, India, showing a dense urban landscape with numerous high-rise buildings and skyscrapers. The city is situated along the coast, with the Arabian Sea visible in the foreground. The sky is a mix of orange and blue, suggesting sunset or sunrise. The text 'CITY OF SKYSCRAPERS & SLUMS' is overlaid in large, white, bold letters.

# CITY OF SKYSCRAPERS & SLUMS

**MUMBAI HAS THE MAXIMUM NUMBER OF TALL BUILDINGS AND ALSO SOME OF THE LARGEST SLUMS IN THE COUNTRY. MEGA REDEVELOPMENT PROJECTS UNDERWAY SEEM TO BE THE WAY TO BRING DREAMS OF MANY CITY RESIDENTS TRUE.**

## **Bandra Reclamation Redevelopment**

Another bid won by Adani Realty is that of 24-acre Bandra Reclamation Redevelopment close to the Bandra-Worli Sea Link. In Phase 1, the developer will take up 6-7 acres of land where MSRDC is located for development. The bidder has to relocate the MSRDC office and provide them with a fully furnished 50,000 sq ft office within a five-kilometer radius of its present office, according to the terms of the bid. The land parcel has a potential development area of 45 lakh square feet and is valued at around ₹ 30,000 crore, as per reports.

## **Bhendi Bazaar Redevelopment Project**

The Saifee Burhani Upliftment Trust (SBUT) is spear-

heading the Bhendi Bazaar redevelopment project, aimed at revitalizing the cramped and rundown 16.5-acre area in South Mumbai. The ambitious project entails the redevelopment of 250 buildings, 1,250 shops, and the rehabilitation of 3,200 families, with a focus on modernizing infrastructure. The revamped complex will feature 17 towers, 60-foot roads, ground-plus-two floors for commercial use and underground parking. Residential units will boast a minimum 350 sq. ft. carpet area. While the first phase was completed in 2019, the project's anticipated completion date is 2025.

## **Kamathipura Redevelopment Project**

In January 2023, the Maharashtra government gave



the green light for the redevelopment of Kamathipura, a sprawling 27.59-acre site in south Mumbai. Most of the existing houses in Kamathipura range from 60- to 1,614-square feet, and are in dilapidated state. There are 943 cess buildings over 100 years old housing 8,238 tenants. There are also 349 non-cess buildings, 14 religious structures, two schools and four reserved plots that will be covered under the project. The Maharashtra Housing and Area Development Authority (MHADA) is overseeing the project as the nodal agency and special planning authority. It has appointed a consultant to prepare a detailed project report (DPR) and request for proposal (RFP) which are ready & its is soon going to float tenders for the project.

### **Ramabai Nagar Slum Redevelopment Project**

The Mumbai Metropolitan Region Development Authority (MMRDA) and Slum Rehabilitation Authority (SRA) have collaborated on the Ramabai Nagar Slum Redevelopment project, aiming to transform the 33.15-hectare Ramabai Ambedkar Nagar slum in Ghatkopar, Mumbai. The ambitious project seeks to provide housing for 16,575 slum residents, while also generating revenue through commercial sales. With a projected completion timeline of 10 years, the first phase is already underway, with anticipated revenue of Rs 10,000 crore from commercial sales.

### **Bandra Slum Redevelopment Project**

The multi-storied slum pocket, called Shastri Nagar, had touched the boundary of platform 1 of Bandra station for the past several decades. The project had been stalled since 2002 but is now making progress with demolitions underway. The plot will be used to build several towers to rehabilitate 1,400 eligible slum families. The developer, Pioneer, will also build a tower in the sale component. Additionally, an access road will be constructed providing direct connectivity from the west end of Bandra station to Western Express Highway. Once completed, the project is expected to significantly revitalize the area.

## **TALE OF TWO CITIES**

The mega slum redevelopment projects of Mumbai are stories of hope and despair. The open market

**The Maharashtra slum rehabilitation authority by allowing FSI incentive in the form of tenements for sale in the open market, has been engaging private developers for slum redevelopments.**



apartments for sale are built as luxury skyscrapers with lifestyle amenities and lavish green spaces and in contrast the rehabilitation tenements are clustered buildings devoid of open spaces or basic facilities.

These projects promise a better shelter for the slum residents; in reality the unthoughtful and poor quality of buildings leave the original residents of that land high and dry. Mumbai is not just a city of dreams but for some of nightmares.

Urban planners also contend that, state government's



rehabilitation schemes by involving private developers have had serious implications for the slum dwellers as well as the city at large. Specifically, the development rights known as TDR (Transferable Development Rights) for the developers, has deviated slum rehabilitation projects from creating social housing to becoming siphon revenues by the private development bodies.

The condition of many resettlement colonies is better left unsaid. Talking to Slum Rehabilitation Authority



**Slums are not just housing for the poor but are also thriving centres of small businesses. Shifting from developer-led redevelopment to a community-led slum redevelopment could provide a holistic solution.**

(SRA) projects residents, one gets to hear their plight, as they either have been shifted to far off locations left in apartment blocks without easy access to workplace or social infrastructure or they have been housed in cramped quarters of so called 'vertical slums', with poor natural light or ventilation.

According to a housing rights activist, "The SRA was intended to improve the lives of poor living in slums and chawls. However, the cases we see show that in many rehab buildings, they are facing problems such as poor ventilation, contaminated water, and many projects being disconnected from the rest of the city. In addition, the maintenance costs and cost of lifts adds burden to their meagre earnings. When the government says 'rehabilitation', it should increase living standards."

Not surprisingly, many rehabilitation project's residents go back to living in slums, to escape suffocating vertical living and daily struggle of earning, to neighbourhoods where there is a sense of community among neighbours looking out for each other.

Talking of safety, builders cut cost by compromising on fire safety standards such as non-provision of fire-fighting systems and planning narrow widths of corridors and stairways to accommodate more apartments.

Architects explain that slum rehabilitation is being carried out under section 33(10) of Development Control and Promotion Regulations (DCPR 2034), providing higher floor space index, but this is leading to relaxation in open spaces and setback norms. The result is less open space between buildings, narrow corridors and stairways leading to poor ventilation standards and inhabitable living conditions. On top, residents cannot maintain the buildings given their incomes.

Institute of Social Sciences (TISS) had said in a media briefing, "Moving from a slum to a rehab building offers a lifestyle change for only about 25% of the slum dwellers, for most these buildings are not designed as per their livelihoods involving recycling goods or selling items which require storage. Neither their livelihoods conform with living in buildings nor do the earnings to match the responsibilities like paying for waste management, lifts, electricity, water charges, etc."

Shweta Damle, Founder of Habitat and Livelihood Welfare Association in an interview concurs that living in multi-storey rehab buildings is a huge financial burden





on the poor. "The maintenance goes up but their income remains the same with the result that many of them prefer to give out their tenements on rent or sell them."

### FINDING THE RIGHT ANSWERS

With mega slum redevelopment projects being assigned, the government agencies will have to own up to their responsibilities to ensure a comprehensive housing for the slum dwellers.

As the, current vertical slums fail to deliver on the promises made, leaving residents trapped in challenging situations, experts suggest shifting from developer-led redevelopment process to a community-led slum redevelopment.

To do so, one needs to understand that slums are not just housing for the poor but are also thriving centres of small businesses. For instance, in Dharavi, about 5,000 businesses industries including pottery, leather and textiles operate from around 15,000 one-room workshops.

Self-redevelopment, gives them control over the solutions as per their needs and upgrading their living conditions as well as commercial enterprises. "Such a proposal could be easily incorporated within city development plans by transferring the development rights of land parcels marked as slums to the association of the current inhabitants of that neighbourhood," says architect Rahul Kadri.

An example worth emulating would be of Singapore public housing. Singapore used to be full of squatter, slums and makeshift houses with no running water, electricity or sewage systems. To tackle the acute hous-

---

### An example worth emulating would be of Singapore public housing where within a single generation, high-rise low-cost flats replaced what were once ubiquitous slums

---

ing shortage, Housing and Development Board (HDB) was formed in 1960 by the government. Within a single generation, the landscape of housing in Singapore was changed. Over the next few years, the HDB delivered high-rise, mass public housing, building more than 8,000 low-cost flats in four years. The Land Acquisition Act of 1967 gave the HDB legal powers to acquire land compulsorily, allowing them to undertake redevelopment of slums more swiftly.

In just 16 years, more than 50% of the population were living in HDB flats with clean, running water, electricity and a reliable sewage system. Slum dwellers were invited to move into these new flats and many were excited at the prospect of owning a modern home. Whole communities were relocated together and old neighbours continued their friendship in new estates. With the promise of familiar faces in the new estates, more were willing to relocate.

# Realty+



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# SOCIETY REDEVELOPMENT UNLOCKING HOUSING STOCK

**Indian cities are marred by dilapidated legacy infrastructure and buildings. Redevelopment of the existing old housing seems to be the answer to unlocking the housing stock. Though challenges abound.**

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By Sapna Srivastava

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**O**ne of the biggest challenges of the urban Indian cities is housing. One of the ways to address it has been the redevelopment of old housing societies, that can provide safer and modern homes to the existing residents and create additional housing.

Across cities, 30-50 years old housing societies are in dire need of extensive structural repairs. However, either the financial costs are beyond the residents means or the buildings are no longer safe to be restored and have to be demolished. In such cases residents can go for redevelopment which includes demolishing existing old building and reconstructing it by appointing a builder who can construct and handover new flats to the society members free of cost with some additional benefits and make profit by utilizing the balancing plot potential by constructing additional flats and shops as per approval from the respective municipal corporation.

While, on paper the process seems easy, there have been instances, where redevelopment buildings have been abandoned by the developer midway or got stalled due to various reasons like mismanagement of funds, political issues, delayed deliveries, improper planning or change in policies.

Nayan Dedhia, Managing Director, Toughcons Nirman Pvt Ltd, a Project Management Consultancy for Services in Redevelopment, Self-Redevelopment & Cluster Redevelopment gives an overview. "Many buildings in Mumbai are decades old and no longer meet safety standards, posing significant risks to residents. Redevelopment allows for better utilization of space, accommodating more residents and enhancing living standards. Redevelopment projects are essential for modernizing the cityscape, providing better amenities, and improving the overall quality of life. However reg-



ulatory measures should be eased for the process of redevelopment. For instance, simplifying the approval process for redevelopment projects to reduce delays, establishing clear, consistent guidelines for developers and housing societies to follow, providing tax benefits or subsidies and reduced GST or allowing input tax credit will encourage redevelopment activities. The challenges facing housing redevelopment range from achieving unanimous consent among society members and ensuring the project is financially feasible for all stakeholders to managing the complex legal framework surrounding the redevelopment. Therefore, the important factors developers should consider while taking up a redevelopment projects are - understanding and addressing the requirements and concerns of the existing residents, thoroughly assessing and mitigating potential risks associated with the project, ensuring all agreements are clear, transparent, and legally sound, establishing robust mechanisms for dispute resolution and adhering to all legal and regulatory requirements promptly to avoid delays."

### **Tapping Redevelopment Opportunities**

The residential societies approach developers as redevelopment is a complex process, requiring multiple approvals, regulatory compliances and know-how of construction process, on the other end for developers, redevelopment offers an ideal opportunity to unlock premium land parcels. In fact, the building owners are reposing their faith in large and listed developers to take up redevelopment.

While, there is scarcity of land in metro cities, especially in and around city centers, there are many numbers of old dilapidated buildings on prime land. Furthermore, state governments too are enabling redevelopment through supportive policies. No wonder, what was once a realm dominated by smaller local builders, is now seeing large developers exploring this segment. The new trend is also bringing more structured processes and transparency benefitting the land owners as well as the developers.

According to the developers, what makes redevelopment a lucrative investment is the rising demand from the city dwellers to upgrade from their existing



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old buildings to modern complexes with amenities, but in the same location. Hence, prime locations are becoming a hub for new redevelopment that are getting transformed into luxury homes destinations.

### **Redevelopment Process**

The process begins with the consent from at least two-thirds of the members of the society to engage a developer for undertaking redevelopment. The documents such as society's no-objection certificate from the local municipal corporation, building layout plan and feasibility report are reviewed by the authorities, and once approved, a letter of intent is issued. The society then enters into an agreement with the developer outlining the terms and conditions of the project. This agreement will include the timeline for completion, the cost of the project, and the amenities to be provided.

The biggest challenges that redevelopment projects face from resident's end are the obtaining of consent of two-thirds of the society members and submitting



## Redevelopment Regulations

Some of the key features of the new rules for redevelopment of society in accordance with the changing needs of the urban population include:

- Mandatory consent of at least two-thirds of the society members to be obtained for the redevelopment process.
- The society is entitled to receive a minimum of one hundred and twenty-five percent of the rehabilitation area's prevailing ready reckoner criteria for the project.
- Every member of the society should be compensated with a new home, equivalent to twice the existing carpet area of their flattened property.
- A time-bound completion certificate will be issued to the developer upon successful completion of the project.

the right documents as many old societies may have lost or misplaced the essential documents; the developer's challenges include arranging finance for the high compensation to be provided to each member of the society, construction costs and the tax liabilities.

"Major laws required to be kept in mind include the Transfer of Property Act, 1882, Registration Act, 1908, Indian Contract Act, 1872, CRZ laws, State laws like Maharashtra Ownership Flats (Regulation of Promotion of Construction, Sale, Management and Transfer) Act, 1963, Maharashtra Co-operative Housing Societies Act, 1960, stamp duty laws, Development Control Rules, Environmental Law, Tree Cutting Laws, Municipal Laws, Slum Redevelopment Scheme etc. If there are serious legal irregularities in the process of redevelopment and

when they are noticed halfway, they can jeopardize the redevelopment and the consequences can be severe as what the law does not permit cannot be done either by the Builder or by the Society," cautions Dilip Shah, Senior Counselor and Analyst for Redevelopment of Housing Societies and Society Laws.

Advocate Vinod Sampat had advised, "As per the stipulated rules and regulations, for a society to opt for redevelopment, its conveyance has to be completed first. To complete conveyance, society needs to have the property card in the name of the rightful legal entity, and the property owner should join as a 'confirming party' as per the clauses in the model agreement."

## Pain Of GST

The major roadblock redevelopment projects face is the triple whammy of GST. The first levy at 18% applies on transfer of development rights to the builder (redeveloper), subject to there being a sale of flats post-acquisition of the completion certificate. The builder also incurs GST during the construction phase on the construction materials averaging 18%, for which no input tax credit is available. Lastly, the GST on flats being sold in the open market and the GST incidence at 5% on the new flats transferred to the CHS members, paid by the developer or the member as per the terms & conditions. The catch is that this tax is paid on the market value even as the new flat is in lieu of the earlier one.

Legal experts contend that transfer of development right of an immovable property is akin to a purchase of land, which should not be subjected to GST. Further, when the completion certificate is received, the land is transferred to the new society members.

Boman Irani, president of CREDAI-National recently made a representation to the finance minister. It was stressed that in redevelopment schemes, the GST department is charging GST on the market value of the flats given to existing CHS members free of cost, which is in lieu of their existing flats. This effectively leads to double taxation as the cost of this rehabilitation component is already ingrained in the cost of flats being sold in the open market on which the developers are already collecting GST and discharging their liability.

Financial analysts suggest that a view can be taken that no GST is payable at the time of possession of the new flats by the members, since the free area allotted to members is an expenditure for the developer and not an income and the said expenditure is indirectly loaded into the price finally payable by the new buyers on which tax is already paid.

### Self-Redevelopment Model

One of the reasons for considering self-redevelopment is the concern around inadequate compensation and/or delayed deliveries of the re-developed projects. There have been numerous incidents where established developers abandon or delay the projects or stall the construction midway due to financial constraints or irregularities.

While, self-redevelopment has many advantages from control on project, more carpet area for members to extra amenities and getting profit from sale flats, extra amenities, etc., the downside is the lack of expe-

rience and expertise to plan and manage the project and making sure all the members are in agreement for each and every decision.

Encapsulating the dos and don'ts of self-redevelopment, Nayan Dedhia, said, "The advantages of self-redevelopment model for housing societies are greater control over the project, potential cost savings, and tailored outcomes for residents, while the disadvantages are increased financial burden, higher risk exposure, and the necessity for expert management.

Whether self-redevelopment or through a developer, redevelopment is the need of the hour to rejuvenate our cities. The introduction of new Cluster Redevelopment Policy (under which developers get an additional floor space index for redeveloping existing housing societies) has given further boost to these projects and with correct policy incentives, we may see redevelopment as a primary recourse to addressing the housing shortage across Indian cities.

### Benefits For Society Members

- More carpet area than what the builder offers
- More compensation than offered by the builder
- Better planning as per the members' requirements
- Timely completion & better amenities

### Limitations For the Society Members


- Lack of decision-making among members may cause delays
- Internal squabbles amongst members could derail the project
- Selection of the qualified and competent professionals
- Arranging funds & navigating the regulatory framework







**PIONEERING**  
**NEW ERA OF**  
**TRUST &**  
**TRANSPARENCY**  
**IN REALTY**



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**Sumadhura is poised to increase its footprint by 40 Mn sq ft across Bangalore and Hyderabad. Madhusudhan G, Chairman & Managing Director, Sumadhura Group in conversation with Sapna Srivastava, Editor Realty+ shares his views on present & future growth of the company.**

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**Q How has been Sumadhura Group's Journey till now?**

As a developer with nearly three decades of experience, we are proud to have contributed significantly towards the growth and development of the real estate sector through innovation and bringing global best practices. This includes adopting new-age construction technologies across the value chain to integrate sustainable elements even before it became an industry-wide trend with most of our projects being green-certified. These initiatives have helped drive a positive change in the industry by linking innovations in project development to high return on investment, making it a win-win for the customers and the industry.

**Q What was the vision behind the recent launch of new brand identity?**

The introduction of our new brand promise through a refreshed tagline- 'Foundation of Happiness' mirrors our commitment to becoming the very foundation upon which happiness is built, ushering in a new golden era. The new identity reflects the contemporary image that aligns with Sumadhura's current growth, resonates with the target markets, and strengthens the group's position in the competitive landscape.





## **Q What are Sumadhura Group's current focus micro-markets?**

Sumadhura Group is primarily focused on the micro-markets of Bengaluru and Hyderabad. Within these cities, we concentrate on East and North Bengaluru and West Hyderabad, which are driving strong regional demand.

These areas generate robust demand for all asset classes, including residential and commercial, due to the availability of quality land parcels, the presence of IT companies, and thriving retail and social infrastructure.

Our projects in these micro-markets span residential, commercial, and warehousing sectors, strategically developed close to employment centers in business districts and well-connected to various modes of transport, including metros. Notably, these micro-markets contribute 70-80% to our business across Bengaluru and Hyderabad, reflecting our commitment to investing in these emerging areas.

As for our key micro-market, we have a longstanding presence in Whitefield, where we've played a major role in its growth over the past two decades. Demand has surged due to its strategic location, excellent connectivity, and the presence of major IT parks and multinational companies. Consequently, we are seeing strong demand for our residential units, co-living spaces, commercial real estate like co-working and managed workspaces, and warehousing. It shall continue to be a focus zone for us.

## **A Few Industry Firsts**

● **The largest Grade-A logistics park in Bangalore, spanning 2.5 million sq. ft.**

● **First Tallest Residential Building in Hyderabad**

● **The Center of Excellence in Hyderabad & Bangalore to solicit customer's trust and transparency.**

● **Bangalore's largest commercial floor plates at Capitol Towers.**

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## **Q What are the innovative aspects of Sumadhura Group's residential projects?**

Under Sumadhura's Centre of Excellence, we are launching groundbreaking initiatives like RealView and Quality Studio to address the trust gap in residential real estate.

Traditionally, homebuyers have relied on model flats to make crucial decisions, only discovering the true look and feel of their homes at handover. RealView disrupts this process by allowing potential homeowners to explore fully-finished floors, complete with all design elements, finishes, and fixtures, providing a realistic preview of their future living environment well before moving in.

Similarly, Quality Studio serves as a comprehensive exhibit of materials utilized and process in crafting a Sumadhura Home. It showcases the meticulous selection of cement,

steel, door frames, walls, etc, highlighting the essence of quality living.

Another standout feature is the Sumadhura Clubhouse. Well-designed and expansive spaces ensure maximum community participation from all age groups, with a blend of active life amenities, wellness, and health facilities. Our design and landscape team works closely to make these spaces aesthetically stunning with state-of-the-art facilities.

In addition, we offer residents a robust customer app for one-click access to services and feedback resolution, aiming to build trust and transparency while bridging the gap between residents and management.

## **Q How is Sumadhura Group expanding its residential real estate portfolio?**

With our extensive experience in meeting residential needs, we have identified the luxury and ultra-luxury segments as key areas for growth for Sumadhura. To that end, we are launching several new projects in Hyderabad and Bengaluru given the growth opportunities.

We are particularly optimistic about the Hyderabad market for our uber-luxury residential projects. We are introducing 52 storied Uber luxury skyscraper homes in Hyderabad, Sumadhura Palais Royale. This development spans nearly 7 acres in the Financial District, a rapidly growing micro-market.

Palais Royale will feature meticulously designed ultra-luxurious homes, blending nature with opulence to create an urban oasis. Its strategic location between Hitech





**As we venture into new segments, we aim to achieve over three-fold growth in our turnover for the fiscal year 2024-25, targeting Rs 5,000 crore**



City and Neopolis offers convenient access to the city's vibrant energy. Additionally, the project will boast a unique 80,000-square-foot floating clubhouse, providing an array of unparalleled amenities.

In Bengaluru, we are concentrat-

ing on North Bengaluru's areas like Rachenahalli because of the rising demand for homes.

Our Mediterranean-themed project, Sumadhura Epitome, caters to the growing demand for unique lifestyles. Spanning 7 acres, it features

distinctive Mediterranean design elements, including arched balconies and charming courtyards. Surrounded by lush green areas, Epitome fosters a strong sense of community bringing a blend of earthy Texture, nature, and timeless architecture.

Sumadhura aims for launches in East and South-West Bangalore alongside East Hyderabad in the coming few quarters.

### **Q What is Sumadhura Group's strategy for diversifying into other asset classes?**

Our extensive experience in developing cutting-edge projects throughout Hyderabad and Bengaluru has inspired us to extend our expertise to other asset classes, such as commercial real estate and warehousing, co-living, co-working spaces, and managed office solutions.

We are excited to announce the development of our inaugural logistics park in East Bangalore. Spanning nearly 2.5 million square feet, the Sumadhura Logistics Park occupies around 100 acres of land and features state-of-the-art facilities, grade A+ specifications, and sustainable attributes, positioning it as largest built to suit, grade-a warehousing in Bangalore. Our primary focus for these asset classes will be Bengaluru owing to the robust demand, while we also aim to expand our portfolio in Hyderabad and enter other tier 1 cities.

Sumadhura Group, this year scales up in volumes, class and sectors with the planning and implementation of projects up to 40 million square feet in Bengaluru and Hyderabad.'

# RISING STAR OF REITS



**Post budget 24 announcement, the Real Estate Investment Trusts (REITs) are likely to become more attractive compared to direct investment in property.**

**T**he budget 24-25 in a major policy shift has provided parity between listed units of REITs and listed equity shares for investors and with the holding period for long-term capital assets reduced from 36 months to 12. It gives faster liquidity.

The document noted, "Investment in units of REITs & InvITs have been made more attractive in the Union Budget 2024-25, as it cut down the long-term holding period for tax considerations in these assets at par with listed equity shares. Thus,

units of listed business trust will now be at par with listed equity shares at 12 months instead of earlier 36 months."

Real estate experts are of the view that this policy change makes REITs more attractive to investors by offering quicker access to favorable tax treatment on capital gains and with lower entry and exit barriers, making investments in REITs more dynamic.

"Reducing the holding period to 12 months, which has been the longstanding ask of the industry

and reduction in LTCG tax rate on immovable property without indexation benefit could potentially increase the effective tax outlay. Complementary measures such as the digitization of land records will bolster transactional transparency and market confidence," said Gaurav Karnik, Partner and Sector Leader, RealEstate, EY – India.

## **REIT OR OUTRIGHT BUY**

While investment in units of REITs has become lucrative with the cut down of the long-term holding

**Over the past five years, REITs have transformed the Indian real estate landscape, attracting around 2.3 lakh investors. The four listed REITs today have over ₹ 1.4 lakh crore in assets under management and have distributed over ₹ 17,000 crores. Overall, the budget 2024-25, positive move for REITs will further enhance its attractiveness and popularity as an asset class in India.**

period for tax considerations, the capital gain taxes on selling investments have been revised upwards to 20 per cent and 12.5 per cent for short-term and long-term capital gains (LTCG) respectively. However, the tax hike seems to be a minor deterrent as decreasing the holding period to qualify for LTCG will free up funds for investors and increase their liquidity.

On the other end, when selling a property owned for over 24 months, the adjusted cost of acquisition using the cost inflation index (CII) to lower taxable long-term capi-

tal gains has been withdrawn. The long-term capital gains tax on real estate has been reduced from 20 per cent to 12.50 per cent, but the removal of indexation benefits will make outright buying of property less attractive for certain properties.

### **SIGNIFICANT BOOST FOR INDIAN REITS**

The financiers agree that investing directly in real estate has been made more unattractive. The removal of indexation benefit has made long-term investments in real estate less attractive and such investors are most likely to move to REITs.

According to Vimal Nadar, Senior Director & Head of Research, Colliers, "Retail investor participation in REITs will receive a boost from the parity in treatment with other listed equity classes." Sharing his thoughts Subahoo Chordia, Head - Real Assets Strategy, Edelweiss Alternatives said, "The change definitely adds to the attractiveness of this asset class for investors looking at risk-adjusted returns and thereby should add more liquidity to it."

Harsh Shah, CEO, IndiGrid added, "InvITs/REITs getting taxed at parity with equities will enhance their attractiveness for investors and will strengthen their position as platforms providing superior risk adjusted returns. We believe that this will also enable InvITs and REITs to become part of stock exchange indices, which will add significant liquidity and momentum." Expressing his views, Umesh Sahay, Founder and CEO, EFC India shared, "The significant shift for REITs and InvITs, now treated as long-term after just

## **Highlights**

### **REITs**



### **Holding period**

**Listed 12 months/  
Unlisted 24 months**

### **LTCG tax rate**

**10%/20% >>> 12.5%**

### **STCG tax rate**

**15% >>> 20%**

**Removal of  
indexation benefit  
on LTCG**

*Source: EY India*

12 months instead of 36, opens new horizons for investors. This progressive move not only boosts market confidence but also increase investor participation."





**There has been a lot of talk going around the new capital gains taxation introduced in Budget 2024-25. Seen in isolation, it does seem negative for the real estate sector and its buyers. Hopefully, other budgetary announcements for the taxpayers & the realty sector, may subdue its adverse impact.**

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By: Sapna Srivastava

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### WHAT IS INDEXATION?

Indexation adjusts the purchase price of an asset for inflation, reducing the profits and tax liabilities accordingly. Without this adjustment, taxpayers face increased taxes despite the lower LTCG rate due to increase profits, regardless of inflation eating in the said profits.

### THE NEW TAX RULES

"With the rationalization of rate to 12.5%, indexation available under second proviso to Section 48 is proposed to be removed for calculation of any long-term capital gains, which is presently available

for property, gold and other unlisted assets. This will ease computation of capital gains for the taxpayer and the tax administration," the budget document stated.

In simpler words, the Long-Term Capital Gains Tax (LTCG) on property sales has been reduced from 20% to 12.5%, but the indexation benefit for properties purchased after 2001 estate has been revoked.

### FINANCE MINISTRY'S POINT OF VIEW

As per Finance Secretary TV Somanathan the real rate of return in real estate typically ranges from

6-16% and taxation change is expected to benefit the middle class by simplifying the tax approach.

According to Union Finance Minister Nirmala Sitharaman statement, it will lead to an overall reduction in average taxation. "The average taxation has come down. When we say it is 12.5%, it is because we have calculated it for each of the different classes. We have brought it down to 12.5%, which is the lowest in several years, encouraging investment in the market," she said.

### CITIZEN'S CONCERNS

The removal of indexation bene-

fits has led to concerns about higher tax liabilities among people and also, that it will lead to black money and cash transactions in real estate. reduced profitability from real estate transactions. Many believe that investors will potentially move away from real estate, being a heavily taxed asset. Moreover, there will be undervaluation of property deals, and non-disclosure of the real value of the property.

Other apprehensions pointed out are that, removing indexation will demotivate the investors, hampering the housing sector growth on the other hand, buying homes will no longer be a lucrative option for average Indians, that always look at upgrading to bigger homes as the families or incomes grow, because individuals selling old properties will incur higher tax outgo.

## THE POSITIVES & THE NEGATIVES

Hearing both the side, now comes the biggest question. Are the new changes to capital gain taxation good for real estate sector or will it adversely impact average property buyers?

### Let's hear the good news first

Some experts point out that this policy change targets the speculative investment in real estate. By removing indexation for property investments, the government aims to discourage speculative buying, wherein investors hold on to the properties for long time to gain from appreciation. This not only inflates the home prices but also contributes to housing shortages. Most of the middle-class Indians buy homes for

self-use and such a move will restrict property flipping, leading to a more stable and equitable housing market.

According to global brokerage firm CLSA the new tax regime would be neutral or marginally beneficial for investments with longer holding periods (over 10 years) and where property price appreciation exceeds 10% per annum. Additionally, there will be no impact on super-luxury apartments with ticket sizes over ₹ 10 crore since last year's budget capped the indexed cost of acquisition at ₹ 10 crore.

As per realty consultants, those moving from one house to another are not affected by the change, as long as the capital gains do not exceed the cap of ₹ 10 crore introduced last year and can apply to two properties owned by an individual. Which means, the new tax regime is favorable to luxury property buyers.

### Now comes the bad news

Home buyers with a holding period of less than 5 years, where property price appreciation is moderate (less than 10% per annum) are the ones that will be negatively impacted as the tax liability will increase.

Another impact of the removal of indexation for the middle-class homebuyers who plan to upgrade or move to new house will be that because of higher tax deduction, they will have to invest more to buy their new home.

As the new provisions will increase the amount of capital gains (given there's no indexation benefit), this would mean that those who intend to invest capital gains in a new house for availing the rollover

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**Most of the middle-class Indians buy homes for self-use and such a move will restrict property flipping, leading to a more stable and equitable housing market.**

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benefits under Section 54 or section 54F of the IT Act would now be required to invest more money to avail the benefit.

Also, for the investors who hold on to property for a long time to reap the benefit of price appreciation or invest in early stages of the project at lesser price and sell at higher price when the project is complete or near completion, the new taxation rules now, make such investments unattractive.

The tax consultants are of the opinion that if the price of the long-held property has increased in line with inflation, the current provisions of reduced tax and no indexation will not be beneficial for the property owner. In contrast, the sale of newly acquired properties will benefit from new tax proposal as the indexation benefit will be marginal.

## WHAT THE EXPERTS SAY

**Anshul Jain, Chief Executive - India, Cushman & Wakefield**, highlighted that while the LTCG rate reduction aligns with the government's focus on tax simplification, the removal of indexation could impact

investment demand for residential units in the short term.

Sharing his perspective, **Sachin Bhandari, Executive Director and CEO, VTP Realty** commented, "Developers heavily reliant on investors will be adversely affected by the government's decision to rationalize the Long-Term Capital Gains (LTCG) tax, reducing it from 20 percent to 12.5 percent. However, the elimination of the indexation benefit when applying LTCG means the overall tax outflow will be higher under this new regime. This move is likely to dampen investor sentiment, removing key incentives and directly impacting developers dependent on investors."

**Dhruv Agarwala, Group CEO of Housing.com and PropTiger.com**, sees the removal of the indexation benefit, increasing the tax burden on real estate transactions. Despite the reduction in the LTCG tax rate, he believes the changes could lead to higher taxes for property sellers.

**Anupama Reddy, Vice President & Co-Group Head - Corporate Ratings, ICRA Ltd** agreed, "Considering the long-term returns on the residential real estate sector, despite a reduction in the long-term capital gains tax rate, the removal of indexation benefit at the time of sale of property is likely result in a higher tax outgo. Hence, this is a negative for the sector."

**Pankaj Kumar, VP - Fundamental Research, Kotak Securities** shared, "The Union Budget-FY25 has rationalized long-term capital gains tax on real estate transaction. It proposed to remove indexation benefits and reduce the long-term

## TOP 10 EFFECTS

**Indexation benefit is revoked for properties purchased after 2001**

**The policy shift is good for short-term investors but not long-term investors.**

**The policy change may end speculative investment in real estate.**

**Removal of indexation has made real estate less tax-efficient**

**Significant rise in the tax burden of property sellers**

**New tax regime benefits if property price rise is much higher than inflation**

**Spur in cash transactions may follow**

**Minimizing of viability of real estate as an investment class**

**The move could slow down real estate growth**

**End-user driven real estate markets will be least impacted and investor driven realty markets will be most adversely affected**

capital gains tax rate from 20% to 12.5% with immediate effect (grandfathering for properties held before 2001). We find that the new capital gains tax structure for real estate favours investors, who have generated high IRRs, while investors with poor IRRs would be worse off in the new regime. On the other hand, it is expected to have limited impact

on end users who purchase homes for personal consumption."

"On the taxation front, the reduction in long-term capital gains tax on real estate property from 20% to 12.5% is a positive. However, the removal of the indexation benefit is largely negative for all those planning to sell their old properties. Also, changes in the personal tax regime, such as increase in the standard deduction from Rs 50,000 to Rs 75,000 and changes in tax slabs, would put more disposable income in the hands of the salaried, which is likely to boost the affordability of homebuyers," notes **Aniket Dani, Director- Research, CRISIL Market Intelligence and Analytics**

## REALTY+ ANALYSIS

The first impression one gets from the policy shift in capital gain taxation regime is that it is good for short-term investors but not long-term investors. Secondly, the removal of indexation has made real estate less tax-efficient. Lastly, even after reduction in the long-term capital gains tax on real estate, property sellers would still end up paying higher tax without the benefit of indexation, or adjusting for inflation. Therefore, you may be better off if property price rise is much higher than inflation.

The results that we might see is that of spur in cash transactions, waning investor interest in real estate, investors favoring sort-term flips to benefit from the lower LTCG rate, potentially affecting the long-term growth of the sector and Millennials once again preferring paying rent over investing in properties.



# INDEXATION BENEFIT MAY BE REALTY AGAIN

**In a major revision of the much-discussed revoking of indexation benefit on real estate, the government has proposed to consider an amendment.**

**W**hile, the indexation benefit is an advantage for many realty buyers, the new rule of lesser long-term capital gains tax rate without indexation is more suitable to save tax. The impact on the real estate in either of the scenarios would be more affecting the short-term sentiments than the long-term performance.

However, in response to the industry concerns, the government has now moved an amendment to the Finance Bill, 2024, to let taxpayers select either a 12.5% long-term capital gains tax rate without indexation or a 20% rate with indexation for property acquired before July 23, 2024.

Sitharaman will introduce the Finance Bill for fiscal 2024–25 in the Lok Sabha, seeking its consideration and passage. This bill is essential for implementing the budget proposals, which require approval from both houses of Parliament.

Dhruv Chopra, Managing Partner, Dewan P. N. Chopra & Co. explains, "The government has now proposed some relaxation vis a vis its budget proposal relating to capital gains taxation on immovable

properties u/s 112 of Income tax Act. The relaxation now proposed is applicable for individual residents and HUFs only and not applicable for corporates, LLPs and Non-Resident Individuals.

The Implications of this relaxation in budget proposal will be that long term capital gains tax on transfer of immovable property acquired before 23rd July, 2024 will be lower of tax computed under new law i.e 12.5% without indexation and the tax computed under old law i.e @20% after indexation. This benefit of grandfathering is being allowed for immovable properties purchased by the specified persons before 23rd July 2024.

The amendment pertains to specified persons being resident individuals and HUFs who own immovable property purchased before 23rd July 2024. Developers who own immovable properties in companies and LLPs will not get any benefit of this amendment.

Moreover, developers' income is taxed as business income and not as capital gains, so they are not directly affected by the amend-

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ment. Further, immovable property purchased after 23rd July 2024 will continue to be taxed under the new law at 12.5% on LTCG without indexation benefits.

I believe investors will continue to invest in immovable properties for long term wealth creation irrespective of tax amendments. However, there may be a slight change in price of properties to attract investors if the RE market slows down due to tax implications."

By: Sajana Nambiar

**L**ucknow is a key driver of Uttar Pradesh's \$1-trillion economy goal, contributing 3.85% to the state's GDP. Its excellent connectivity, infrastructure, and investment opportunities make it an attractive destination for real estate, drawing homebuyers, corporations, and brands, and cementing its position as a hub for growth and investment.

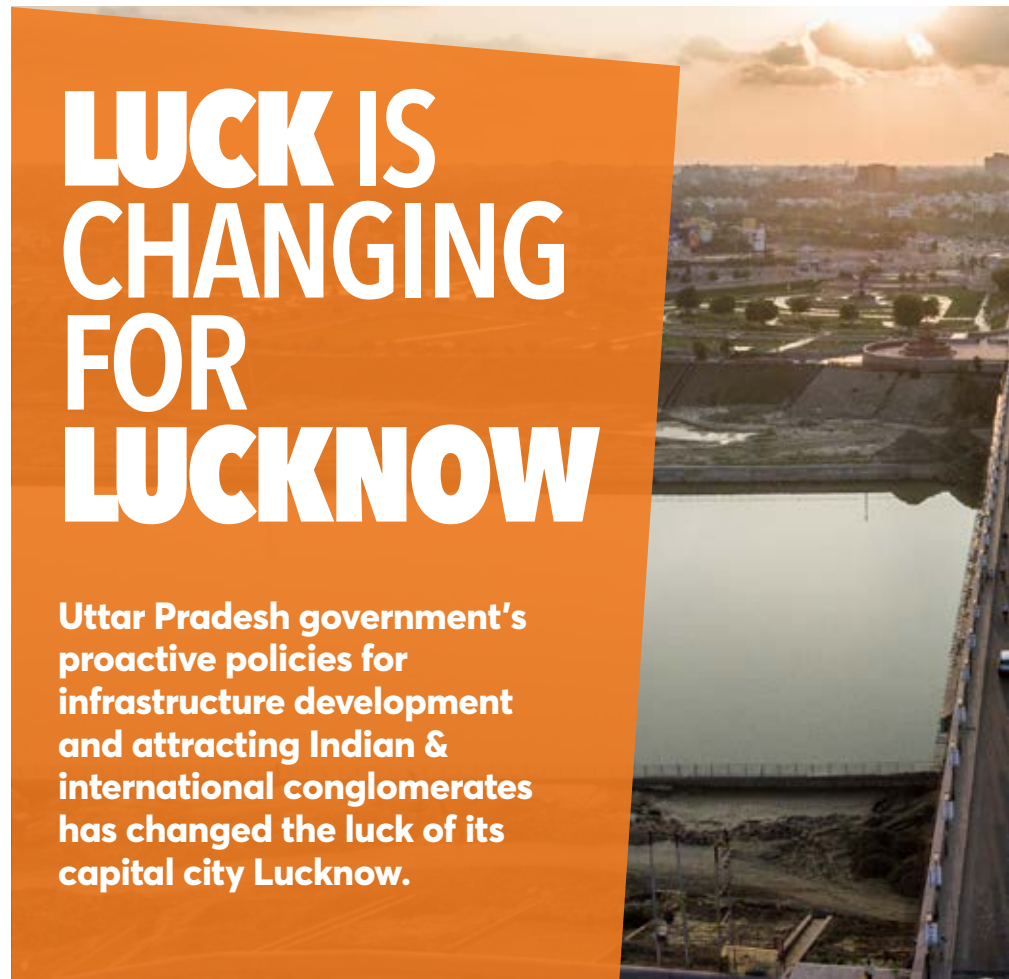
In tandem, Lucknow's real estate market has witnessed a significant metamorphosis, fuelled by robust infrastructure growth, proactive government policies, and the burgeoning IT and ITES industries. This transformation has catapulted Lucknow onto the radar of discerning developers and investors, making it an attractive addition to their geographical growth plans.

According to the industry data, Lucknow real estate market slowed down from 2011-2015 due to economic and political issues, and bounced back after 2016, driven by:

- Government projects like Smart City and Lucknow Metro
- Growth in IT and ITES sectors
- New infrastructure
- Affordable prices compared to other cities
- investments from Indian and foreign investors

## Promising Logistics HUB

Lucknow is emerging as a key industrial and logistics hub in North India, after Delhi-NCR, with over Rs 400 crore invested in the last five years by major players like Amazon and Flipkart. The city has seen



# LUCK IS CHANGING FOR LUCKNOW

**Uttar Pradesh government's proactive policies for infrastructure development and attracting Indian & international conglomerates has changed the luck of its capital city Lucknow.**

a 300% increase in warehousing demand in the past three years, with a total of 5.2 million sq. ft. of warehouse stock and an additional 1.4 million sq. ft. of Grade A supply in the pipeline.

The region's strategic location, affordable land, and good connectivity have attracted several logistics companies, generated employment opportunities and driving growth. As per industry reports the sector has the potential to create 70,000 direct jobs and 35,000 indirect jobs in the next five years. The Indian government's "Make in India" vision and the UP Warehousing and Logistics

Policy 2018 are also supporting the growth of the sector.

## INFRASTRUCTURE A KEY PLAYER

Lucknow, the main city of Uttar Pradesh, has seen big improvements in its infrastructure. In a boost to infrastructure in the city, 61 projects worth Rs 8,209 crore including the Outer Ring Road (ORR), green corridor (GC) and UP darshan park were inaugurated earlier in March 2024.

Lucknow is getting a new 150-meter-wide ring road, and a 100-kilometer Outer Ring Road, making it easier for people to get around. The



## Infra Projects At A Glance

- **Expressways:** The government of Uttar Pradesh is working on three new expressways: Yamuna Expressway, Ganga Expressway, and Upper Ganga Canal Expressway
- **Lucknow-Kanpur Expressway:** The project will fix old roads and build new ones, with many bridges, underpasses, and flyovers to make travel easier.
- **Metro Rail:** Lucknow Metro Rail to ensure commercial viability plans to provide affordable fares to its passengers.
- **Outer Ring Road:** The Outer Ring Road has improved connectivity and reduced traffic congestion in Lucknow.
- **Green Corridor:** The Green Corridor project has been conceptualized to connect two ends of Lucknow through a four-lane road and is expected to ease traffic movement and cut down travel time from one part of the city to another.
- **Elevated Expressway:** A 67 km long 6-lane elevated expressway is part of the National Highway NE-6 connecting Lucknow to Kanpur.
- **Widening Project:** A 266 km long 4-lane widening project is progressing on NH731, connecting Lucknow to Hardoi, Shahjahanpur, and Palia.

## LUCKNOW' REALTY HUBS

**Hazratganj-** Hazratganj, a main business and shopping area in Lucknow, is seeing steady growth in its real estate market. The area is popular for its high-end shopping centers, government offices, and historic landmarks, making it a great place to invest in property. More and more businesses, both local and

Lucknow Metro is also expanding, making travel more convenient.

Uttar Pradesh government is also set to pour in Rs 5 trillion into the State Capital Region (SCR) over the next two years that will be developed similar to Noida, with the goal of attracting many investments and becoming a major economic hub.

Other exciting projects include a Knowledge Park, an IT City, new cricket stadium, and a bigger international airport. All these developments are great news for the real estate market in Lucknow, that will drive demand and prices. Also, on

**Till a decade back, Lucknow's real estate market was slow and stagnant, but it has gained momentum in recent years, offering great opportunities for builders, investors, and buyers.**

anvil is India's first AI city in Lucknow, a 40-acre hub for AI innovation and entrepreneurship.





international, want to set up shop here, driving up demand for commercial and retail space. To meet this demand, old historic buildings are being renovated and turned into modern offices and shops, giving them new life while preserving the area's history. This trend has created unique and sought-after commercial spaces, boosting the local real estate market.

**Charbagh** - Charbagh, in the heart of Lucknow, is a key spot for

planned homes. It's a great place to invest in property because of its green spaces, good infrastructure, and proximity to important business areas. The development of gated communities and luxury villas with modern amenities here cater to HNIs.

**Gomti Nagar** - Lucknow's Gomti Nagar Extension, also known as the IT corridor, has become a major hub for IT and commercial activities. The area is experiencing rapid growth in IT parks, business complexes, and

## BUYING HOME IN LUCKNOW

Lucknow, once the city of Nawabs and capital of India's largest state, is now experiencing a rapidly growing real estate market. The city is becoming an attractive destination for sectors like IT, retail, and hospitality, due to its proximity to power centre in Delhi, affordable land prices, growing infrastructure & connectivity and most importantly with political stability and fast-improving law and order environment.



**Exciting projects coming up in Lucknow are Knowledge Park, IT City, and India's first AI city, a 40-acre hub for AI innovation and entrepreneurship**

transportation and business. Its great connections to the rest of the city by train, bus, and metro make it a hub for growth. With developers are building residential and business centres near the public transportation hubs, area homes and offices especially near metro stations are much in demand.

**Butler Colony** - Butler Colony is a popular neighborhood in Lucknow known for its spacious and well-

residential properties, making it a top choice for real estate investment.

**Hasanganj** - Hasanganj, a central area in Lucknow, is a bustling business and residential hub with vibrant markets and historic landmarks. The demand for commercial and residential properties has driven steady growth in its real estate market. In recent years, the area has seen a lot of mixed-use developments coming up.

As commercial and residential markets surge, Lucknow is attracting top builders from Delhi NCR and other cities, exploring development opportunities in the city. New townships are springing up along highways and peripheral areas, connecting to cities like Kanpur, Hardoi, Rai Bareilly, and Faizabad.

As a matter of fact, with economic growth & better job opportunities, housing demand is also on

## In just two years, property prices have risen by 25-50%, signalling a thriving real estate market in Lucknow.

the rise. So, if you are a home buyer or investor, time to buy a property in Lucknow is now. According to renowned property selling web portal, the starting price of properties in Lucknow stands at Rs. 225 per sqft. On average the price of properties in Lucknow is Rs. 5,258 per sqft. The most expensive property listed in Lucknow is priced at Rs. 22,222 per sqft.

Major developers include Omaxe, E Square Homes Pvt Ltd, Rishita Developers Pvt. Ltd, SSN Infra, Arsha Infra Developers Pvt. Ltd, PaarthInfra build Pvt. Ltd, Smap Builder & Developers, Aditya Infrastructure Pvt. Ltd, ShriBalaji Construction Company, Attalika Real Estate Pvt. Ltd, Horizon Group, Signature Infra Developers Pvt Ltd, Raj Ganga Developers, SKC Builders & Developers Pvt. Ltd, Shalimar Corp, Ansal API, DLF, Eldeco, Experion to name a few. The residential options vary from apartments and bungalows to plots and mixed-use developments and townships.

### OLD-WORLD CHARM MEETS MODERN RETAIL

Retail establishments In Lucknow are a unique amalgamation of traditional bazaars and markets siting

alongside contemporary shopping malls, high-end retail outlets, and boutique stores, offering a diverse range of shopping experiences that cater to varied tastes and preferences. Lulu Mall Lucknow, Phoenix United Mall, and Sahara Ganj Mall are the well-known shopping destinations of the city.

In addition, Lucknow's popular business areas like Gomti Nagar, Hazratganj, and Vibhuti Khand are great places for retail developments. These areas offer busy locations with, existing well-known brands and specialty stores and a mix of offices, residential, thereby ensuring maximum footfalls. What's more, retailers can take advantage of the state government's Retail Trade Policy that is envisaged to promote growth in the retail sector.

### WHAT MORE CAN BE DONE

Lucknow can be said to be a challenging but promising real estate market. On one hand, the city has made tremendous economic progress, but on the other hand, rapid urbanization with slow pace of city planning has led to malice like poor sanitation, inadequate garbage disposal, waterlogging, traffic congestion, energy insecurity, pollution, and illegal encroachment. These challenges pose a significant threat to the city's sustainability and livability, and urgent attention is needed to address them.

Other challenges persist, including regulatory changes and economic uncertainties. The practice of development authority allowing illegal constructions to be raised beyond the sanctioned plan and



## According to Colliers, Lucknow is one of the 17 cities identified as emerging real estate hotspots in India.

legalizing the same by way of compounding, also hurts the genuine developments and discourages organized real estate players. A fluctuating law & order situation too remains a challenge for the government, that hinders corporate establishments.

All said, there is no doubt Lucknow, a city with a rich history, is becoming a modern hub for government, culture, tourism, education, and the arts. It's growing into a smart city with great infrastructure and new industries, which will help India's economy grow.



# WHAT IS OFFICE PEACOCKING

**Office peacocking, in another words, workplace on steroids, is an attempt to lure back the employees.**

By: Sapna Srivastava

**A** new concept to lure employees back to work is the phenomenon of glamming up the workplace with design, tech and amenities. Transitioning back from flexi to full time working from

office, has been proving a tough task for corporates, and office peacocking is strategy employers are using to make their offices so attractive and comfortable that employees can't resist coming back.

## SHOW THE TRUE COLORS

While, office peacocking with styl-

ish décor, recreational zones, stocked pantries and lounge areas is a great way to upgrade the workplace to make it more conducive and people-centric work environment, focus should be on genuine improvements instead of fake feathers and colors.

Prioritizing enhancements from mere aesthetics to ergonomic comfort and recreation to health and safety measures will make real, impactful improvements. And equipping the office with technology tools, can facilitate true collaboration and productivity. This could include from video conferencing tools, interactive whiteboards and ergonomic furniture to smart lighting, air-conditioning and security features.





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**While, office peacocking with stylish décor and amenities can make it more conducive, focus should be on genuine improvements instead of fake feathers.**

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## **MAKING OFFICE COMMUTE COUNT**

Realizing the new trend of “coffee badging” - the act of going into the office to “show face” for a few hours and then leaving, companies are going to great lengths festooning workspaces with swank, modern de-

sign features and look “resimercial” (spaces that are part residential, part commercial). But is that enough to make the employees treacherous commute to office worth their while?

Let’s accept that our home’s atmosphere, furniture or any other aspect is not equipped to provide comfort for working long hours or for the required focus on work. Offices on the other hand, by incorporating technology can not only enhance the layout, design, and overall appearance of the office space, but also offer better infrastructure for employee’s wellbeing, that will make office, an ideal space to work with ease.

## **TECHNOLOGY ENABLERS**

**Human Centric Lighting** – The right lighting can make all the difference in the world when it comes to enhancing aesthetics, comfort and a productive work environment. The automated lighting using intelligent controls based on IoT mimics the circadian rhythm to not only dim the lights but also simulate natural daylight along with its visual, biological, and emotional effects. The intelligent and automated lighting systems help aid workers biological clock by mimicking daytime light signals and in the process saves energy too.

**Smart HVAC Systems** – Maintaining the right temperature in a space is the key to maximizing occupant comfort and minimizing energy consumption. A comfortable temperature is essential for a productive work environment, and smart HVAC systems with sensors and algorithms to measure temperature and humidity keep the of-

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**From automated lighting systems to advanced HVAC systems, office interior backed and enhanced by technology can be the biggest pull factor for ‘return to office’.**

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fice at just the right temperature. What’s more the intelligent sensors based on the occupancy in different parts of the office can adjust the temperature accordingly and automatically turn off when a particular space is empty.

**Smart Security Systems** - Security systems with advanced sensors and cameras detect visitors, monitor movements, and send alerts when there is suspicious activity. They use facial recognition and access control, are easy to install and can be integrated with office’s existing technology infrastructure.

**Ergonomic Furniture** – One of the most critical factors affecting productivity is the poorly designed desks and seating that can lead to fatigue, and even long-term health issues. Chairs with adjustable lumbar support, height, and armrests, along with adjustable desks, help employees maintain a healthy and comfortable working posture, ultimately leading to increased productivity.

**IoT Connected Furniture** - The latest in office design is the Wi-Fi connected furniture that allows seamless communication and collaboration among office occupants.



IoT-enabled office furniture transforms desks, chairs and workstations into connected devices. The Integrated sensors and wireless connectivity allows users to easily share data, collaborate on projects while communicating with colleagues regardless of their physical location. In addition, custom-made IoT-enabled desks equipped with touchscreens and interactive displays enable employees to collaborate on documents, share ideas and conduct virtual meetings in real-time.

**AI Intervention** - The more workspace design can be personalized; the more enhanced comfort and productivity will be for an employee. AI can be used to personalize workspaces based on individual preferences and work habits, from lighting to temperature according to the time of day or task. AI-compatible furniture, such as desks and chairs, can adapt to users' ergonomic needs and provide employers with real-time feedback on posture and health.

**Digital Art** - As companies seek to differentiate themselves, the aesthetics of office spaces can be taken up a notch higher with interactive displays & digital art that have the potential to transform mundane workspaces into dynamic hubs of creativity and collaboration. One of the unique advantages of digital art is its ability to be customized to create unique environments that enhance employee morale and productivity.

## ACCEPT THE RISE OF 'OFFICE PEACOCKING'

Finally, it is time companies accept the fact that the offices have to



## Office peacocking reflects a dynamic shift in workplace strategy, emphasizing the transformation of the office into a people-focused environment.

become magnetic enough to attract talent and most importantly retain talent. Technology use in workspaces can enhance the look and feel while, creating a more collaborative and efficient atmosphere that all employees eventually desire.

An example is of Brooklyn, N.Y.-based design firm ROOM, that has revolutionized modern workplaces with products like soundproof meeting pods and "phone booths," or soundproof, individual privacy spaces made for the open office and even "Room for Zoom," a pod specially designed for video conferencing.

## IS IT WORTH IT

Office peacocking is not just about incorporating fancy tech or elements like standing desks, soft-seating areas; bright, colorful accents and artwork; and biophilic design, but also understanding the hesitancy some employees may have about working from office. This is where technologies in various spheres can enhance the efficiencies of employees enabling better work-life balance, that they all crave.

So, before you start incorporating technology into your office design, it is important to understand employee needs, identify areas that could benefit from technology upgrades and limit scope of technology intervention so that it doesn't become overwhelming.

For instance, smart HVAC, lighting, security and furniture are the basic technologies that should be upgraded to become more personalized and easier to maintain. Additionally, IoT connected desks can create collaborative workspaces, while digital art & interactive displays can instill a sense of pride in employees for their organization.

As technology continues to evolve, it is important to consider future needs of new generation of workforce. Therefore, choose technology solutions that are flexible and scalable, and leave room for future upgrades and expansions. Artificial intelligence, in that sense can be an empowering tool. By automating routine tasks, providing data-driven insights, and adding even more strategy to the design process, AI can help create a workspace that is even more visually appealing, comfortable, and productive.

# DISCLOSURE IS THE KEY TO FAIR PRACTICES

**In a candid conversation Ajoy Mehta, Chairman, MahaRERA shares insights with Sajana Nambiar on how the authority is bridging the gap between the developers and the buyers.**



**E**arlier real estate disputes were dealt either through a civil court or a consumer court. RERA is now the specific authority to work around promoter-allottee relationship.

RERA has brought transparency in the sector through mandatory disclosures by the developers about the projects, so that the buyers can make informed decisions. RERA has given clear remedies in case of project delays and if there are any structural or other defects within 5 years of handover, to demand compensation.

MahaRERA has also enforced standards for parking spaces and the builders are also required to specify all facilities and amenities provided in the building, common areas, or layout.

In addition, MahaRera provides free counselling for home buyers and developers and training and certification for real estate agents.

The area that was falling short of regulation was the allottee -promoter relationship, for which RERA has come into existence.

## **What are the major loopholes that MahaRERA is addressing?**

There have been instances of developers constructing more floors than approved or a senior living project that does not have the requisite facilities. MahaRERA has issued comprehensive guidelines for such scenarios.

To address the misappropriation of buyer's payments. Developers in Maharashtra are required to maintain RERA-designated collection accounts. A separate account for 70 per cent of the funds allocated for land and construction, and the other transaction account for the remaining 30 per cent of the funds.

## **Should civic bodies too come under the purview of RERA?**

Let us be very clear, the purpose of RERA is to regulate allottee-promoter relationship. RERA's purpose is not to regulate building construction. For that there are planning

**We have till now sent show cause notices to 19000+ developers for non-submission of statutory compliances, red flagged projects with more than 10 complaints and recovered over Rs 125 crore compensation in just 14 months.**

authorities that are specialized in planning and construction requirements as per the location of the project. The area that was falling short of regulation was the allottee -promoter relationship, for which RERA has established a close monitoring system for all real estate activities.



# STUDENT HOUSING

## A HOME AWAY FROM HOME

**Once a much-overlooked segment of Indian real estate, the student housing is now seen as a burgeoning sector of rental real estate, one with its own unique challenges and opportunities.**

By: Sajana Nambiar

**W**hen a student migrates from his home town to any urban cities for education, the first thing that concerns is a proper shelter to live in. After sending applications and browsing websites of colleges, one finally gets into a college or university. Now after this begins the next ultimate battle of accommodation, which is not less than a cat and mouse chase.

Today with changing demands from the students, there is a need of quality accommodation. To fight against the substandard living conditions in hostels or PG homes, the students are now more keen to look for other student housing options.

Currently, India is lacking in

terms of Purpose-Built Student Accommodations (PBSAs) which are designed according to the needs of the students. The current facilities that are available in the market are rental units in residential buildings which are leased as Paying guest accommodations. At such accommodations the students are forced to adjust and sacrifice on poorly maintained facilities, deteriorating conditions that are unhygienic or unsafe and amenities that are of poor quality or non-existent.

### **What leads to this need for student housing?**

The answer lies in the growing population and its changing demands. Also, the growth of education sector in India all these years both in terms of number of students



and policy changes, has led to the rise in demand for adequate quality student housing and accommodation in India. This demand has given the opportunity for the student housing sector to grow. How much the sector will grow in the country is a wait and watch show.

When compared, the on-campus hostels and PG accommodations are very common in India, the concept of stand-alone student living or housing is now gaining momentum slowly. The need for these stand-alone student housing is due to the affordability, comfort, sense of safe-



ty, in-house facilities and proximity to the educational hubs it provides to the students.

## FACTORS DRIVING STUDENT HOUSING

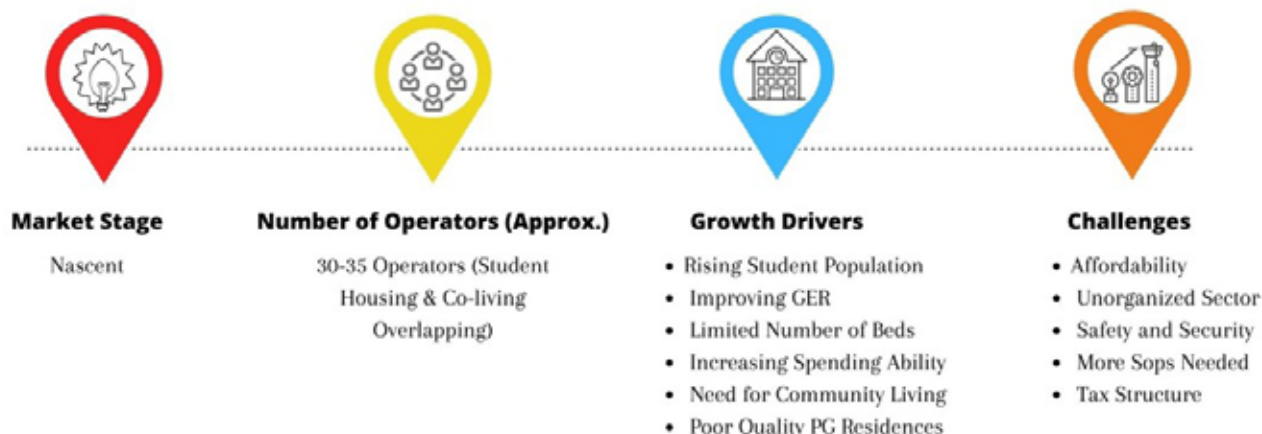
Indian real estate sector growth projections shows that student relocations in India which is currently around 11 million is straight away going to touch 31 million by 2036. This projected shift has opened up a significant opportunity for the student housing sector- an emerging asset class.

The major factors which give a push to the student housing sector in today's time includes the sky-rocketing migration rates, lack of facilities and lack of space utilization.

**Urbanization Helping to Grow the Market:** The rapid growth of cities has necessitated the establishment of higher education institutions, such as universities and colleges, in urban areas.

**Growing population:** India has the

## Overview of the Student Housing Segment in India



Source: Propacity

world's largest 5-24 years age bracket population (about 500 million). Although the student age cohort varies from one state to another, the college-going population is expected to reach 140 million by 2030

**Growing Education sector:** The growth of education sector in the country with several initiatives and policies aimed at improving the quality of education is contributing to the need for more student housing facilities.

**Alternative Accommodation:** With the challenges faced in the PG accommodations, students are now looking for alternative options with better facilities in terms of food, safety, services, infrastructure, accessibility and others.

**Spending Ability:** Now a days the families are ready to spend more on their better housing options for the children once they plan to move out of their city for higher education.

With all these needs to have bet-

ter student housing in the country at this moment the reality is that there is a major gap in the demand – supply of the same. While the demand is rising day by day, there is a shortage of supply and the industry needs to have a major revolution to meet these demands according to the experts from the industry.

### WHERE'S THE GAP

In India the supply of student housing is incredibly tight. The demand for student housing beds has exceeded enrolment growth at large, however the new supply is very low. Meeting this gap is the need of the hour. Furthermore, Indian government launched a "Study in India" campaign in 2018 to provide premium education services to international students at competitive prices. This campaign is expected to attract approximately 2,000,000 students in India by 2026.

What is leading to this gap is

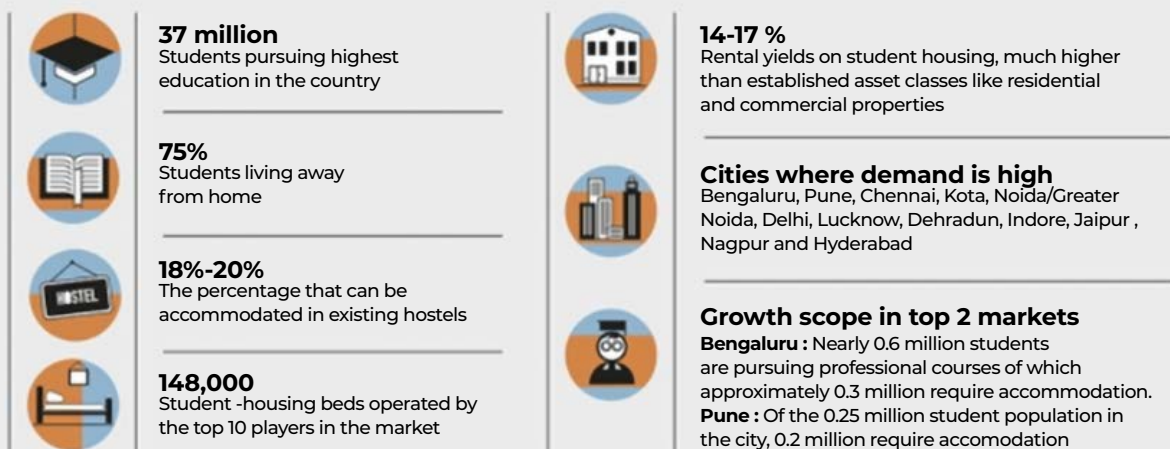
what needs to be evaluated with adaptive solutions for the near future. Three main reasons leading to this gap are higher interest rates leading to lack of financing, rising labour and material costs with regulatory changes, the cash-strapped public universities are unable to fund new dormitory development.

As per the data of Ministry of Human Resources and Development, the country has over 36 million students who are pursuing higher education. With this the student housing generates a massive demand for more than 10 million beds across the major focused cities like Pune, Bangalore, Gurgaon, Mumbai, Noida, Nagpur and Kota and others. And presently, hostels and facilities in educational institutes only contributes to 18-20 percent of student housing demand in the country.

When highlighting the gap in the demand and supply, mentioning some solutions to meet this gap is

## ROOM FOR GROWTH

Student housing is largely an unorganized, undeserved and fragmented sector in India.



Source: Anarock



**As per industry reports, the construction of new student housing has decreased - the annual average number of new beds delivered from 2021-2023 was 33,700, down from an annual average of 56,200 in the preceding seven years.**



necessary. First and foremost, demand in the industry is to have a policy framework for student housing. This will help regulate the entire sector. The interested developers will work within the framework while choosing a student housing project. Some of the practices that can be included are tax rebates for the developers, quality food service, government should integrate PPP models with their Youth Hostel Scheme and Study in India Campaign.

### WHAT'S THE MARKET

Delhi-NCR and Bengaluru were the first activity centres for the student co-living segment. However, the demand for such accommodations has now expanded to other Tier-1 and Tier-2 & 3 cities too. New student housing opportunities are emerging in cities like Kota, Indore, Coimbatore and Ahmedabad.

The rental rates for accommodation in all these cities vary and

is unaffordable for most of the students' experts says. In Bengaluru the rate is somewhere between Rs 9,000 to 12,000, in Pune vary between Rs 7000 to 13000, In Delhi – NCR it is between Rs 5000 to 12000 for or 2 BHK shared by 4 occupants.

Due to the increasing demand of student living, several existing key players in the sector has now come up with plans to introduce more spaces or beds for students across the country.

### Key players:

- Stanza Living currently has 70,000 beds across Dehradun, Vadodara, Indore, Coimbatore, Jaipur, Kota, Ahmedabad, Manipal, Kochi, Vadodara, Vidyanagar, and Nagpur.
- Housr Co-Living has a presence in Gurgaon, Hyderabad, Pune, Bangalore and Vishakhapatnam, with plans to expand in Delhi and Kota by the end of the financial year.
- Your Space, has 5,500 beds across

Delhi, Mumbai and Pune and aims at having a total of 20,000 beds by 2024 in prominent education hubs like Jaipur, Bengaluru, Hyderabad, Chennai, Kota, and Kolkata.

- Olive Living, managed by Embassy Group, has a stock of 2,500 beds and looks at adding another 20,000 over the next few years.
- Crib made an investment exceeding \$1 million to develop Crib Plus, a property management app. The new version will cater specifically to the needs of large-scale student housing and co-living brands.
- Coliving Startup Union Living introduced Mumbai's biggest student accommodation - Varsity by Union Living in the coveted Santa-cruz-Juhu area, a luxurious student accommodation.

### GST EXEMPTION AND NEW MEASURES

The need for better policies to make student housing easy and



convenient in the country has been highlighted every now and then. The recent GST exemption on accommodation services charging up to Rs 20,000 was welcomed by the major players in the co-living sector, however they also expressed there is more to be done to make the sector more feasible for investors as well students. There is a high demand on considering these accommodation services as residential dwellings and exempting them totally from GST.

Some of the operators in co-living segment expressed that in recent years, the GST on residential dwellings has been a grey area. As per new notification hostels and accommodations for working professionals are exempt from GST within certain limits. This provides much-needed clarity for operators. However, in the long term, these should be classified as residential dwellings, thereby exempting them from GST without any limits."

As per the industry stakeholders, "The GST council's recommendation to exempt GST on accommodation services charging up to Rs. 20,000 per month per person is a welcome

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**The current demand for purpose-built student accommodation (PBSA) across India totals more than 8 million bed spaces. It is further expected to grow at a rate of around 8% each year, to reach 13 million beds by 2025 according to industry reports.**

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move. This will benefit a large number of co-living companies, especially those in student housing segment, where monthly charges typically fall below this threshold across the country. Going further the government should come up with some solutions like tax rebates, food services provided by the service providers should undergo a stringent quality check, government should

integrate PPP models with their Youth Hostel Scheme and Study in India Campaign."

## **CHALLENGES REMAIN**

Student housing in India still has a long way to go to emerge as an organised part of real estate sector. It is still unorganised, and needs policies and frameworks to make it more organised for both the investors as well as the.

The major challenges the sector is facing is affordability. The demand to have better facilities, accommodations with modern amenities will students definitely lead to an increase in the property prices as well as the rental prices. The students who are out for their study and not yet earning by their won will find it difficult to spend to live in such spaces. What is required is policies to make it student friendly.

Our young blood who are to lead the future are left in a helpless state, due to lack of a collaborative approach among the policy makers, top players in the real estate sector, educational institutions. Finding a home away from their home should not be a task for them.

A comprehensive solution will enhance the academic journey for young learners and it will further foster holistic development by unlocking numerous opportunities across diverse verticals such as infrastructural growth, job creation. This directly will enhance the country's reputation globally as a premier destination offering state-of-the-art education alongside cutting-edge living facilities that benefit the nation on both economic and societal levels.

# MHADA AIMS 2 LAKH HOUSING IN 2 YEARS

**MHADA's Vice President and CEO, Sanjeev Jaiswal, shares with Realty+ the upcoming initiatives of the organization for affordable housing in Maharashtra.**

## What Is MHADA's vision for low-income housing in the state?

MHADA has unveiled a comprehensive two-year plan to provide at least 2 lakh affordable homes, catering to diverse income segments, including (EWS), Lower Income Groups (LIG), and in limited numbers for Higher Income Groups (HIG). The plan is already underway, with a proposal submitted for 2500 homes in Patra Chawl, Goregaon, Mumbai. Additionally, MHADA is actively working on housing projects for Girni Kamgars (Mill workers), Police personnel, and Mumbai Dabbawalas. These collective efforts aim to significantly boost affordable housing options in the region over the next two years.

## What has been the impact of MHADA's Lokshahi Din

I realised there is a need to have a meeting point of all the stakeholders and the end users, which led to the creation of Lokshahi Din that started in January 2024. This event aims to engage citizens and address their concerns directly under my supervision and has now become a significant platform, fostering transparency and community involvement.



**Mhada's Ihlms 2.0 Lottery system's transparent process has increased citizens' confidence and we are pleased to announce another lottery for 2000 apartments in September this year.**

## What are the benefits you see from Oshiwara Land Sale To Medanta?

A 2.2-acre Mhada plot reserved for a hospital in Oshiwara layout has been acquired by Global Health Pvt Ltd, which operates Medanta Hospital in Gurgaon. The Andheri-Dahisar belt has one of the lowest hospital bed to population ratio in the city. Due to the high cost of real estate, many hospital chains have been unable to make inroads here. Now, through Mhada, services of Medanta Hospital will soon be available to Mumbaikars. We will also have a dedicated target to cater to low-income citizens.

## MHADA's Computerized Flat Draw Initiative

Mhada's Ihlms 2.0 Lottery has revolutionized the application process by transitioning it online, eliminating the need for personal visits to the Mhada office. With the exception of two instances requiring document verification, the entire procedure is now conducted digitally, ensuring a seamless and efficient lottery system. This innovative approach has enabled us to conduct lotteries in greater numbers than before.





# PUNE'S SILICON VALLEY

## HINJEWADI'S GROWTH PANGS

**Hinjewadi the IT hub of Pune has been a major contributor to Pune's real estate growth story. The infrastructures challenges remain to be addressed that can further enhance the immense growth potential of the area.**

By: Sajana Nambiar

**L**ast two decades have been a game changing period for Pune's Hinjewadi, with a lot happening in terms of growth and development. From a mere suburb in Pimpri Chinchwad on the outskirts of Pune city, its transformation into a burgeoning IT has led to the overall economic growth of the city of Pune city.

Hinjewadi's upsurge started in the year 1998 with Maharashtra government's renewed IT policy and establishment of 2800 acres of Rajiv Gandhi Infotech Park also renowned a Hinjewadi IT Park, came into the picture.

One of the earliest IT companies to set up a develop-

ment centre in Hinjewadi was Infosys, which established a facility in 1999. Other major companies, such as Wipro, Tata Consultancy Services (TCS), and Cognizant, followed in the early 2000s. Hinjewadi soon turned into an investment hotbed for many. Today, the infotech Park consists of three phases and houses more than 150 to 200 IT companies.

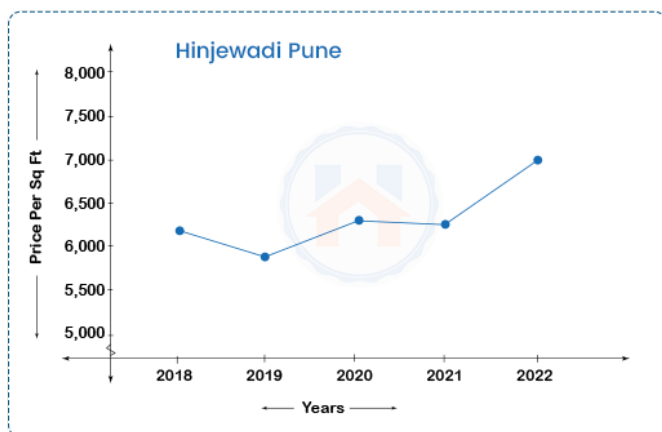
## PROPERTY RATES

The property prices in Hinjewadi have been steadily rising due to rapid urbanization, infrastructure development, and increasing demand for housing & other real estate segments. As a matter of fact, Hinjewadi boasts some of the highest rental yields in Pune, with rental growth of 17% Y-o-Y.

According to the industry survey, In Hinjewadi, the circle rate applicable to residential flats is Rs. 53,780, whereas for offices, it stands at Rs. 88,500. In residential, the average price per square foot for residential properties is Rs 7,461. The residential circle rates have a considerable range, starting from Rs 571 per sq. ft. and going up to Rs 12,690 per sq. ft. The average rental rate in Hinjewadi is Rs 28,065. Rental rates can vary significantly, with properties available for rent ranging from Rs 10,000 to Rs 75,000.

## THRIVING HOUSING SECTOR

With its economic prosperity, Hinjewadi has taken the centre stage in Pune as a favoured residential market. In fact, when considering Pune for buying property, the area has become a top choice among buyers and investors alike. Apart from being near to workplaces,



Source: Homebazaar.com

**Industry experts predict, that the rise in job opportunities in IT and allied sector in the region will likely to lead to a lot of interest from institutional investors and individual buyers in Hinjewadi real estate.**

the other contributors to its attraction as a residential hub are its close proximity to Pune-Mumbai Expressway, which links Mumbai's commercial districts seamlessly and easy connectivity to Lohegaon Airport & Pune Railway Station.

A mid-housing locality in Hinjewadi has an average residential property price of approximately Rs 8,000 per sq ft which are on an upward trend. In addition to catering to the demand for affordable and mid-income categories, there has been an upsurge in premium & luxury housing as well in the area. Hinjewadi's phase-1, a residential cum commercial neighbourhood offers a large number of luxury housing units. The area is densely populated with residential apartments and independent homes built by city-based developers. The adjoining areas of Bavdhan, Pirangut, Baner, Balewadi and Mahalunge are other options for reasonably priced housing localities that are well connected to Hinjewadi.

The key developers in the region include Lodha Group, Shapoorji Pallonji, GERA Developments, Pride Group, Mahindra, Life spaces, VTP Realty, Kohinoor Group, Kolte Patil Developers Limited, Nyati Group and Godrej among others.

## ATTRACTIVE COMMERCIAL SECTOR

Home to IT parks Hinjewadi with many software companies and startups also boasts a wide range of commercial properties including office spaces and co-working spaces are presently on high demand. The office spaces here are offered at competitive rates, suitable for varied occupier needs.

Hinjewadi's contribution to Pune's total office leasing has nearly tripled from two years back. This increased demand is primarily driven by the IT-BPM, engineering,

and manufacturing sectors. Others playing a substantial role in driving this demand includes Global In-house Centres (GICs), captive centres, and third-party off-shoring centres.

Industry reports reveal Hinjewadi is attractive to tech and finance industries needing spacious offices. It caters to 20% of Pune's office space and with recently approved Maharashtra IT-ITES Policy aiming to create more business opportunities, Hinjewadi is likely to attract life sciences, GCC and industrial occupiers.

In terms of retail real estate, post covid, retail establishments in Hinjewadi have bounced back, given return of employees and more national and international brands showing interest. For instance, Global High Street Mall, the retail hub in Hinjewadi Phase-2 has attracted considerable interest amongst retailers due to the readily available catchment.

### THE INFRASTRUCTURE BACKBONE

What makes the Hinjewadi and stand out from other places in Pune, is its, accessibility and, positioning as a well-connected nucleus within Pune's urban landscape. Boasting a robust road network, Hinjewadi ensures seamless connectivity through major routes. The Mumbai-Pune Expressway acts as a lifeline, facilitating easy travel to Mumbai and other significant destinations. Hinjewadi not only emerges as a thriving business hub but also as a strategically connected locality, nurturing economic activities and making it a perfect destination for professionals and residents alike.

The thriving real estate market in Hinjewadi is led by the promising infrastructural growth in the region. Hinjewadi has seen a lot of infra projects in the recent times, while several are still under pipeline and will bring a major difference to the real estate market here. The support that Infrastructure has given to the flourishing IT hub is the highlight of this region which attracts investors and homebuyers.

#### **The proposed infrastructure projects by the state include:**

Widening of roads to six lanes, construction of flyovers and establishment of a 100-ton capacity solid waste management project.

Pune Metropolitan Region Development Authority will start land acquisition in adjacent areas to build roads and flyovers.

The four-way connecting routes between Hinjewadi

## What makes the Hinjewadi and stand out from other places in Pune, is its, accessibility and, positioning as a well-connected nucleus within Pune's urban landscape.

and Pimpri-Chinchwad, Mhalunge-Chande-Nande-Ghotawade, from Sus to Nande, and Pirangut and Ghotawade via Maan will relieve the traffic in peak hours.

The Upcoming Mahalunge – Hinjawadi IT PARK Bridge on Mula River Connecting Baner & Balewadi will further disperse the traffic congestion.

Hinjewadi will get its metro station connecting the area to Shivaji Nagar. This has increased the property valuation of Hinjewadi among ongoing residential projects in Pune.

The upcoming 110m Wide Ring Road will link PCMC to major highways, along with multiple connectivity from Rajiv Gandhi IT Park.

### BUT NOT ALL IS OKAY

Of course, with infrastructure development comes lot of responsibilities towards other basic amenities that fulfils the needs of its residents. In the case of Hinjewadi, these responsibilities were left behind while the region grew in terms of its commercial development. In May this year the Hinjewadi Industries Association (HIA) reported that 37 IT companies have moved out from the Hinjewadi Rajiv Gandhi Infotech Park in the last ten years due to the deteriorating conditions of the infrastructure and traffic congestion in the locality.

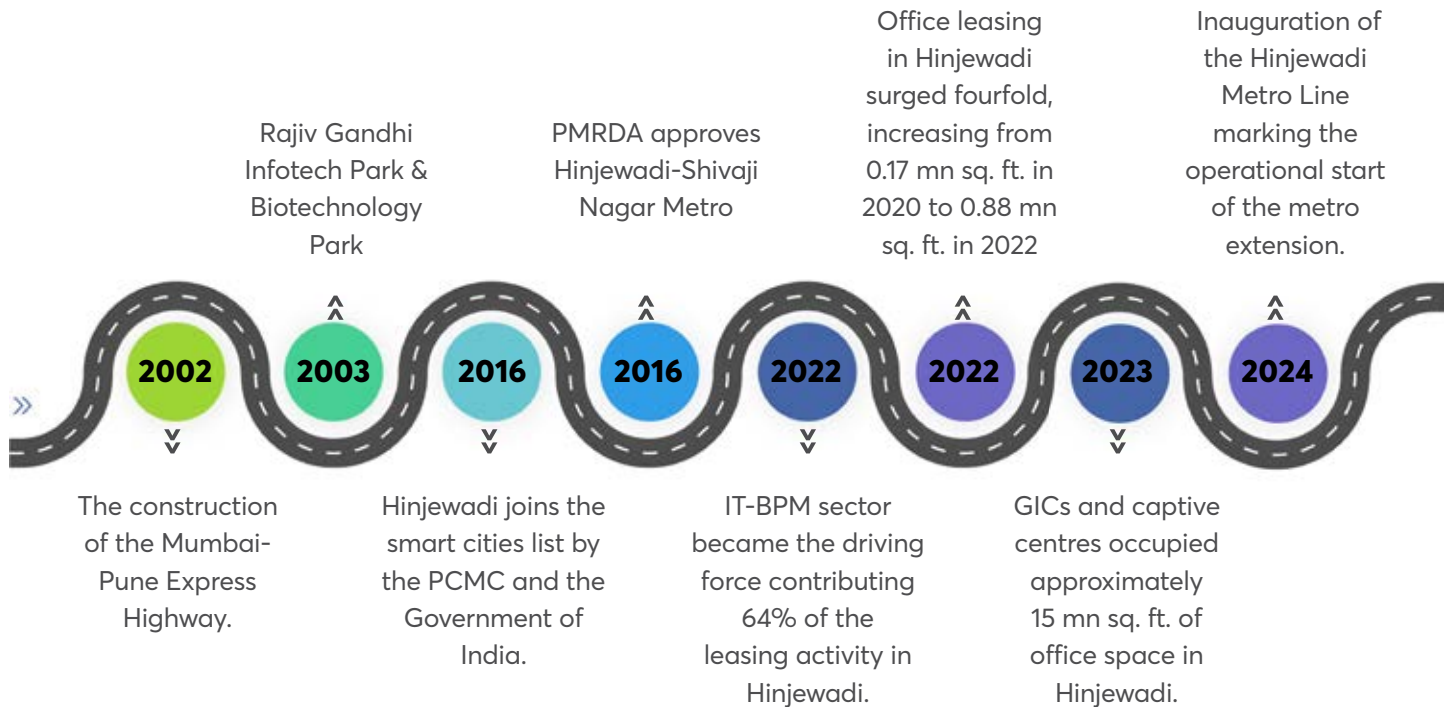
Hinjewadi IT Park, established 25 years ago, now faces inadequate infrastructure. The civic authorities have failed to keep pace with fast-track development & expansion of Hinjewadi to offer holistic services & facilities to the lakhs of IT employees living in the area and in the vicinity. Some of the key issues residents often deal with include:

**Traffic Congestion:** Heavy traffic, especially during peak hours, is a significant problem due to the influx of IT professionals commuting to work.





## Milestones of Hinjewadi



**Infrastructure Strain:** Rapid urbanization has led to stress on existing infrastructure, including roads, public transport, and utilities. The reduction of green spaces and recreational areas due to urbanization has also impacted resident's quality of life.

**Water Supply:** Inconsistent water supply is a common issue, with residents sometimes facing shortages or relying on tankers.

**Waste Management:** Efficient waste management is lacking, leading to improper disposal and sanitation issues.

**Public Transport:** Limited and overcrowded public transport options make commuting challenging for those without personal vehicles.

**Pollution:** Increasing pollution levels, including air and noise pollution, are concerns due to heavy traffic and construction activities.

**Safety Concerns:** With rapid urban development, ensuring the safety of residents and tackling crime can be challenging.

Addressing these challenges requires coordinated efforts from local authorities, developers, and the community to ensure sustainable and inclusive growth. Locals claim, the current solutions and implementations

are not up to the mark. While, the public and private stakeholders have initiated new steps to resolve these problems, the execution is going at a snail's pace and does not match the rapid development of Hinjewadi.

### ENVISAGING A BALANCED FUTURE

The road ahead for Hinjewadi prosperity and growth is unhindered as investors, home buyers and businesses continue to pour in the Silicon Valley of Pune. The IT sector growth assures that the demand for housing and commercials real estate in this region will sustain in the coming future. But, with the development, addressing basic civic infrastructure and amenities is crucial if it does not want to become another disappointing Whitefield (the IT hub in Bengaluru that was deluged in last rains).

The transformation of Hinjewadi is a dynamic process, with ongoing efforts to address challenges and leverage opportunities for sustainable growth and development. Like every coin has its two sides, investing in Hinjewadi also has its pros and cons. Before the cons overpower the pros, the administration needs to strike a balance that will take Hinjewadi on the global map as the sought after IT-business destination of the world.



# HOSPITALITY GOING GREEN

**According to a renowned online booking site, 87% Indian travelers consider sustainable tourism and 75% are more inclined to book eco-friendly accommodation. In response the Indian hospitality sector too is inching towards sustainable goals.**

By: Sapna Srivastava

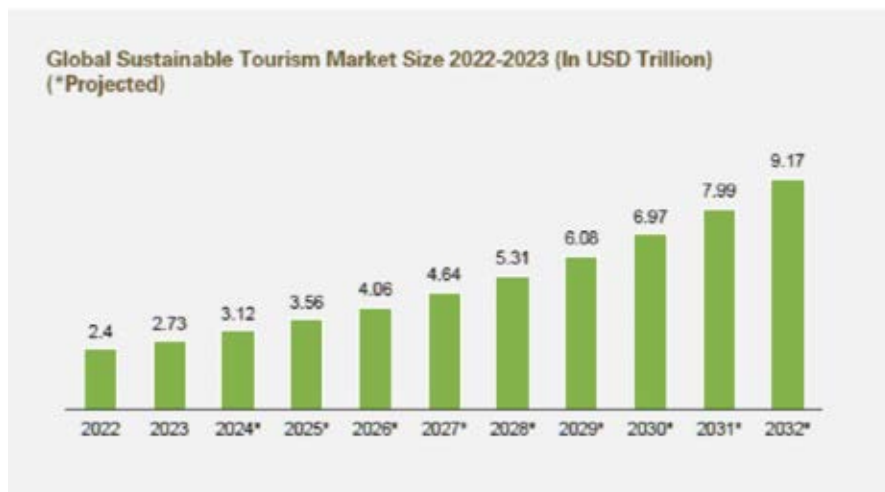
In an era where environmental awareness is the need of the hour, the hospitality industry worldwide is undergoing a shift towards eco-friendly practices. By the end of 2024, the ecotourism market size globally is predicted to grow to \$249.16 billion, an increase of 13.5% from \$219.53 billion in 2023. By 2028, the global ecotourism market size is expected to increase to \$428.97 billion, with a compound annual growth rate (CAGR) of 14.5%.

The major reason why the hospitality industry is slowly and steadily going green, is due to the demand from the tourists and travelers. HNI travelers particularly have started opting for hotels that are luxurious,

but are also sensitive to the environment. What's more, travelers are interested in having local cultural experiences and the hotels that can provide authentic local community interaction and experience, invariably become the preferred choice of stay.

## What is an eco-sensitive hotel?

An eco-friendly hotel goes far beyond simply having recycling bins and organic upholstery. The ecotels can be recognized by their holistic approach to minimize harm to the environment as well as have a positive social impact. These hotels use organic products, energy-efficient equipment, recycling programmes,



Source: Precedence Research, Dec 2023

renewable energy sources and local community engagement among other enhanced practices.

To recognise a hotel as one, first and foremost it has to be certified with the green certification. Various certification programs offer recognition to hotels that meet specific sustainability criteria. Features such as onsite amenities, pool and laundry operations, convention facilities, and transient guest populations, hospitality properties can present unique challenges and opportunities in areas of environmental performance. The various green rating systems address these specific areas to increase efficiency, reduce waste, and promote alternative materials.

The ecotel certification is based on five key areas such as water conservation, energy conservation, employee environmental education, solid waste management, and environmental commitment. The ecotel certification enables the hotel to become sustainable and green by involving the total value chain of architects, suppliers, employees, owners, operators, and guests.

To sum up, an ecotel incorporates various practices to promote environmental consciousness such as using renewable energy sources, non-toxic cleaning products, environment friendly interiors to dedicated sensitizing programs on saving water & energy for staff and the guests.

**While most of the certifications about environmental sustainability emphasize building physical structures and hotels, ecotel focuses hugely on the operational part of the hotels.**

### THE REASONS TO GO GREEN

The green transformation in hospitality industry is motivated by several reasons from cost savings to a sound business strategy.

**Long Term Rol** – Electricity and water are the biggest money guzzlers for a hotel. By implementing energy-efficient lighting and HVAC systems, along with solar power generation, hotels can considerably reduce their electrical bills. And, installing water-saving fixtures and rainwater harvesting systems can lead to substantial lower water usage and cost reductions over the years. Minimizing food waste and recycling materials too cut major operational costs while, also enhancing the hotel's brand value.

**Business Strategy** – The growing demand for ecotel accommodations across the country, has driven hotel chains to go green as it makes a perfect business sense. Hotels can leverage their eco-friendly practices as a USP to attract customers and stand out in the highly competitive market. Moreover, travellers are willing to pay a premium for hotels that are sustainability focused.

**Environmental Regulations** – Most importantly, going green is no more a choice but, the stricter environment regulations by the government have mandated environment friendly practices and operations by the hospitality industry. Rigorous rules to ensure organizations meet energy consumption, emissions and sewage disposal standards are driving hotels to prioritize environmental conservation in India.

### EXAMPLE OF GOING GREEN

**Energy-Efficient Systems** - Marriott International chain has implemented an energy management system that uses artificial intelligence to optimize energy consumption. The Radisson Hotel Group also uses soft-



ware that allows hotels to monitor and manage its energy consumption in real-time, leading to a significant reduction in its carbon footprint.

**Water Management** - The Hilton chain water management system uses sensors to monitor water usage and detect leaks, thereby reducing water waste. The Wyndham Hotels & Resorts chain uses smart irrigation system for its landscaped areas that utilizes weather data to adjust watering schedules and volumes, reducing water waste.

**Waste Management** - ITC Hotels in India has been using a waste management system that converts organic waste into biogas. This biogas is then used to generate electricity, reducing the hotel's reliance on non-renewable energy sources. Shangri-La Hotel in Singapore introduced a rainwater harvesting system that collects and stores rainwater, which is then used for irrigation and other non-potable water needs.

**Solar Power** - The InterContinental Hotels Group installed solar panels at several of its properties. These panels generate a significant portion of the hotels' electricity, reducing reliance on non-renewable energy sources. "

**Food Waste Management** - The Accor group uses a smart waste tracking system that identifies and records food waste, providing data that helps the hotel reduce waste and improve menu planning. Fairmont Hotels & Resorts chain has implemented a food waste tracking system called "LeanPath", providing valuable data that helps the hotel reduce waste and improve its food procurement processes.

**In-Room Technology** - Hyatt

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## Hoteliers and designers are using a 'three-zero' approach - local materials & skills (zero kilometres), energy management & lower emissions (zero carbon), life-cycle management (zero waste).

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chain introduced smart rooms equipped with IoT devices that controls lighting, temperature, and other features based on guest presence, leading to significant energy conservation by preventing unnecessary conditioning of vacant spaces. Mandarin Oriental Hotel Group has introduced smart mirrors in its bathrooms. These mirrors have integrated displays that provide guests with information about the hotel's sustainability initiatives, reducing the need for printed materials.

**Electric Vehicles** - Four Seasons have started offering electric vehicle charging stations, encouraging the use of EVs and contributing to a reduction in carbon emissions.

**Carbon Emissions** - "CO2 Zero STAY" program developed by a Japanese hotel enterprise uses the carbon offset system. It calculates and visualizes the amount of CO2 emissions generated by guests and invests an equivalent amount in carbon emissions reduction activities, thereby balancing the negative environmental impact to virtually zero.

## ECO-HOSPITALITY MARKET OPPORTUNITIES

As suggested by various industry surveys, with the rising inclination towards environmental consciousness and sustainability worldwide, the Indian hospitality industry is at a crucial crux of reinventing itself as a sustainable hospitality sector, where going green is not just a marketing gimmick.

There are still many untapped regions and tourist destinations that offer potential for eco-friendly hotels. Engagement with local communities at various levels can help provide community-based programs that can add to the appeal of an ecotel and positively impact the surrounding communities. Especially after the pandemic crisis, nature-focused accommodations are growing in popularity and their demand is growing by the day.

## IMPROVING BRAND IMAGE

The hospitality industry has a bad reputation of adding to environment pollution directly or indirectly. The direct emissions come from the combustion of energy, refrigeration & transportation and the indirect emissions come from consumption of electricity, goods and services.

As per industry statistics, hospitality accommodations contribute 2% of the 5% global CO2 emission. Also, 75% of hotels' environmental impacts can be directly related to excessive consumption of resources, while also creating unnecessary operational costs.

The hotel industry faces a significant challenge in reducing its emissions to meet the targets of a 66% reduction by 2030 and a 90%

reduction by 2050. Achieving these targets will require a multifaceted approach involving energy efficiency, renewable energy adoption, waste reduction, and sustainable practices.

With commitment and creativity, many hotels in India are setting example in becoming eco-conscious and setting an example for others. For instance, hotels encourage guests to reuse towels, offer eco-friendly toiletries, have minimized use of plastic packaging and water bottles, optimizing laundry services, recycling mattresses and partially used soap and are using recycled paper products. In addition, serving locally sourced food and beverages, reduces carbon footprint and supports local farmers and small businesses.

The latest trend of hydroponic farming in hotels in India offers advantages of year-round availability, space efficiency, sustainability, reduced pesticide use, reduced the dependence on external suppliers and lower transportation costs associated with sourcing produce.

## GREEN PUSH FROM THE GOVERNMENT

Government bodies are increasingly providing incentives for hotel buildings with green certificates, acknowledging the need to implement sustainable building design and practices. Green building initiatives from various tourism boards and rising demand from tourists for eco-friendly vacations at hotels that support green practices is expected to further support the Indian hospitality industry.

According to the Gujarat Tourism

**According to a recent KPMG report, the sustainable tourism market in India was valued at US\$26.01 million in 2022 and is projected to reach US\$151.88 million by 2032, with CAGR of 19.3% from 2022 to 2032.**



Policy47, the IGBC will return 50% of the certification price to hotels and wellness resorts that achieve a green rating. Similar initiatives by other states and tourism boards encourage green buildings in the Indian hospitality industry. For example, hotels that utilize renewable energy sources can benefit from tax exemptions, and grants are available for

those who implement eco-friendly technologies.

Besides mandates from governments and regulators to adopt sustainable practices, the hospitality industry is also pushed by its customers and investors to embrace sustainability and make it an integral part of the way they operate.

## ENCOURAGING GREEN HOSPITALITY

Surely, the hotel industry in India is showing signs of eco-friendly, however like it is said Rome was not built in a day, the industry too has a long way to go to. As per KPMG report, with the resurgence of over tourism post the pandemic, the government and other stakeholders are developing solutions that address negative impacts of tourism and transform it into something more sustainable.

It is equally vital that tourists and travelers the main drivers of tourism change their attitudes and behaviors to ensure a sustainable future. Furthermore, hospitality industry produces a considerable amount of wastage, which calls for an urgency to address the issue. There is also an opportunity to undertake myriad approaches such as rethinking management of restaurant kitchens, training of service staff, using local, seasonal ingredients, and more.

Sustainable tourism can only be practiced effectively through a stable and a well-trained workforce. There is an urgent need to train and empower locals with appropriate skills and knowledge about the hospitality and service industry to ensure effective implementation of sustainable tourism strategies.



# HOSPITALITY INTERIORS BOOSTING ROI

**Undoubtedly, hotels rely on interior design to shape customer experiences. But , there's more to it. Prominent hoteliers explain how interior design can elevate hotel's ROI too.**

**E**leanor Roosevelt rightly said 'True hospitality consists of giving the best of yourself to your guests'. The Indian hospitality industry is manifesting it in its thoughtful space planning, and responsible interior design.

As hotel interior designers put it, majority of the hotels want to have a blend of the past, present and future in the interiors to cater to the varied likes of the diverse set of guests. The tall order of design brief includes that the hotel interiors should root themselves in the context of the place without seeming conventional as well as being exciting for the GenZ.

Gone are the days when a hotel stay was meant only for leisure or business, today they also need to be ready for social media sharing, with guests capturing interiors or outdoor spaces in their lenses and spreading the word online for others to know. Afterall, it makes business sense. So, to deal with such sorts of demand, the hospitality industry is upping its game with innovative interiors.

As per **Sandeep Singh, Founder of Rubystone Hospitality**, "Contemporary hotels have evolved into splendid destinations that prioritize providing guests with an





extraordinary experience. The aesthetic appeal of a hotel's interior refers to the visual attractiveness and overall design. They contain colour schemes, furniture choices, lighting, artwork, and decorative accessories. The goal is to create a visually pleasing environment that reflects the hotel's brand and desired atmosphere. A well-designed interior can enhance the guest experience, leaving a positive and lasting impression. For instance, tastefully displayed artworks of folk tales, or modern art, instantly catch the eye and add richness to the space. In addition, accessories such as carved mirrors, ornate metalwork or sculptures and pottery bring visually stunning and immersive experience for guests. These aesthetic touches can in fact, differentiate one's property from competitors as well as generate positive reviews and recommendations.

## PLANNING VARIED SPACES FOR A HOTEL

Hotel encompasses areas such as lobbies, guest rooms, restaurants, bars, conference rooms, outdoor spaces and each area requires careful consideration of its purpose, traffic flow, and guest comfort to ensure a positive experience. The spaces should seamlessly flow into each other, yet maintain their respective privacy.

For **Nishal Seeballuck, Hotel Manager, Ritz Carlton**, their top considerations revolve around functionality, aesthetics, and enhancing the guest experience through thoughtful design. "Creating varied spaces within a hotel requires a meticulous balance of functionality, aesthetics, and guest experience. At The Ritz-Carlton, Bangalore, we begin by understanding our guests' diverse needs. Each space is crafted for specific purposes while maintaining a cohesive design that reflects our luxury brand. At The Ritz-Carlton, the comfort of the guest is our highest priority. Each space is designed to instil well-being and create a sense of awe. We strive to appeal to all five senses, ensuring that every interaction within our spaces is a sensory delight."

Guest experience is central to our design philosophy, with personalised touches and intuitive features anticipating and exceeding guest expectations. This

includes integrating technology and local artwork to evoke warmth, comfort, and sophistication. Aesthetics enhance the overall experience, blending timeless elegance with contemporary elements that reflect local and global design trends. Functionality too is paramount to ensure every space—from the lobby to guest rooms—is designed for its primary function and seamless guest interaction," he added.

## Trend of social media sharing by guests has made the hospitality industry ramp up its game with innovative interiors.

**Debeet Banerjee, General Manager, Park Hotels** added that modern hoteliers are well-travelled and are aware of modern demands and expectations. He lists down the factors that are given prime importance in space design.

"Each space should efficiently serve the function considering the needs of guests and the staff to have things handy, reachable, and easy to operate. Whether it is a restaurant, a banquet hall, a guest room, the bar,

or the back-of-house: comfort and accessibility would be the first concern here. This would relate to the style of seating, lighting design, temperature control, and decoration.

Additionally, multifunctionality is important, because spaces like meeting rooms should be convertible so as not to waste real estate. With technology playing a huge role in day-to-day life, it has to be integrated at every point of planning.

What's more, there has to be a design theme so that the brand identity of the hotel is reflected, but at the same time, it should embrace the local culture and heritage. Sustainability in planning too is paramount. This would include eco-friendly designs for the direction of the sun to reduce HLP costs, sustainable material, and energy-efficient systems like BMS. At the very end, the design should ensure a wonderful guest experience by bringing great moments to their stay that they would want to come back again and again."

## INCORPORATING "SENSE OF PLACE" TO DESIGN

More often than not, the hotels in the race to being seen as contemporary and in sync with times, forget to



connect with the place of its location. The interiors seem like of a hotel that could have been in Miami or Mumbai.

"Incorporating the "sense of place" in hotel design is a hallmark of The Ritz-Carlton experience," **Nishal See-balluck**. "At The Ritz-Carlton, Bangalore, we reflect the unique cultural heritage and architectural nuances of the city while maintaining our brand's signature luxury. Our design features the intricate jaali screens, which serve as scenography throughout the hotel, blending traditional patterns with modern aesthetics. The warm tones of orange and sienna are thoughtfully spread across the interiors, creating an inviting and elegant atmosphere that resonates with the local environment.

Spatial storytelling is essential, with each area—from the lobby to guest rooms—telling a narrative that mirrors Bangalore's vibrant spirit. We also go a step further to imbibe the local culture by offering guests the unique experience of witnessing the traditional Yakshagana dance in the Jaipur corridor. This not only enhances the sense of place but also provides a deeper connection to the local traditions and art forms.

Additionally, experiential elements like curated local culinary offerings and cultural performances enrich the sense of place, deepening guests' connection to the destination. At The Ritz-Carlton, Bangalore, we seamlessly blend luxury with local authenticity, ensuring every guest experiences our thoughtfully designed spaces and curated experiences."

With travellers, especially the millennial travellers seeking a connection with the city, the hospitality design is adding tiny touches to the whole architecture and the interiors to evoke a sense of place. Architects and designers are making sure that the guests can feel the destination from the moment they enter the hotel, creating picture perfect experiences that would promote brand loyalty and ensure business success in the competitive hospitality industry.

**Debjee Banerjee** states that the "sense of place" in a hotel design would be one to incorporate the feel, culture, and surroundings of where a hotel is located. These can be achieved by a couple of ways including but not limited to the following:

"The use of local material and architectural styles that reflect the culture and heritage of the local people: for example, in Madhya Pradesh, include chandlery silk,

rose gold from the Holkar dynasty and Gond art into the design. Local art, crafts, or even historical artefacts displayed within the hotel to give aesthetic appeal along with understanding the culture and tradition of the place. Colours and textures selected for the walls, fabrics, upholstery, and the flooring from the nature surrounding the area or the cultural motifs.

Landscaping and outdoor spaces, especially post-COVID, guests look for how nature is brought to be part of their hotel through designs of the property, including outdoor spaces such as gardens and terraces that represent the natural surroundings. Plus, local flavours and ingredients within the menu of the hotel's cuisine can make a huge difference to travellers seeking to get into the local culinary culture. Elements of the local hospitality and tradition could be carried over into services during a guest's stay at the hotel: a refreshing welcome drink, for example, of local tradition.

By working together in concert, these elements of place combine to enrich the total guest experience and foster a more meaningful relationship between the guest and the hotel," he concludes.

## BRINGING SUSTAINABILITY IN DESIGN

Reports suggest that in recent years, guests are more likely to return to a hotel that is environmentally responsible and where they feel that they have spent time, with due respect to the environment. No wonder, sustainability has now become an important consideration in hospitality interior design, with a focus on using eco-friendly materials and minimizing waste, among others

"Green certifications show a commitment towards being green and satisfying guest expectations of comfort and style and simultaneously being sustainable in design will involve the following key action points for the hotels - Implementing energy-efficient appliances, LED lighting, and smart HVAC systems to reduce energy consumption. For water conservation, using low-flow faucets and showers. STP to use treated water in the hotel chiller plant and Building management systems (BMS) to automate the entire building, thus saving on a lot of costs on HLPs and reducing energy.

Sourcing materials locally reduces transport emissions and support the local economy, while compost machines help convert all hotel waste into manure and give all



plastic products an environmentally friendly alternative. Green spaces, rooftop gardens, or living walls that are provided to improve the air quality also offer visitors a great atmosphere. Integrated with these sustainability practices, the hotels can meet guests' expectations while minimizing their environmental footprint and operating costs, thereby making them practicable in the long run," says **Debjeet Banerjee**.

Adding to the thought, **Nishal Seeballuck** stated, "Meeting guest expectations of comfort and style while embracing sustainable design principles is a priority at The Ritz-Carlton, Bangalore. We believe that luxury and sustainability are integral components of responsible hospitality.

Firstly, sustainable materials and practices are central to our design ethos. We select locally sourced, renewable materials and integrate energy-efficient technologies to minimize environmental impact without compromising aesthetics or comfort. Secondly, operational efficiency is vital. We employ water conservation measures, waste

management systems, and energy-efficient lighting and HVAC systems to reduce our carbon footprint while maintaining service excellence.

Lastly, fostering a culture of environmental stewardship among guests and associates is paramount. Through educational initiatives and partnerships with local sustainability organizations, we encourage responsible behaviour and promote environmental awareness within our community. At The Ritz-Carlton, Bangalore, sustainability in design means delivering uncompromising luxury and comfort while safeguarding natural resources and cultural heritage."

## NEW DESIGN TRENDS

Hospitality interior design is a dynamic field that constantly evolves with changing customer preferences and technological advancements. However, striking a balance between trends and brand identity can help create a unique customer experience that can set the ROI zooming.

According to **Debjeet Banerjee** trends that are likely to develop over the coming five years relating to luxury hotel design includes sustainability that will be highlighted more through eco-friendly best practices, biophilic design, natural materials, and spaces that will promote a calming and restorative environment. He adds, "New technology will also be implemented in the industry to support guest convenience and security, using smart-room controls, AI personalized experiences, and contactless systems. Hotels will further redefine the way authentic local experiences can be derived from art. Cuisine, and culture shall present to the guests a sense of place and unique memorable moments. With customization coming out as foundational in hospitality, data analytics and guest preferences would lead to designing a tailor-suited experience of amenities and services for unique needs of individual consumers.

The design will, therefore, go beyond the pandemic to pay attention to health and safety measures that will seamlessly incorporate hygiene protocols into the experience of the guests."

Some of the unique design features of The Park Hotels, according to Debjeet Banerjee that place The Park Hotels among the few brands to wed artistry with culture and next-generation hospitality concepts in the creation of a superlative and unforgettable guest experience are:







● **Contemporary Art Integration:** Known to blend vibrant contemporary art collections showcased within the properties and placed all over the places, these only make the environments vibrant and the cultural experience unique for the guests.

● **Architectural Innovation:** Most Park Hotels have an innovative architectural design, a modern style blended with local cultural essence, giving them a distinctive look.

● **Bold Interiors:** The interiors of The Park Hotels are designed in bold colours, using furniture that is not run-of-the-mill; other décor elements are usually avant-garde.

● **Design Focused on Local Culture:** Every Park Hotel drenches its interiors in local elements that are comfortable for a guest every time they are in one, through artwork, furniture, or simple architectural elements.

● **Lifestyle Experiences:** Far beyond the features that make the standard amenities given by hotel brands, The Park Hotels are all about lifestyle experiences, from wellness facilities to nightlife destinations and high-end dining options, all adding to a more holistic guest experience.

● **Green Initiatives:** Quite renowned for its deep-green initiatives, The Park Hotels are very popular for designs incorporating sustainable practices as an integral part of the design as well as operation.

**Nishal Seeballuck** was of the view that over the next five years, luxury hotel design is set to embrace several transformative trends, creating innovative, sustainable, and personalized guest experiences. The key trends to watch out are:

**Sustainability Focus:** Sustainability will be at the forefront, with a significant emphasis on eco-friendly materials, renewable energy sources, and biophilic design elements. Hotels will increasingly integrate natural elements like indoor gardens, living walls, and extensive use of wood and stone to create environments that promote wellness and environmental stewardship.

**Technological Advancements:** Technology will play a pivotal role in enhancing guest experiences. Smart room controls, such as voice-activated systems and app-based

functionalities, will become standard. Augmented reality will offer virtual concierge services, and cutting-edge in-room technologies, including smart mirrors and automated lighting, will blend seamlessly with traditional hospitality, offering convenience and personalization.

**Wellness-Centered Design:** Wellness will be a central theme, with dedicated spa suites, personalized fitness areas, and mindfulness zones becoming more prevalent. Hotels will prioritize holistic well-being by offering spaces designed for relaxation, meditation, and physical health, ensuring guests can rejuvenate both mind and body during their stay.

**Experiential Luxury:** Experiential luxury will evolve to offer authentic, immersive experiences that connect guests with local culture, history, and community. Curated programs and activities, such as guided cultural tours, local culinary classes, and art workshops, will provide guests with a deeper, more meaningful connection to their destination.

**Flexible and Adaptive Spaces:** The demand for versatility and convenience will lead to the creation of flexible and adaptive spaces.

Multi-functional areas will be designed to transition seamlessly between work, leisure, and social activities. This trend will cater to the needs of business travelers, digital nomads, and leisure guests alike, offering adaptable environments that can be tailored to individual preferences.

"These trends will collectively redefine luxury hotel design, blending innovation, sustainability, and personalization to create extraordinary guest experiences. The Ritz-Carlton, Bangalore, is poised to lead in this evolving landscape by continuously integrating these forward-thinking design elements into our offerings," he shared.

Nishal Seeballuck added, "The Ritz-Carlton, Bangalore, stands apart with its unique design features that seamlessly blend luxury, innovation, and local culture. It offers a unique design narrative that is crafted through the collaborative efforts of world-class designers, innovative lighting, and a deep appreciation for art and culture. This holistic approach ensures that every as-

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**Hoteliers need to carefully adopt emerging trends and in-vogue styles that should be in sync with their brand image.**

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pect of the hotel, from its architecture to its interiors, provides an elevated experience that distinguishes it from other hospitality brands. One of the key elements that differentiate our hospitality brand is the collaboration with 26 internationally renowned designers, each bringing a distinct perspective and expertise to create a harmonious yet diverse aesthetic."

- **Lighting Design:** The building composition of glass and intricate jaali work illuminates the Bangalore night sky, creating a striking visual landmark. The interior lighting, curated by a leading San Francisco-based firm, plays a pivotal role in defining the spatial experience. From the moment guests arrive at first light, they are greeted by elevating lighting statements that range from poetic to dramatic, infusing every space with life. This thoughtful approach to lighting transforms each area, enhancing its functionality and beauty.

- **Art and Sculpture:** Art and sculpture are integral to our design, featuring over 1200 artworks that consume almost every wall, passage, and room. This deliberate inclusion elevates the entire experience to an aesthetic high, making each visit a journey through a gallery of curated pieces that reflect both local and global influences. The carefully selected artworks not only enhance the visual appeal but also tell stories that resonate with the cultural heritage of Bangalore.

- **Architectural Design:** The architectural com-

position of The Ritz-Carlton, Bangalore, combines modern elegance with traditional elements. The use of jaali screens and warm, inviting tones creates a sense of place that is both luxurious and authentic. This blend of contemporary and traditional design ensures that the hotel stands out while remaining true to its local roots.

- **Interior Design:** Our interiors are designed to evoke a sense of awe and comfort. The spaces are meticulously planned to offer both functionality and aesthetic pleasure. The attention to detail in materials, finishes, and furnishings reflects our commitment to providing an unparalleled guest experience.

## MAXIMIZING ROI FROM INVESTING IN DESIGN

With so many trends emerging consecutively, hoteliers and designers need to be careful on adopting any trend that should be in sync with what the brand stands for and can invariable, keep bringing the guest back.

Timeless designs, local influences with a touch of inspiration from the latest trends will create a unique interpretation for a property. And as the experts' state, keeping up-to-date with the latest design trends, technologies and techniques is crucial for hospitality businesses, but striking a balance between trends and creating a memorable experience is even more crucial for increased revenue.

## Realty+ Discussion

**D**espite rapid inflation and increased construction costs, Gujarat's estate market continues to grow at an impressive rate, with prices appreciating faster than inflation. Building infrastructure will be crucial in the coming years alongside the existing focus on auto, semiconductors, engineering and pharma industries in the state.

### Infrastructure Boom & Real Estate

Gujarat is fortunate to have strong infrastructure support from the government. However, land aggregation, conversion, zoning, and acquisition are key issues. **Paresh Sharma, Former Chief Town Planner Government Of Gujarat**, added, "The synergy between logistics, manufacturing, and infrastructure drives real estate development for the state. Though financing is a major issue, we need to address how infrastructure is delivered. Currently, planning and development are managed by the same entities without clear accountability. We must reimagine our outdated municipal governance. As major cities like Ahmedabad and Surat expand, smaller cities will face similar development challenges in the next 15-20 years. It's vital to tackle infrastructure issues in both large and small towns. Beyond municipal limits, developing peripheral areas presents significant problems. To mitigate this, increased densification is essential to reduce travel distances, particularly to these outlying areas."

**Atman Desai, Partner, Infrastructure and Project, Khaitan & Co**, stated, "Despite the hurdles, Gujarat excels with initiatives like Sanand, Gift City, and Dholera, providing developers with excellent access to power and resources. The state thrives in sectors such as semiconductors, data centers, logistics, hospitality, and renewable energy and government's focus on creating congenial business ecosystems will help Gujarat stay ahead. I believe, government should serve as a facilitator for the public and private sector partnership in infrastructure development across the state."

**Parth Patel, Managing Director, Kavisha Group**, added that as small towns grow into megacities or metropolises,



infrastructure like transportation systems play a crucial role. Efficient transportation, including BRTs, metros, and well-built highways, caters to all real estate demands from residential to manufacturing. Additionally, facilities like airports and railway stations drive city growth by ensuring connectivity. For example, in Gujarat cities, TP schemes have been pivotal, allowing for swift travel—reaching any city centre within 40-45 minutes. Cities like Bangalore and Delhi, lacking such schemes, face stunted growth and long commutes."

**Sameer Sinha, Founder & MD, Savvy Group** expressed, "Gift City sets a new benchmark for infrastructure-led development in India. In India, we often build infrastructure after construction, unlike Gift City, which had infrastructure laid out before any buildings were permitted. Today, Indian developers are eager to compete globally if given the right tools and policies. Achieving India's net-zero targets by 2070 requires immediate policy implementation and sustainable urban development."





# OPTIMISTIC FUTURE FOR GUJARAT REALTY

**Gujarat real estate market despite the recent slowdown in new project launches, remains a promising growth hub, express real estate players.**

Sharing his perspective **Suresh Patel, Director - Gujarat State Road Development Corporation, President NARED-CO - Gujarat**, stated, "The government is allocating 65,000 crore rupees annually for highway development and investing heavily in airports, cargo airports, ports and railways. Last year's annual budget for railway development alone was 1.32 lakh crore rupees. Additionally, the government is contributing to Smart City Development, with projects like the freight corridor, where 37% of the corridor runs through Gujarat, and Metro rail, and the bullet train. With 7,400 national projects underway, we're on the brink of another economic boom. The government collaborates with private sectors on various projects, like Gift City and Dholera to Gujarat town planning. These public-private collaborations are vital in acquiring for infrastructure development."

**Dr. Vatsal Patel, Founder - Setu Infrastructure, and President, Gujarat Institute of Civil Engineers and Architects (GICEA)**, said, "The quality of work in Gujarat

has significantly improved compared to ten years ago. Developers today are not cutting costs on structural safety and fire precautions due to the strong economy. Public discipline, not system failure, leads to accidents despite safety measures and permissions. We must now prioritize social infrastructure alongside roads, drainage, and other facilities. A resilient city needs spaces like parks and good schools to raise public awareness and discipline. However, even top-notch infrastructure fails if the public misuses it or doesn't maintain it properly. Thus, a well-maintained social infrastructure is essential for instilling proper public discipline and ensuring overall societal well-being."

## **Industrial Parks Growth Story**

Undoubtedly, the industrial region of Gujarat has firmly positioned itself as a vibrant hub for global trade and export. **Rumit Parikh, Director - Occupier Strategy and Solutions Industrial & Logistics and Retail, Knight**



**Frank India Pvt Ltd** elaborated, "Gujarat's warehousing market has evolved significantly since 2014, transitioning from traditional godowns to modern grade-A logistics parks in cities like Ahmedabad, Baroda, Surat, and Vapi. The state's industrial growth is impressive, with 49 ports handling 40% of India's cargo and 19 operational airports, including four international ones. Gujarat leads the country's exports, contributing a remarkable 33.55%. Acknowledged as a logistics powerhouse by DP, IIT, 's infrastructure is further bolstered by projects like the Delhi-Mumbai Industrial Corridor and the Dholera Expressway. Future developments include 11 new jetties and seven rail connectivity projects, promising even more growth."

**Nirav Kothary, Director, Godwitt Construction Pvt Ltd**, stated, "Gujarat has long been a hub for engineering and pharma companies, now attracting the auto sector with Tata Motors leading the charge. Semiconductors are creating buzz in Ahmedabad, adding to the industrial growth. However, improving our cold chain network is crucial as 40-50% of produce goes to waste without it. The government should incentivize efficient farm-to-table cold chain. The current biggest challenge is the high cost of land, construction and the added expenses that push rental prices. However, occupiers don't realize the complexities and costs involved, yet they demand top-notch specifications and ESG compliance."

**Bakir Gandhi, CMD, Crystal Group**, concurred, "A grade-A building isn't just about quality construction; it includes infrastructure like parking, parks, and an ecosystem. The main challenges are high rentals and local competition from traditional landowners. Modern companies need quicker operations, which makes prime land and approvals crucial. In regions like Gujarat, developers also face costs for infrastructure like water and roads. Retaining and maintaining these parks is also a big challenge and requires substantial funds or an institution's support. It's also crucial to find the right tenant mix to avoid conflicts, considering compliance is easier in Gujarat. Lastly, acquiring land at a reasonable price is essential."

**Anshul Shah, Director, Ducon Consultants Pvt Ltd**, articulated, "Rising and fluctuating raw material prices indirectly impact industrial output optimization. Industries are willing to pay more for comprehensive services

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## In most cities, the utility infrastructure is developed after buildings come up. Gift City has set a precedence for infrastructure-led development in India.

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in industrial parks to avoid challenges. Designers have prepared numerous master plans for specialized industrial parks, focusing on creating flexible designs that minimize the impact of uncontrollable external factors. This approach ensures long-term viability for both developers and end users."

**Kartik Jalan, Founder & CEO, Indicol**, responded, "Today, lot of cold storage units are found in Mehsana, Palanpur, and Deesa region, which is in the north of Gujarat, and an industrial park specifically for a cold chain is a sensible idea. Even if buildings are next to each other, different occupiers prefer separate parks. I've experienced this first-hand in Sonipat, Haryana, where sharing a park caused us many issues. Mistakes from one occupier can negatively affect another's audits. Companies consider many subjective factors like staff training and empathy when choosing locations, making it hard to control the environment in a shared space."

## Deciphering Residential Realities

Gujarat has become a key player in India's real estate landscape due to its strong economic growth and industrial boom. As per **Ravin Bhojani, A&T Head, Ahmedabad, CBRE India**, "Gujarat is experiencing significant growth, particularly in Ahmedabad and cities like Baroda and Rajkot. Ahmedabad has been in the spotlight for the past decade. Still, new project registrations in the state have decreased by 7.7% from 1866 to 1721 this fiscal year, according to the Gujarat Real Estate Regulatory Authority. This trend spans all categories, including residential, commercial, mixed-use developments, and plotting schemes. Projects started before the pandemic remain under construction, with only a few completed."

**Paras Pandit, CMD, Sheetal Infrastructure** added, "Although Ahmedabad is seeing redevelopment projects



surge, it's still in its early stages compared to metro cities like Bangalore or Mumbai. Moreover, developers are facing increased land costs and a 20% rise in construction and labour expenses. With rising land prices and construction costs, there are now narrow profit margins in the sector."

Elaborating on his projections for real estate market in Gujarat, **Dhruv Patel, President, CREDAI Ahmedabad GIHED**, said, "While there is a slight decline in project launches this year, numbers are still higher compared to pre-pandemic averages. Technology and digitalization are increasingly integrated into construction, with more mechanization and virtual reality for customer engagement. Despite a slower adoption pace, the industry's future looks promising with ongoing advancements in tech and digital tools."

**Kamal Singal, Managing Director & CEO, Arvind SmartSpaces Limited**, said, "The real estate demand is now stabilizing at levels 25-30% higher than pre-COVID. Developers are optimistic, and focusing on securing good land and timely clearances. Also, efficient use of technology in sales has reduced costs significantly, with about one-third of our sales coming directly through digital channels. Technology remains a key driver in balancing overall costs despite rising construction expenses."

**Rocky Israni, Managing Director - India Investments, Pacifica Companies** was of the view that real estate manufacturing is a lengthy process, with a cycle of 3 to 5 years from land purchase to finished product delivery. This often results in temporary demand-supply mismatches across asset classes. Developers rush into underserved markets, but the time to bring a product to market can create short-term surpluses, leading to perceived slow sales in areas like luxury housing. As the state grows at 15% compared to the country's 8%, there's a high demand for homes. Developers can deliver more homes, but affordability issues are stalling sales."

**Rohan Shah, Co-Founder, Realatte**, articulated, "Compared to cities like Bombay and Bangalore, there is a scope for more technology intervention in Gujarat's real estate. Digital marketing is cost-effective, with sales costs under 2. It's ROI-driven—you'll know exactly how many inquiries convert to bookings. Increasing inquiries will ultimately increase bookings, showing great potential in the digital space."

## Buoyant Commercial Real Estate

Commerce and Gujarat share an unparalleled relationship, **Jigar Mota, Director - Head of Transactions, Cushman & Wakefield - Gujarat**, stated, "Gujarat boasts a remarkably sustainable real estate industry across all asset classes. From Ashram Road to SG Highway in Ahmedabad, Old Padra Road in Vadodara, Parlay Point to Vasu in Surat, and Yagnik Road to Ring Road in Rajkot are the bustling commercial real estate hubs. Moreover, despite the predominantly built-to-sell market, Gujarat has attracted giants like Google and IBM to join its booming commercial real estate story. Their presence underscores Gujarat's dynamic market growth."

**Anmol Patel, Promoter, Ganesh Housing Limited**, shared his perspective, "Before 2014, buildings were much shorter, with smaller offices and retail shops. After 2014, we saw a significant shift towards taller buildings with improved amenities and a focus on employee interaction. These newer buildings also boasted bigger offices and retail spaces, enhanced safety standards and dedicated parking areas. This transformation including IT Parks coming up in the city are shaping the commercial real estate of Ahmedabad."

**Himanshu Sharma, Managing Director, Head - Leasing & Business Development, Tishmen & Speyer**, added, "I feel, both built-to-sell and built-to-lease models will grow in parallel. Our project in Ahmedabad, set to launch with 75% efficiency, aims to surpass the benchmarks set by cities like Bangalore and Hyderabad by creating a top-tier IT park that sets new industry standards. Developers in Ahmedabad face a pivotal choice: strive for greatness or remain content with current successes. Over the next 4-5 years, the growing demand for quality co-working spaces presents a significant opportunity. Ultimately, the success hinges on delivering superior spaces that meet both Indian and international standards, attracting businesses to establish their offices here."

**Umesh Uttamchandani, Co-Founder and Chief Growth Officer, DevX**, agreed, "We have witnessed an astounding 100% year-on-year growth, driven mainly by traditional companies shifting towards co-working spaces in urban hubs like Ahmedabad and Pune. This trend is expected to continue, significantly impacting the commercial real estate market without entirely overtaking traditional leasing. Traditional developers should embrace





this trend by including dedicated co-working spaces in grade-A buildings."

**Yash Shah, Founder & Director, The Address** expressed, "Currently, coworking spaces make up roughly 28% of buildings in both tier-one and tier-two cities, a figure that's expected to soar to 60-65% by 2030. Boasting an annual growth rate of around 17%, with potential spikes up to 40%, this trend highlights how developers are increasingly focusing on providing tailor-made solutions for coworking companies to quickly fill their spaces. This thriving industry showcases the future trajectory of office environments."

**Viren Mehta, Founder & CEO, WiseVision Realty Pvt. Ltd.** said, "Firstly, I don't see land as overly expensive. Gujarat's real estate is valued at 5.2 lakh crore with around 39,900 projects, and of these, 14,000 are recent launches with only 2,080 being commercial. Ahmedabad stands out with 4,200 projects and a notable commercial presence at 800, representing roughly 40% of Gujarat's commercial units. Land prices are relatively moderate, even when factoring in construction costs; rental and capital values compared to cities like Mumbai, Delhi, Bangalore, and Hyderabad. As the city expands westward from its old CBD areas like Ashram Road and KG Road to S.G. Road, rental increases have been minimal. Though the circle rate may soon be revised, causing a

rise in FSI costs and finished product prices, overall land prices in Ahmedabad remain fair compared to other major Indian cities."

### Gift City Real Estate Potential

Located just north of Ahmedabad Gift City, Gujarat International Finance Tec-City, is India's bold step towards becoming a global financial hub. **Rutul Shah, Co-Founder & Partner, Aurtus Consulting**, added, "We have been working with Gift City for over 15 years and have observed its tremendous growth. This place is set to surpass its current expanse of 3000 acres due to various business incentives and infrastructure developments. With new global concepts being introduced, Gift City is becoming an attractive hub for both residents and non-residents. In next 3-4 years, Gift City will be transformed with new iconic structures, featuring retail and leisure complexes that will enrich the entire ecosystem."

**Ravin Bhojani, A&T Head, Ahmedabad, CBRE India**, agreed, "The entire ecosystem functions effectively with social infrastructure supported by residential and commercial areas, promoting the global "walk to work" theme. Ahmedabad has emerged as a dynamic city and the first smart city with a centralized infrastructure monitoring system."



**SK Patel, Founder, Kavyaratna Group**, added, "Over the past three years, our firm's experience with Gift City's ecosystem has been outstanding. I would like to highlight the city's planning, particularly its allocation of infrastructure space. Residential areas account for just 4% of the total land, while commercial areas, including offices, comprise 28%. A significant 34% of the land is reserved for green development, making this city planning unique. All essential infrastructure was completed before allocating plots for residential and commercial buildings. However, given the minimal 4% residential space, employees in Gift City face long commutes from Ahmedabad or other cities, leading to significant time loss."

**Chitrak Shah, Co-Founder & MD, Shivalik Group, Chairman CREDAI**, shared, "Within Gift City, construction costs are high due to the necessity of vertical building. Diverse types of structures like low-rise and high-rise buildings, along with iconic structures, lead to varied construction expenses and saleable prices; the ongoing debate revolves around whether Gift City should generate revenue from real estate or through GST and other incomes."

**Amit Jaitly, Deputy Managing Director, Mid India, Project Management**, said, "GIFT City offers a unique and complex ecosystem with extensive infrastructure, including hotels and public utilities that attract visitors. The presence of advanced technology, such as cutting-edge MEP and HVAC systems, sets it apart from typical projects. Iconic skyscrapers are being developed, reminiscent of New York City's skyline and riverfront. However, rapid development is essential, with less reliance on government funding, to ensure timely delivery. Besides, the upcoming metro inside GIFT City is crucial for its future growth."

## CREATING A DIFFERENCE

Sharing their take on Gujarat real estate and how they envisage to make a contribution to its growth **Neel Thakkar, Managing Director, Dharmadev Infrastructure Pvt Ltd**, expressed, "I am fortunate to work in the housing industry, specializing in affordable housing, with units ranging from 15 to 40 lakhs. As an architecture graduate, I understand the challenges and opportunities in this field. Each market and division we work in presents unique

**Gujarat's land prices are relatively moderate, even when factoring in construction costs; rental and capital values compared to cities like Mumbai, Delhi, Bangalore, and Hyderabad.**

problems and opportunities for growth. Developers often focus solely on FSI, while architects seek comprehensive exploration. Understanding both perspectives helps me collaborate effectively with them."

**Sumit Suri, Director-Investments, Altern Capital**, stated, "The biggest challenge in Gujarat is the reliance on cash, which hinders funding from IFCs and NBFCs. We have launched an AIF focusing on plotted development and last-mile financing. Our foremost consideration in underwriting, is to assess whether an individual with expertise in a particular geography can achieve success. Inadequate presentation of information to lenders can result in delays and necessitate further discussions to build confidence. Early-stage developers frequently approach lenders who do not fund early stages. Besides, developers tend to seek low-interest rate lenders first, although land-stage funding typically requires Alternative Investment Funds (AIFs) or high-yield institutions due to banking restrictions."

**Tanuj Gupta, Founder & CEO, Big Estate**, said, "Over the past decade, and particularly post-Covid, technology has significantly disrupted this sector, impacting various aspects such as construction, supply chains, lead generation, and management. Looking ahead to two to three years, we foresee greater adoption of blockchain and AI technologies to enhance construction techniques and ancillary services like CRM. Considering the emphasis on web 3.0, AI, and blockchain, blockchain's significant role in supply chain management cannot be emphasized enough. I believe, Gujarat realty is ready for a major transformation."



# CELEBRATING VIBRANT GUJARAT

The 16th Realty+ Conclave & Excellence Awards 2024 -Gujarat was a grand affair with the presence of stalwarts of Gujarat real estate converging at Hotel Courtyard by Marriott, Ahmedabad on June 28, 2024.



**PANEL DISCUSSION 3**

L-R -Ravin Bhojani, CBRE, Rohan Shah, Realatte, Dhruv Patel, Credai Ahmedabad, Kamal Singal, Arvind SmartSpaces Ltd, Paras Pandit, CMD, Sheetal Infrastructure, Rocky Israni, Pacifica Companies



**PANEL DISCUSSION 3**

L-R- Jigar Mota, Cushman & Wakefield, Anmol Patel, Ganesh Housing, Himanshu Sharma, Tishman Speyer, Umesh Uttamchandani, DevX, Yash Shah, Founder & Director, The Address, Viren Mehta, WiseVision Realty Pvt. Ltd



**PANEL DISCUSSION 3**

L-R - Runit Parikh, Knight Frank, Anshul Shah, Ducon Consultants, Bakir Gandhi, Crystal Group, Kartik Jalan, Indicol, Nirav Kothary, Godwit Constructions,





#### LAMP LIGHTING

L- R- Rocky Israni, Rohan Shah, Tripti Kedia, Paras Pandit, Kamal Singal, Ravin Bhojani, Dhruv Patel



#### PANEL DISCUSSION 4

L-R- Paresh Sharma, Fmr Chief Town Planner Gujarat, Atman Desai, Khaitan & Co, Parth Patel, Kavisha Group, Sameer Sinha, Savvy Group, Suresh Patel, President NAREDCO – Gujarat and Dr. Vatsal Patel, Setu Infrastructure



#### PANEL DISCUSSION 5

L-R- Ravin Bhojani, CBRE, Amit Jaitely, Colliers, Chitrak Shah, Shivalik Group, Rutul Shah, Aurtus Consulting, S K Kavyaratna Group



#### PANEL DISCUSSION 6

L-R- Sapna Srivastava, Realty+, Sumit Suri, Altern Capital, Neel Thakkar, Dharmadev Infrastructure, Tanuj Gupta, BigEstate





# PRIDE OF GUJARAT'S REAL ESTATE

The 16th Realty + Excellence Awards 2024- Gujarat turned the spotlight on fantastic achievements of individuals and organizations bringing glory to the real estate sector of Gujarat.

## PROJECTS AWARDS

**Commercial Project of the Year**  
Rajyash Group for Rajyash One, Gift City

**Residential Project of the Year**  
Kavisha Group for The Portrait

**Retail Project of the Year**  
VR Surat for VR Surat Mall

**Affordable Housing Project of the Year**  
Pramukh Group for Pramukh Vivan  
Mid-Segment Project of the Year  
Amrut Infracon for Om Courtyard

**Luxury Project of the Year**  
Ratnaakar Group for Ratnaakar  
Pristine

**Luxury Project of the Year - Commercial**  
Mundra Group for Infinia Park

**Ultra Luxury-Lifestyle Project of the Year**  
Ratnaakar Group for Eternity By Ratnaakar

**The Design Project of the Year**  
Pramukh Group for Pramukh Orbit  
Zade Group for Z-Luxuria

**Themed Project of the Year**  
Dharmadev Infrastructure Ltd. for NK Anantaya

**Villa Project of the Year**  
Arvind SmartSpaces Limited for Arvind Forrester

**Iconic Project of the Year**  
Swagat Group for Swagat Queensland

**Mixed-Use Project of the Year**  
Swagat Group for Swagat Kingsland

**Most Environment-Friendly Residential Space**  
Pramukh Group for Pramukh Vivanta

**Most Popular Mall of the Year**  
Rajyash Group for The Retail Park

**Hospitality Project of the Year**  
Dharmadev Infrastructure Ltd. for Patang Re-Evolve

## BUILDERS & DEVELOPERS AWARDS

**Developer of the Year – Residential**  
Rajyash Group  
Ridham Bhai & Avi Bhai, Partners, Rajyash Group

**Developer of the Year in Ultra Luxury & Lifestyle**



#### **Arvind SmartSpaces Limited**

Emerging Developer of the Year  
Sharanya Group

#### **Developer of The Year – Villa**

Ratnaakar Group for Aravalli By  
Ratnaakar

#### **Excellence in Customer Service**

Sangini Group

#### **Developer of the year – Luxury**

Ratnaakar Group

#### **ARCHITECTURE & INTERIOR DESIGN AWARDS**

##### **Architectural Firm of the Year**

DSP Design Associates

##### **Architectural Design of the Year – Residential**

Prashant Parmar Architect |  
Shayona Consultants for Elevated  
Compact House

##### **Architect of the Year**

PDC Architects -Prashant Paradava  
& Shivani Paradava, Principal  
Architects, PDC Architects

##### **Luxury Interiors of the Year**

PDC Architects for Rajyash Regius

##### **Best Interior Design – Commercial**

The Address for Qatar Airways  
done by Spaces by The Address

#### **REALTY CONSULTANTS' AWARDS**

##### **Project/Construction Management Firm of the Year**

Colliers India

##### **The Best Property Consultant of the Year – Residential**

Prachit Property Buildtech Pvt. Ltd.

#### **BRANDING & MARKETING AWARDS**

##### **Digital Marketing Campaign of the Year**

Realatte for The Villas for Alembic  
City

##### **Innovative Marketing Campaign of the Year**

Pramukh Group for One Tapi

##### **Print Campaign of the Year**

Insomniacs Digital Pvt. Ltd. for The  
Canvas for Kavisha Group

##### **Project Launch of the Year**

Insomniacs Digital Pvt. Ltd. for The  
Portrait for Kavisha Group

##### **Advertising Agency of the Year**

Rioconn Interactive Pvt. Ltd.

##### **OOH Campaign of the Year**

Ratnaakar Group for The Reserve  
Annexe By Ratnaakar

#### **PROPTech & FLEX SPACES AWARDS**

##### **PropTech Start-up of the Year**

Cleardeals

##### **PropTech Architectural Firm of the Year**

DSP Design Associates

##### **PropTech Emerging Brand of The Year**

Build Formula

##### **Managed Offices Start-Up of the Year**

The Address

##### **Co-Working Icon of the Year**

Yash Shah, Founder & Director, The  
Address

##### **Managed Offices Young Achiever of the Year**

Pinank Vyas, Assistant Director -  
Projects, The Address

##### **CSR Excellence Awards**

VR Surat

#### **INDIVIDUAL ACHIEVEMENT AWARDS**

##### **CXO of the Year**

Prashant N Bhatu, Managing Director,  
Pramukh Group

##### **Young Achiever of the Year**

Neel Thakkar, Managing Director,  
Dharmadev Infrastructure Ltd.



# MEET THE EMINENT JURY

**The 16th Realty+ Excellence Awards 2024 – Gujarat were judged by the eminent jury members who picked up the best among all the categories.**

The jury members emphasized on the transparent judging process to select the most deserving award winners based on their outstanding performance, contribution, consistency, efforts and approach.

## THE JUDGING PANEL



**Anuj Puri**

Chairman  
**Anarock Property Consultants**



**Ravin Bhojani**

A & T Head, Ahmedabad  
**CBRE India**



**Bijal Chhatrapati**

Partner  
**J. Sagar Associates, Advocates & Solicitors**



**Shashank Jain**

Director  
**EY Parthenon**



**Hardeep Sachdeva**

Senior Partner  
**AZB**



**Dr. Vatsal Patel**

Founder - **Setu Infrastructure**, and  
President, **Gujarat Institute of Civil Engineers and Architects (GICEA)**



**Pooja Shukla**

LEED AP, WELL AP,  
Senior Director-Innovation and  
Research, **GBCI India**



**Vimal Jangla**

Managing Partner  
**WSB Real Estate Partners Pvt. Ltd.**



**Preetam Biswas**

PE, LEED, Principal - Structural Engineering  
**SKIDMORE, OWINGS & MERRILL (SOM)**



**Yatin Pandya**

Founder & Principal Architect  
**Footprints Earth**

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**Realty+**

## ATS HOMEKRAFT PIOUS ORCHARDS

BY: ATS HOMEKRAFT

ATS HomeKraft Pious Orchards - A world where luxury and comfort seamlessly coexist. Away from the hustle and bustle of the city, indulge in the scenic view of the Yamuna River where everything feels infinite. It offers the ultimate retreat by creating an experience that is both opulent and inviting.

**Project Category:** Residential

**Location:** Sector 150, Noida

**RERA No.:** UPRERAPRJ183246



## THE ISLANDS BY GAURS

BY: GAURS GROUP

Elevate lifestyle at The Islands by Gaurs, an epitome of luxury living. These exquisite 4-6 BHK apartments, ranging from 3,500 to 6,000 sq. ft., offer unparalleled privacy with only two Condos per floor. Enjoy three exclusive club zones designed for relaxation and social gatherings. Each condominium opens to breathtaking views of an immaculate 18-hole golf course, ensuring a serene and sophisticated ambiance.

**Project Category:** Residential

**Location:** Jaypee Greens, Greater Noida

**RERA No.:** UPRERAPRJ734569

## AVENUE 133

BY: BHUTANI INFRA

Avenue 133, developed by Bhutani Infra, is a revolutionary retail destination designed to redefine luxury and elevate the customer experience. Its modern, elegant design offers stunning panoramic views and is situated in one of India's fastest-growing urban centres. Avenue 133 promises unmatched experiences through the expertise of talented team, including experiential and lighting designers. The future of retail with Avenue 133 is where comfort and grandeur converge.

**Project Category –** Retail

**Location–** SEC 133, NOIDA

**RERA No. -** UPRERAPRJ185100





## GULSHAN DYNASTY

BY: GULSHAN HOMZ PVT. LTD

Gulshan Dynasty in Noida's Sector 144 offers luxurious 4 BHK living with world-class amenities in a 5.8-acre project. Three 34-floor towers feature 198 apartments and six duplexes, surrounded by greenery for unobstructed views. Prime location along Noida Expressway ensures excellent connectivity. IGBS certified as NCR's first Platinum-rated project, with occupancy certificates received and possession underway. Experience luxurious and hassle-free living with a perfect blend of luxury, comfort, and convenience.

**Project Category** – Residential

**Location**– Sector 144 Noida

Name of the Developer-

**RERA No.** – UPRERAPRJ950870



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This luxurious project features a majestic grand entrance, serene central avenue with trees and water bodies, and a spacious private party deck with golf greens views. Duplex Penthouses boast double-height ceilings, 28 floors high. Amenities include a clubhouse, Sports zone, and peaceful Forest Retreat. Notably, the project uses RO-treated water construction for enhanced concrete strength and durability, ensuring a lasting legacy. With its array of impressive features, this project offers a unique living experience.

**Project Category** – Residential

**Location**– Sector 150, Noida – U.P. Noida - Greater Noida Expressway.

**RERA No.** – UPRERAPRJ591510



# World's First AI Law

**First-of-its-kind AI law goes into effect in European Union.**

**T**he world's first artificial intelligence (AI) legislation went into effect in the EU. The AI Act, as it's known, will regulate how companies develop and use the technology.

The AI Act includes all AI providers, deployers, importers, distributors, and product manufacturers working within the EU and those outside the region if the system's output is intended to be used in the EU.

The EU Parliament notes that its priorities include establishing a "technology-neutral, uniform definition for AI that could be applied to future AI systems." As per European Commission President Ursula von der Leyen, "AI is a general technology that is accessible, powerful and adaptable for a vast range of uses — both civilian and military. And it is moving faster than even its developers anticipated. So, we have a narrowing window of opportunity to guide this technology responsibly."

The rules will be governed by the European Commission's AI office. Member states have until August

of 2025 to put together bodies that will handle execution of the law in their country.

Meanwhile, companies that already have a commercially available product like ChatGPT will have a 36-month grace period to come into compliance. And if a company fails to comply with the new rules, it could face fines of \$41 million or up to 7% of its global revenue.

## TYPES OF TECHNOLOGIES UNDER AI ACT

**Prohibited AI** systems will be banned and could apply to AI which tries to predict whether a person might commit a crime based on their characteristics or one that scrapes the internet to bolster facial recognition systems.

**High risk AI** systems have the highest regulatory burden and includes AI that is used for critical infrastructure like electrical grids, systems that make employment decisions, and self-driving vehicles. AI companies will have to disclose their training datasets and prove human oversight.

**Minimal risk systems** also known as known as "general-use AI make up the largest chunk and include generative AI like OpenAI's ChatGPT or Google's Gemini. They will need to make sure their models are adhering to EU copyright rules and take proper cybersecurity precautions to protect users.

**No risk systems** include any AI use that doesn't fall into the other three categories.

## CRITICISM & APPROVAL

The law is facing criticism that it could discourage innovation before it even happens. Many experts believe that legislation isn't a stand-alone solution and one size fits all is not the right approach. Also, by 2026 when Act's provisions will come into effect, legislation risks might become outdated with rapid technology evolution.

However, all agree that to ensure ethical and responsible use of AI, regulation is necessary. Implementing an adaptive regulatory system with close collaboration with AI Companies will be key to success.



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