VOLUME 18 | ISSUE 09 | MAY 2022

rprealtyplus.com

2

₹150

the

THE VOICE OF REAL ESTATE

Luxury Residential Market Golden Run



CELEBRATING THE CHAMPIONS OF GUJARAT REAL ESTATE!

CHOOSE YOUR CATEGORY OF EXPERTISE



PANORAMA

by ANNURAG BATRA

Editor-in-Chief

HUMAN BEING'S BIGGEST WEALTH IS KNOWLEDGE

efying the economic predictions, the Indian real estate sector not only saw record number of sales during the pandemic, but its recovery was swift too. While, the affordable md- segment housing, commercial and industrial, warehousing real estate saw good investments coming its way, the luxury residential witnessed an unexpected spike in the last year.

According to industry surveys, home sales have been highest in the first three months of 2022 in the last seven years and housing sales in the top seven cities in the country rose 71% in the January-March quarter.

All these trends indicate the Indian's return of faith in real estate as a financial instrument and as a long term investment. Foremost in bringing back the confidence in Indian realty sector has been the introduction of RERA, six years back. The Act is still evolving and in keeping with the industry maturing as an organized sector, is continuously improving itself to benefit the developers, investors and the customers.

Realty+ now begins with its on-ground conferences and the first in line is the Realty+ Conclave & Excellence Awards 2022- Gujarat edition. The event to be held on June 24 is slated to be attended by the Chief Minister of Gujarat Shri Bhupendrabhai Patel. And going by the speakers and dignitaries list attending the event, it will be nothing less than a mega event for the state of Gujarat.

This conference and awards ceremony for the real estate fraternity of Gujarat in all its glory, will set the tone for our events to come and we hope to continue to bring together the leaders of diverse segments of Indian real estate at one platform to discuss the way forward for India.

After all, sharing knowledge is a charity and a key to unlocking the potential of people.





PUBLISHER & EDITOR-IN-CHIEF

Annurag Batra DIRECTOR Nawal Ahuja PUBLISHER & BUSINESS HEAD Tripti Kedia tripti@exchange4media.com +91 9820010226 EDITORIAL Sapna Srivastava | Editor

sapna.srivastava@exchange4media.com + 91 9769993655 Deven Lad | Editorial Consultant

ART & DESIGN

Shamsad Shaikh | Senior Art Director Goraksh Kokate | Senior Designer PHOTOGRAPHER

> Suresh Gola | Delhi ADVERTISING & SALES

Ganesh Gurav | Sr. Manager - Sales ganesh.gurav@exchange4media.com +91 9930960403 CIRCULATION /SUBSCRI PTION

Almas Khan | Manager – Events & Marketing almas.khan@exchange4media.com +91 9773257054 ADVISORY BOARD

Anuj Puri Chairman, Anarock Property Consultants Pvt. Ltd. Laxmi Goel Chairman, Suncity Projects Ajoy Kapoor CEO, Saffron Real Estate Management Dr P. S. Rana Ex-CMD, HUDCO & Independent Director, Ansal API Praveen Nigam CEO, Amplus Consulting Dr. Amit Kapoor Institute for Competitiveness Jaideep Gandhi Branding & Advertising Expert

Delhi Office

Shop No: 32-33, South Ext. Part-1, Om Vihar, Uttam Nagar (West), New Delhi-59, Phone: 011-25334822 **Noida Office** B-20, Sector-57, Noida-201301 Phone: 0120-4007700; Fax: 0120 4007799

Mumbai Office

301, Kakad Bhavan, 3rd Floor, 11th Street, Opp. Gaiety Galaxy Cinema, Bandra (W), Mumbai 400050 Phone: 022 6620 6000, Fax: 022 6620 6099

Bengaluru Office

18, 3rd B Cross, Domlur II, Stage,
Bangalore 560071, Phone: 080-41119469
Printed at: All Time Offset Printers,
F-406, Sector-63, NOIDA, Uttar Pradesh - 201307
Printed, Published and Owned by
Annurag Batra at B-20, Sector-57, NOIDA-201301, UP
An exchange4media group publication

FROM THE EDITOR'S DESK



Going by the year 2022 residential real estate trends, the luxury housing market will have a good show in 2023 as well. To many the Indian realty sector seems to have held its ground as before the pandemic, but look deeper the sector has changed forever. Some realty assets have become obsolete or are getting repurposed and some other segments are experiencing a transformation. Factors from need of agility and wellness to addressing supply chain bottlenecks and inflationary pressure, are all behind this change over.

As we are almost in the middle of the year 2022, the covid and economic scenario continue to be ever shifting and the real estate sector is continuing its balancing act on the tightrope.

Sapna Srivastava

sapna.srivastava@exchange4media.com

You can access the web edition of Realty+ at **www.rprealtyplus.com** and also subscribe for the Daily Newsletter. You can send your letter to us at **realtyplus@exchange4media.com** mentioning the sections name in the subject line.

IN BOX



С Ш О N N

C

ທ

œ

ш

Δ

4

ш

œ

The extension of the PMAY scheme is a welcome move for the affordable housing segment. This extension will not only give consumers more time and opportunity to take benefit of this long term initiative, but it will also give a booster dose to the overall industry including allied segments such as transport, construction materials, and of course providing employment opportunities at various levels.

Bhavin Thakker

MD, Mumbai & Head - Cross Border Tenant Advisory, Savills India

The announcement of increase in the repo rates by 40 bps to 4.40% is made due to the impact of the geo-political conflict and its impending effect on inflation. The move has been termed as dynamic and demanding to the changing socio-economic scenario of the world by the RBI. We can expect that as soon as the geo-political scenario stabilizes, the MPC may soon roll back to a consolidated and encouraging repo rate for the sector.

Ashish Narain Agarwal Founder & CEO, PropertyPistol.com

The importance of environmental stewardship and the growing need for adopting sustainable development principles is gaining significance globally. At Godrej, we are committed to adopting sustainable development practices. All our building construction projects are designed using Green Building principles.

Anup Mathew Senior Vice President, Godrej Construction 6 | **Realty**+

IN FOCUS

NEWS08
COVER STORY
THE REVIVAL & RISE OF INDIAN LUXURY REAL ESTATE
DRAWING BOARD
REDEVELOPMENT – AN ECONOMIC & SOCIAL GROWTH ENGINE
FEATURE
DATA CENTRE: THE NEW PILLAR OF INDIAN REAL ESTATE
BUILDING BLOCKS
REMAINING COMPETITIVE IN CONSTRUCTION SECTOR







SPECIAL FEATURE

WAREHOUSING SECTOR RE-DEFINED BY E-COMMERCE & 3PL

TIER 2 CITIES: THE WAREHOUSING GROWTH HUBS

RISKS & REWARDS OF INVESTING IN WAREHOUSING SECTOR

....62

64

58

SCOPE FOR VALUE ADDED SERVICES IN WAREHOUSING

EVENT

REALTY+ FIRST WAREHOUSING CONCLAVE SETS INDUSTRY BENCHMARK



POLICY SIX YEARS ON: ANALYZING RERA EFFECT



BUILDING BLOCKS TECHNOLOGICAL DISRUPTIONS TO WATCH OUT



LULU GROUP PLANS MALLS & FOOD PROCESSING HUB IN UP

bu Dhabi-headquartered Lulu Group will invest Rs 2500 crore in Uttar Pradesh in three new projects in the state - one Lulu Mall each in Varanasi and Prayagraj and Lulu Food Proecessing Hub in Greater Noida.

Lulu Group has already completed Rs 2,000 crore

Lulu Mall In Lucknow. While Lulu Mall Lucknow will be inaugurated in the coming days, the other three new projects are expected to be completed in two years' time, said Yusuff Ali MA, Chairman of Lulu Group while briefing PM Narendra Modi at the Lulu Pavilion.

DALMIA NISUS FINANCE INVESTS IN SHRIRAM PROPERTIES' PROJECTS

almia Nisus Finance Investment Managers LLP, an alternative asset manager has invested Rs 60 crore in two projects managed by Shriram Properties, located in micro market of Sarjapur and Devanahalli of Bangalore through their Real Estate Credit Opportunities Fund - I (RECOF - I). Dalmia Nisus is the joint venture fund of Nisus Finance headed by Amit Goenka and the Dalmia Group, headed by Gaurav Dalmia.

Of the two projects, Shriram Chirping Grove is a gated community of 217 affordable villas spread over around 13 acres located in the main corridor of Sarjapur. The other investment has been made in project Shriram Rainforest phase-I at Devanahalli and this is a plotted development with 298 premium plots spread over 28 acres.

THESE INVESTMENTS HAVE BEEN MADE FROM THE RS 500-CRORE FUND THAT PRIMARILY INVESTS INTO STRUCTURED CREDIT AND MEZZANINE INVESTMENTS ACROSS THE RESIDENTIAL SPACE IN INDIA.

TATA PROJECTS TO BUILD NOIDA INTERNATIONAL AIRPORT

Tata Projects will construct the terminal, runway, airside infrastructure, roads, utilities, landside facilities and other ancillary buildings at Noida International Airport. The first phase of the airport is expected to be ready in two years. The airport is expected to get operational by 2024. The project is being developed as a public-private partnership between Zurich Airport and Uttar Pradesh government. Zurich Airport is investing Rs 5,700 crore for phase I and has tied up around Rs 3,725 crore in debt from the State Bank of India for the project.

YAMUNA INTERNATIONAL AIRPORT PRIVATE LIMITED (YIAPL) SELECTED TATA PROJECTS LTD TO BUILD THE NOIDA INTERNATIONAL AIRPORT (NIA). TATA PROJECTS WILL UNDERTAKE THE ENGINEERING, PROCUREMENT, AND CONSTRUCTION (EPC) OF NIA.



TAMIL NADU TO CREATE 45,000 ACRE LAND BANK FOR INDUSTRIAL PARKS

ith a target to create a land bank of 45,000 acres in the next five years to establish sector-based industrial parks and clusters in Tamil Nadu, the state industries promotion corporation of Tamil Nadu (SIPCOT) has expedited its process of acquiring land.

So far, the agency has identified little over 31,000 acres of land. Of this, around 6,000 acres of land have been acquired and close to 8,000 acres of land are in various stages of acquisition.

The initiative would also

have a targeted approach toward industrially backward districts such as Dharmapuri, Krishnagiri, Virudhunagar, and Ramanathapuram. The concept of sector-based industrial parks suits the prevailing eco-system of the state and it will supplement its industrial and economic growth. The state-owned agency is working on developing textile based industrial parks in western region, food and agro-based industries in central region and marine based industrial park in Nagapattinam.



SNIPPETS

INDIA'S FIRST VERTICAL FOREST APARTMENTS IN HYDERABAD

360LIFE, a new age organization, is all set to come up with India's first and Asia's second Vertical Forest Apartments, 360LIFE THE ORIGIN, in Hitec City, Hyderabad in the year 2024.

WORLD'S FIRST PROCESS FOR MAKING CEMENT FROM FOOD WASTE

Tokyo University researchers Kota Machida and Yuya Sakai have developed a technology to transform food waste into potentially edible "cement" for construction use

WORLD'S LARGEST INTEGRATED RE STORAGE PROJECT IN AP

The world's largest and first of its kind single location, co-located renewable energy storage project is being set up by Greenko Group at Kurnool district of Andhra Pradesh.

AUSTRALIA'S FIRST OFFICE TOWER WITH A "SOLAR SKIN"

The eight-storey building in West Melbourne has been designed by the architecture firm Kennon. It will be covered by 1,182 solar panels the same thickness as a regular glass facade.

INDIA REQUIRES 1.3 BILLION SQ. FT. OF ADDITIONAL HEALTHCARE SPACE BY 2030

CBRE South Asia Pvt. Ltd report states that India has one of the lowest bed-to-population ratios in the world and will require an additional 1.3 billion sq. ft. to improve infrastructure disparity.



INDIA'S GDP GROWS 4.1% IN Q4

ndia's economy grew 4.1 per cent year-on-year in the January-March period of 2021-22 (Q4 FY22), even as the rate of growth slowed sequentially for a third straight quarter with the Omicron wave-induced restrictions and high commodity prices weighing on economic activities.

The National Statistics Office pared down the overall growth estimate for FY22 to 8.7 per cent from the 8.8 per cent projected in February. In FY22, all sectors except trade, hotels and communication services were above the prepandemic levels of FY20.

Growth in private final consumption expenditure, or

private spending, decelerated sequentially in Q4 to 1.8 per cent, proving to be the weakest link. Government spending, however, picked up to grow at 4.8 per cent,



NOMINAL GDP IS ESTIMATED TO GROW 19.5 PER CENT IN FY22 TO RS 236.4 TRILLION.

supporting overall growth. Gross fixed capital formation, which represents investment demand in the economy, slowed to 5.1 per cent.

On the supply side, the manufacturing sector contracted 0.2 per cent in the March quarterdue to supply chain disruptions, while agriculture growth (4.1 per cent) remained robust despite the third advance estimates projecting a decline in wheat output due to the ongoing heat wave.

UNSOLD HOUSING STOCK RISES IN MARCH QTR ACROSS EIGHT CITIES

nsold housing stock rose marginally by 1 per cent to 9.01 lakh units during January-March 2022 across eight major cities as compared to the previous quarter on increased new launches of residential properties, according to a report by CII,

Colliers India and Liases Foras.

Out of the total unsold housing stocks across eight cities during the first quarter of this calendar year, Mumbai Metropolitan Region (MMR) and Delhi-NCR, the two biggest property markets in India, contribute 50 per cent. AS PER THE DATA, THE UNSOLD INVENTORIES INCREASED TO 9,01,967 UNITS DURING JANUARY-MARCH PERIOD OF THIS YEAR FROM 8,94,100 UNITS IN THE PREVIOUS QUARTER.



LUXURY HOUSING SALES HIGHEST IN HYDERABAD IN SOUTH INDIA

he sales of luxury properties of Rs 1 crore ticket size and above have been highest in Hyderabad during Q1 of 2022. The share of total sales for luxury residential sales was recorded at 32 per cent in the quarter during Q1 2022, witnessing the highest percentage growth compared to other Southern cities. According to Knight Frank, Hyderabad has registered a luxury property sale of 2,211 units in Q1 2022. Consumers in this segment were less impacted during the pandemic and participated in strength in the purchase of such properties.

THE SHARE OF TOTAL SALES FOR LUXURY RESIDENTIAL SALES IN BENGALURU WAS 20 PER CENT AND CHENNAI WAS 17 PER CENT DURING Q1 2022. THE SALE OF LUXURY RESIDENTIAL PROPERTIES WITH A TICKET SIZE OF RS 1 CRORE AND ABOVE IN BENGALURU WAS RECORDED AT 2,761 UNITS AND CHENNAI WAS RECORDED AT 3,376 UNITS DURING Q1 2022.

MANGALURU SMART CITY PROJECTS TO BE COMPLETE BY YEAR END

Il ongoing Smart City projects will be opened for public by December or January, said district minister V Sunil Kumar. Various Smart City projects including the new indoor stadium near Urwa Market, development of Mangala Stadium, pedestrian plaza near Clock Tower, International Swimming Pool at Yemmekere, Kadri Park development and smart roads are being expedited, the minister said after holding work site inspections in the city.

"Various development projects have been taken up through the Mangaluru Smart City Limited (MSCL) at an estimated cost of Rs 931 crore. Out of 48 projects, many of them have reached the completion stage. The benefits of the projects should be made available to people at the earliest. Hence, directions have been given to contractors to complete all works by December of January next year," he said.



Nirmala Sitharaman @ nsitharaman

Import duty on some raw materials of steel will be reduced. Export duty on some steel products will be levied.

Hardeep Singh Puri @ HardeepSPuri

1.23cr houses sanctioned under PMAYUrban mission to provide HousingForAll. 60.17 lakh delivered to beneficiaries. 94 lakh homes in the name women or owned co-jointly.

Harsh Sanghavi @

sanghaviharsh Gujarat Govt has made provision of Rs.597 crore for implementing Smart City projects in Ahmedabad, Surat, Vadodara, Rajkot, Gandhinagar and Dahod.

Indian Cultural Forum @ IWF_Writers

The ministry of housing and urban affairs in India must at least start preparing a disaster atlas for all the small and big towns in the country with people's participation.

Adar Poonawalla @ adarpoonawalla

I am appealing to multilateral organizations & world leaders to come together in creating a draft, learning from the lessons of the pandemic for a Global Pandemic Treaty.

COVER STORY

LUXURY RESIDENTIAL MARKET'S GOLDEN-RUR

INDIAN REAL ESTATE IS RECORDING A REBOUND IN LUXURY HOME SALES HERALDING WHAT EXPERTS CONSIDER TO BE A SUSTAINED DEMAND FOR THE HIGH-END SEGMENT PROPERTIES.

uxury housing sales in Mumbai (residential units worth over Rs 10 crore) and Pune (residential units worth over Rs 5 crore) were highest in 2021 in four years, according to a joint report by India Sotheby's International Realty and CRE Matrix. Hyderabad displayed the highest demand for luxury (17%) and ultra-luxury (8%) segment homes priced above INR 2.5 Cr, as per Anarock study.

Bengaluru alone contributed more than 30% of the total demand for luxury property units in Q4 2021 and Q1 2022 when compared with the top five cities of India, including MMR, Pune, Hyderabad, Gurugram and Noida, says Square Yards research. Delhi-NCR continues to be a hub for luxury homes. Of approx. 10,570 units launched in NCR in H1 2021, approx. 1,800 units were in

THEMATIC INTERIOR DESIGN CUSTOMISED TO THE TASTE OF ITS RESIDENT AND GLOBAL AMENITIES FOR A CITY HOME AND BACK TO NATURE LIVING FOR FARMHOUSE OR VILLA IN THE OUTSKIRTS OR ONE'S NATIVE PLACE ARE WHAT THE HNIS ARE BUYING INTO.

the luxury and ultra-luxury segments priced >INR 1.5 Cr. Noida comprised maximum new luxury share (of 73%), followed by Gurugram with 22% share & Greater Noida with 5%, as per Anarock.

While, sales in the high-end category jumped to 23% in Q1 2022 as against 16% in Q4 2022, those in the mid-end segment dropped to 41% in this quarter. The

premium and luxury housing segments also witnessed a slight uptick in sales on a Q-o-Q basis. New unit launches jumped by nearly 30% Y-o-Y to cross the 60,000-unit mark in Q1 2022. With shares of 43% and 30%, mid-end and high-end categories dominated new launches in the country, according to the CBRE residential outlook report.

WHY LUXURY REAL ESTATE IS TRENDING

The luxury real estate segment witnessed an uptick last year, and it is expected that the trend will continue in 2022. Upgrading lifestyle has been the major factor that has propelled HNIs to opt for luxury homes with better amenities. Widely travelled HNIs and Millennial as well as NRIs are willing to spend on luxury real estate not only for the living but also investing purposes. What's more, HNIs are buying second homes in holiday destinations with investment as an underlying motivation.

Work-from-home opportunities have prompted many white collar workers and entrepreneurs to work from suburbs or tier II cities raising the buying potential for luxury properties in these markets. Around 31 per cent of HNIs believe it is an opportune moment to invest in the residential real estate segment as the sector is expected to resume price escalation. Thus, NCR, Mumbai Suburbs, Pune and holiday destinations like Goa are seeing growing interest of HNI homebuyers. According to some estimates, the premium segment (priced between Rs 80 lakh and Rs 1.5 Cr) accounted for 25% of total sales.

WHAT ARE HNIS BUYING

The luxury housing segment is witnessing a surge in the top eight cities, including Mumbai, Bengaluru, Delhi – NCR, Pune, Hyderabad, Chennai, Kolkata, and Ahmedabad and there has been a phenomenal jump in the demand for luxury properties in the Rs 10-25 crore range across these markets.

The evolving definition of a home from being a shelter to providing a holistic lifestyle is driving the luxury property market across the country. While, in tier I cities luxury apartments are the being grabbed by the buyers, independent villas are finding favour in tier II and suburban locations. The trends that remains common are the preference for ready-to-move-in properties, a bespoke customized home, elite address and extra value amenities among the elite home-owners.

Buying in the right neighbourhood is just as important as buying the right home. Apart from standard luxury amenities, there is also a rise in demand for business centres, convenience stores, home theatres, cloud kitchens, medical facilities within or connected to the projects.



GLOBAL LUXURY HOME MARKETS

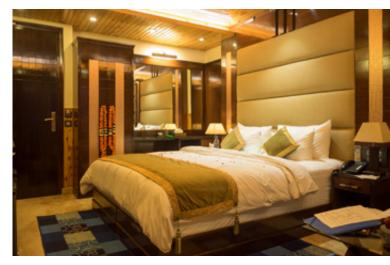
The increase in demand and rise in prices across major hubs for luxury real estate were fuelled by many factors including low mortgage rates, shifts in lifestyle choices due to the pandemic and more flexible working patterns. Also, the digital democratization of investments, including private equity, have led to greater levels of wealth creation and growth across countries and these developments will gain momentum over the coming years.

Dubai saw the biggest gain in luxury-home prices of any major global city in 2021 with a 44.4% increase in high-end sale prices, according to the annual Knight Frank Wealth Report.

Moscow was in second place with a 42.4% annual



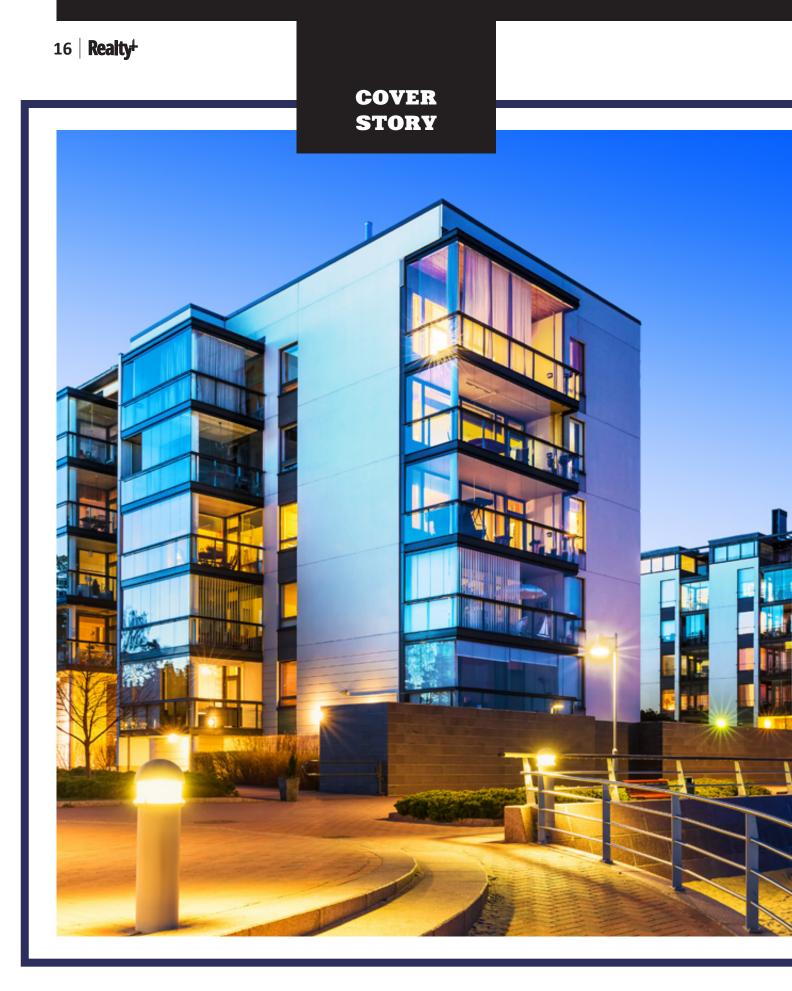
ONE OF THE SILVER LININGS OF THE PANDEMIC HAS BEEN AN INCREASED AWARENESS OF THE IMPORTANCE OF SUSTAINABLE LIVING. SMART AND SUSTAINABLE HOMES HAVE BEEN THE TOP PRIORITIES OF THE WEALTHY HOME **BUYERS ACROSS THE WORLD. DEVELOPERS** WORLDWIDE TOO ARE NOW PROVIDING SUSTAINABLE LUXURY HOMES IN BEAUTIFUL LOCATIONS FOR THE UBER-WEALTHY. **BE IT A PRIMARY OR A VACATION HOME.** ALSO, WITNESSED IN THE GLOBAL LUXURY **PROPERTY MARKET IS THE INCREASE IN** DEMAND FOR HOMES THAT ARE NOT MERELY AWAY FROM THE HUSTLE AND BUSTLE, BUT ACT AS AUTHENTIC RETREATS.





change, mainly due to Russia's mortgage subsidy program and tight supply. The next three spots were filled by U.S. cities of San Diego, California, with 28.3%, Miami with 28.2% and New York's Hamptons with 21.3% increase in luxury home prices. Seoul (21%), Toronto (20.3%) and Taipei (18.9%) were next on the list, respectively. San Francisco was ninth pace with an 18.6% increase, followed by Los Angeles with 18.5%.

The significant increase in wealth, as well as the population of the affluent individuals, combined with changing lifestyle patterns and dwelling preferences has led to a historic global luxury real estate market expansion. In 2021, sales of single-family luxury homes, defined as the top 10% of any given market, rose 14.5% while prices increased 20.3% from 2020, as per Coldwell Banker Real Estate LLC.





THE REVIVAL & RISE OF INDIAN LUXURY REALESTATE

THE LUXURY HOMES SALE ACCOUNTING FOR 12% OF OVERALL SALES IN Q1 2022, UP FROM 7% IN Q1 2019 IS A PREVIEW OF WHAT IS TO COME. YEAR 2023 WILL SEE FURTHER DEMAND GROWTH IN LUXURY PROPERTIES. DEVELOPERS SHARE THEIR VIEWS ON THE FACTORS DRIVING THIS TREND

> When the economic activities coming back to normal, the luxury real estate market has made a strong comeback. In fact, homes are no longer about brick and mortar but the overall living experience. This sentiment seems to be the biggest influencing factor in rising demand for larger homes with premium amenities. A recent poll conducted by India Sotheby's International Realty also reports that a significant number of HNIs are intending to buy luxury homes in the next two years, per, suggesting a significant and definitive reversal in the luxury real estate segment.

Ashish R Puravankara, Managing Director,

Puravankara Limited shares his views, "The advent of the pandemic has changed the preferences of homebuyers. As the home becomes their safety net, the requirement for bigger living spaces has also grown. This is one of the key factors that has pushed the demand for luxury housing. People prefer luxury homes as it provides the safety and security of a gated community along with more open green spaces and multiple amenities which promises a better lifestyle. Secondly, investing in a luxury project



as an asset is a better option than conventional ones. Its value appreciates over time and it also offers a good rental opportunity to the investor. Thirdly, the renewed interest of UHNIS, HNIS, and NRIS in the Indian real estate market especially in the luxury segment (residential) has further pushed the traction for luxury and ultra-luxury projects."

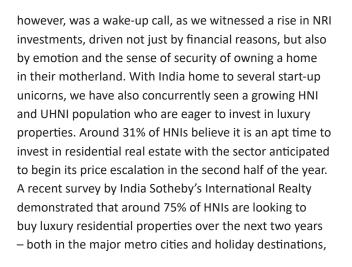
Kamal Khetan, Chairman & Managing Director of Sunteck Realty Limited expressed, "The spectacular surge in demand for luxury homes, as seen at record highs in Q1 2022, can be attributed to three distinct factors: a healthy, pent-up demand, a highly favourable interest rate regime for home loans and attractive price levels, with the promise of a significant upside potential. Demand-wise, luxury property accounted for over 12% of overall sales in Q1 2022, up from 7% in Q1 2019, according to industry data. Ultra HNIs - the driving force behind the upswing – are using the beneficial environment to buy assets for home upgrade, rental income opportunities as well as wealth creation prospects through capital appreciation. The demand is firm across all kinds of luxury real estate such as luxury apartments, ultra-luxury condominiums and villas with high-end amenities, wide-open spaces and serene backgrounds. With regards to the demand efflux in the Mumbai market, we believe that low-interest rates on home loans and a reduction in stamp duty charges during 2021-22, accompanied by a rising income level in sectors

TODAY HEALTH, SAFETY AND FINANCIAL SECURITY ARE PEOPLE'S TOP PRIORITIES. LUXURY HOUSING CATERS TO ALL OF THESE, WHICH IS ONE KEY FACTOR WHICH WILL BE PROLONGED THE GOING TREND. ASHISH R PURAVANKARA

such as IT/ITES, BFSI, and pharma, have led to greater affordability in India's most valuable market."

Dr Mohit Ramsinghani, Chief Sales Officer - Luxury Sales and Marketing, Shapoorji Pallonji Real Estate added, "There was a time that home was a necessity, today the concept has changed to modern & luxury homes as a necessity. Buyers want to upgrade their living space with greener surroundings, best-in-class amenities, top-notch services, opulent interiors & larger spaces. People living with the gated community of premium housing have been more protected even during the Covid pandemic. This will become a key demand driving force in future. The demand from top level executives, business class, NRIs and HNIs is on a high seeing the attractive price point levels, 2021-22 was the best year to buy a luxury home at the desired price point. The escalation of prices of property is inevitable. One of the biggest reasons for increase in prices is demand-supply gaps. The demand has been constantly rising while the supply has been very limited."

Reeza Sebastian, President, Residential Business, Embassy Groups elaborated, "Consistent consumer demand throughout the pandemic has re-affirmed residential real estate as the safest asset class to invest in. In particular, luxury housing demand has been steady throughout the two waves of Covid-19 and the lockdowns – with almost a negligible drop. There has



GIVEN THE DEVELOPER' PERSPECTIVE, WE WOULD SAY LOWERING INVENTORY, NEW LUXURY PRICING THRESHOLDS, HIGHER DEMAND FOR NEW PRODUCTS AND MOST IMPORTANTLY, THE NEW WORK-HOME SCENARIO WILL CONTINUE TO INSPIRE THE DEMAND FOR LUXURY HOMES WELL INTO 2023-24. KAMAL KHETAN

been a significant increase in demand for homes with a larger carpet area and ultra-modern facilities as consumer choices evolve. This goes hand-in-hand with the growing aspirations of homebuyers who want to upgrade their lifestyle and quality of life. Further, consumers have demonstrated a greater predilection towards expansive and verdant plotted developments in self-sustainable townships. Within these communities, homebuyers can benefit from an amalgamation of urban and natural living. Additionally, previously, NRIs bought properties primarily for investment or rental purposes. The pandemic, indicating that the segment will continue its upward trend. Furthermore, technology has played a major role in bridging the gap between developers and home buyers, as well. Developers today are organising virtual tours, digital inspections of properties, processing documents, finalising paperwork, and allowing for the purchasing of properties online – all without having to make any in-person visits. This, in turn, has aided in sustaining buoyed consumer interest and making homebuying a seamless process in today's hybrid world."

Sunil Kumar V, Managing Director Asset Homes concurred, "Luxury housing segment recovered resolutely from the stifling effects of the pandemic, surpassing market expectations and garnering the attention of several





high net-worth individuals (HNIs). A large number of HNIs are proposing to buy luxury property in the next two years, reflecting a strong and decisive turnaround in the luxury real estate segment. The segment has gained traction among buyers wanting to upgrade their living space with greener surroundings, best-in-class amenities and top-notch services. The digital boom, which has recently pervaded the real estate sector, has also contributed substantially to the booming luxury market. Also because of the growing WFH culture, the perception that compact homes are more liveable is getting outdated and homebuyers now prefer to move into large spaces."

Sarveshaa SB, Managing Director, Bhadra Group added, "The burgeoning luxury housing and premium boutique homes market in Bengaluru are attracting attention of people with finer tastes and lifestyle in the centre of the Bengaluru city. With the properties offering world-class facilities coupled with picturesque landscape, the ultra-rich are enthusiastically investing in these. Homebuyers love to invest in luxury properties in Bengaluru, due to the strong infrastructure of the city and also the design of the homes that meet their international lifestyle." **Falling Rupee Value:** The falling value of the rupee against the dollar has presented a unique opportunity to NRIs to invest in luxury properties. According to a recent survey by the Anarock-CII, 47 percent of the NRI realty investors have invested in luxury properties for investment purposes.

Low Returns from Other Financial Instruments: Traditionally. HNIs preferred investing in financial instruments such as Gold, Fixed Deposits, Direct Stocks and bonds. However, the low and uncertain return potential of these instruments has made the rich investors turn to luxury properties for a good return in a time horizon of 5-7 years.

Competitive Property Prices: The buyers are well-positioned to bargain a good deal as residential real estate is still recovering and most developers to clear the ready yet unsold inventory are offering the investors with pricing options.

High Rental Yield: Luxury properties though costlier than other property segments, also generate excellent rental yield for the investors and can prove to be an excellent investment instrument.

THE PRICE, EXPERIENCE & AMENITIES

Post pandemic like other residential segments, the luxury real estate market too is gradually recovering and offering value for money propositions to the willing buyers. Cities like Mumbai, Delhi, Bengaluru and even Hyderabad are registering high-end property transactions with 3-4 Crore ticket size witnessing excellent offtake.

According to **Dr Mohit Ramsinghani**, "Dream big to be big in life" is a common saying amongst today's young population. "Luxury housing is inspirational for today's youth



and region to region. The prices and the sizes are purely dependent on the location of the project. If a project within the city will cost more than the project on the outskirt with the same amenities in the offering. Also, the prices differ from city to city e.g. in Bangalore, a luxury apartment within the city limit which ranges between 1300 sq ft -1500 sq ft with a price of above Rs.1.5 cores may fall into luxury. Whereas same in Mumbai will cost triple in comparison to Bangalore," shared **Ashish R Puravankara.**

As per **Kamal Khetan**, Mumbai commands a huge premium for its ultra-luxury & premium luxury homes. "Many developers are attracting a completely new clientele for new offerings, there is a good demand from existing clients to upgrade into larger, spacious homes. They also demand greener spaces, amenities and activities

THE LUXURY HOUSING SEGMENT HAS REMAINED LARGELY INSULATED FROM ANY SLOWDOWNS. A VITAL REASON WHY IS THAT BUYER PROFILES CONSIST OF UHNIS AND HNIS LOOKING TO INVEST THEIR OWN WEALTH. REEZA SEBASTIAN

mental health. They are equally choosy about the brand
they want to be seen with, the quality of product offered
and the address they want to be associated with. Clearly,
this scenario has given a clear advantage to branded,
financially strong developers like us. We are trying to
implement globally accepted ideas like lounges with glass
dividers, multiple lobbies, touch-less entries, motion
sensor lighting, re-engineered ventilation systems, wider
lobby stairs and separate outlets for deliveries in line with
pandemic realities and safety aspects," he said.

within the environs that stimulate their physical and

Sharing his perspective on Bengaluru **Sarveshaa SB** said, "Every year Bengaluru witnesses a rise in 100,000 employees in the IT/ITeS sector alone, where the ultra-high-salaried comprises five percent of the total

and they desire to have a house with the best of amenities & ticket size of 5 to 10 crores being the most preferred ticket size in luxury residences. Also we have seen multiple high end 50 crores plus ticket size transactions by CXO's & Business Leaders to upgrade their homes & move to a much advanced & world class gated development."

"The segment of investors in luxury properties comprises a mix of tech-savvy millennials as well as people appreciative of fine living. Aesthetic interiors, sustainability and multi-functional spaces are the key preferences of people. The ticket size varies from location to location

population. These people are constantly on the lookout for high-end homes, especially villas, luxury residences, and premium boutique homes. Moreover, after the pandemic, when social distancing and other Covid-19 protocols have become a way of life people are becoming increasingly protective of their families. So those who can afford are pivoting towards the premium boutique homes. Known as "limited edition" residences, these premium boutique homes are constructed in some of the most sought-after locations with very few units."



Reeza Sebastian added, "Uber-luxury villas, villaments, plots in self-sustained communities where buyers can design homes the way they envision, condominiums, holiday homes, and fully-serviced residences are the most preferred property types. As per a recent industry report, most luxury home buyers are looking at properties priced at 5 crores and above. For a luxury villa, the average budget is between 10 to 25 crores, with a smaller percentage of home buyers investing in the higher end of 25 crores and up to 90 crores."

In terms of consumer preferences, homebuyers today

are keen on a holistic living experience, keeping both sustainability and wellbeing at the centre. In line with this, developers have focused on designing homes that ensure spaces are multi-functional, have dedicated workspaces, and have silent zones or relaxation areas. The attention to good ventilation, lighting, ample green spaces, and other areas that have a significant impact on one's well-being has become a pivotal demand. Lap pools and lounge pools have also seen growing interest.

As per **Sunil Kumar V**, Most of the projects will have good swimming pools, grand entrances, and open spaces, well designed party areas on roof top and children play areas. "We have started providing proper mini theatres for movie watching which can accommodate 20-30 persons depending on the number of units. The preferred home

THE RESIDENTIAL SALES MOMENTUM IS EXPECTED TO CONTINUE AS PROSPECTIVE HOMEBUYERS PREFER BIGGER HOMES WITH BETTER AMENITIES. DR MOHIT RAMSINGHANI

configuration is 3-4 bed rooms with area ranging from 1900- 2400 sft."

Ashish R Puravankara believes that today's home buyers are looking for homes with a holistic living experience. He said, "Luxury for today's home buyers does not mean marble floors or chandeliers on the ceiling only. They look out for multifarious features in terms of interiors and amenities. Apart from spacious buildings coupled with outdoor areas, the new-age buyers seek a world-class living environment which offers an exquisite lifestyle experience. Consumers are also tech-savvy and want to use app-based tech-laden tools for convenience in their daily lives. This has further pushed the demand for smart-tech-enabled homes. Being a customer-centric brand we understand the evolving needs of homebuyers. Our ultra-luxury residential line WorldHome Collection addresses the same needs. The "WorldHome" collection was conceptualized around the idea of redefining luxury. The new range offers sustainable, futuristic and exclusive homes designed by world-renowned architects. It focuses on sensibility and sophistication, which are the key decision-making factors amongst our discerning customers while buying a home."

"Luxury apartment communities are especially stepping up to bat in providing the most innovative and creative amenities to beat the competition down the pampering to residents. Multiple zones like sports zone, arts & culture, kid's zone, garden zone to create a complete gated community feeling with all the luxury amenities. Open to sky huge balconies & pools complete the feeling of staying in pampered luxury,' stated **Dr Mohit Ramsinghani.**

"Modern homebuyers have more access to information than ever before, are well-read, welltravelled, and committed to the environment. The widespread participation in social issues means that sensitively and sustainably designed properties that address concerns about reducing our carbon footprint, conserving water, and increasing greener spaces are appreciated by buyers. Therefore, car-charging stations

THE INDUSTRY WHICH HAD WITNESSED SOME DIP FOLLOWING THE COVID-19 PANDEMIC HAS BEEN STEADILY BOUNCING BACK TO NORMALCY. AND THE TREND SHOWS THAT THE LUXURY HOUSING AND PREMIUM BOUTIQUE HOMES MARKET IS CONSISTENTLY RISING. SARVESHAA SB

and community gardens are sought after. Smart living solutions, along with technology-led design, keep up with urban trends and provide social benefits to residents, shared **Reeza Sebastian**. She added, "In addition, homebuyers are interested in living within communities that offer a plethora of amenities, including community spaces such as rooftop or sky decks; club houses; spas; sports and wellness facilities; business centres; and Wi-Fi-enabled zones. The hybrid-work model has increased the attraction of the peripheries or suburbs, with consumers more willing to upgrade to better homes. In the luxury segment, HNIs and UHNIs have similarly seen the appeal of investing in weekend homes or private villas as a result of the hybrid-work model."



street. Getting on board the best branded high end Onsite apartment restaurants are becoming increasingly popular, as they offer a convenient and luxury dining option for residents & also create a downtown living community. Concierge Services handling everything from chartering yachts to making airline, hotel and theatre reservations, private butler services, exclusive private jet memberships. The owners also benefit from help with everyday tasks such as grocery shopping, dry-cleaning pick-up and in-home package delivery. Club house, swimming pools & Spa services add the

LUXURY HOMES DEMAND A SHORT-TERM TREND OR WILL IT CONTINUE?

Perceptions around lifestyles have changed substantively in response to the new reality. This is reflected in the value buyers place on community, neighbourhood, spatial design, amenities and services. HNI buyers are evincing a greater appreciation for expansive homes, branded and serviced residences, and plotted developments in integrated townships. They are looking for projects by reputed developers that have multiple rates and pandemic-induced realisation of the need for residential space from credible players pushing the residential segment. The luxury real estate market has seen a huge demand and this trend will go a long way. Also, luxury properties offer lucrative investment opportunities owing to their appreciating value over a period of time making it inflation proof,' he stated.

Sharing similar sentiments **Dr Mohit Ramsinghani** said, "With Indian Rupee being at its lowest, The NRI community has a unique advantage of converting their hard-earned foreign income into lucrative residential options in India. Owing to the various relaxation of business establishment procedures and the ease of doing business, many foreign players and MNC's have been attracted to India. The expected rise in the number of



THE INVESTOR CONFIDENCE IN RESIDENTIAL REAL ESTATE HAS INCREASED. RERA AND MAJOR BRANDS HAVE PLAYED A MAJOR ROLE IN BRINGING BACK THE CONFIDENCE TO THE MARKET. SUNIL KUMAR V

features that cater to lifestyle preferences across age groups and interests. Strong sales witnessed following Q3 2021 has encouraged developers launch new projects and new phases in existing projects.

Ashish R Puravankara shared that as per the recent market reports, both international and domestic investors are showing interest in the Indian realty market and the higher confidence by investors can be attributed to the improved market dynamics across key property markets. "The resurgence of demand for housing is driven by a combination of factors including record-low interest HNI's and India's growing stature as an economic power, promises much in the luxury product segment. Post the pandemic, luxury housing market has reported significant traction; buyers are responding favourably as sale prices have corrected, making real estate attractive especially in the luxury segment. Customer confidence and market sentiments have strengthened by a positive atmosphere and most importantly, by the acknowledgment of real estate assets as guarantor of a secured future. The tide has surely turned and people are buying homes to actually stay in them and not only for investment.

Reeza Sebastian was of the view that the luxury market is driven by end-users at the top of the wealth pyramid and, unlike affordable and mid-income housing, depends more on personal wealth than on home loans. "This segment will continue to see steady demand, as



buyer profiles consist primarily of UHNIs and HNIs looking to invest their cumulated wealth. Of the around 75% of HNIs looking to buy luxury residential properties over the next two years, according to a recent survey by India Sotheby's International Realty, 89% prefer luxury homes over commercial real estate. The pandemic has re-affirmed residential real estate's position as the safest asset class for investments. The continued appeal of this sector will allow it to weather any short-lived disruptions, with sales anticipated to continue their ramp-up well into 2022. Buyers are willing to pay a premium for the turnkey and 'experiential' lifestyle that these residences offer, boosting the overall revival of the sector."

"We believe that a positive, bullish residential real estate cycle has started, inspired by a resurgent market, worthy of investment for several reasons, including some as explained above. From a financial perspective, if one considers the inflation-adjusted rates, the present-day affordability of residential units across all segments is effectively at an all-time high," said **Kamal Khetan**. "With the Mumbai Metropolitan Region, demand for second homes, not too far away from the city, is also strong, allowing developers to offer varied luxury products like sea-facing apartments and villas. Industry studies say housing in general has become much more affordable in all major metropolitan areas of India in comparison to 2015, including Mumbai which still stands head and shoulder above the rest. Thus, buyers are keen to take advantage of the advantageous market conditions," he added. REGION FOCUS

THANE A PROMISING METROPOLIS

THE LAND STARVED MUMBAI BURSTING AT ITS SEAMS IS FORCED TO BUILD VERTICALLY. IN CONJUNCTION IT IS ALSO EXPANDING HORIZONTALLY TOWARDS NAVI MUMBAI AND THANE. AIDED BY INFRASTRUCTURE CONNECTIVITY AND WELL DEVELOPED SOCIAL INFRASTRUCTURE, THANE IS NOW A SELF-SUFFICIENT NEIGHBOUR OF MUMBAI.



hane, till recently considered a poor cousin to Mumbai` is now attracting investors and Mumbai residents alike for buying property. Recognizing the evolving of the city from what was once an industrial neighbourhood to a vibrant self-sufficient city brimming with premium residential and commercial developments, NAREDCO Maharashtra this month launched its Thane unit. At the launch Sandeep Runwal, Managing Director, Runwal stated, "The city of Thane has grown from a small town to a well-planned city. Owing to the various infrastructure developments, a lot of industries have also moved to Thane thus creating additional job opportunities. In the recent past, there has been a 40 percent increase in job opportunities in, Mumbai Metropolitan Region (MMR) majorly in the Thane region." According to Vihang Sarnaik, Director, Vihang Group

of Companies present at the launch, "Thane's rapid

infrastructure development and ease of connectivity have piqued the interest of homebuyers. Thane now meets the expectations of homebuyers of all categories, thanks to its diverse range of residential property options."

Jitendra Mehta, President, CREDAI-MCHI Thane sharing his views on the factors that make Thane stand out from the rest had said, "As Thane evolved into a dynamic real estate destination, its infrastructure grew in sync with the requirements of a growing city. Thane offers a wide range of homes across segments and budgets, which suits the requirements of every type of homeseeker. As a culturally-rich city offering a safe and secure environment, it also offers real estate options overlooking verdant greenery and water bodies - ensuring the perfect balance between environment and development. Despite pandemic pressures, real estate prices have also been stable and never out of reach for the common man."



INFRASTRUCTURE MAKES ALL THE DIFFERENCE

With 33 lakes and more than 50 gardens, Thane suburb has been attracting buyers who seeking enriching lifestyle. Thane being an integral part of MMR - Mumbai Metropolitan Region, it has been inundated with a slew of major infrastructure development plans. From the Eastern Freeway connectivity to South Mumbai and Eastern and Western Suburban Railways to easy access to Navi Mumbai, and the eastern and western suburbs of Mumbai via Ghodbunder Road, NH-8, Mumbai-Nashik Highway and Thane-Belapur Road, Thane enjoys a central location and is set to experience an exponential growth with the upcoming metro.

Mukesh Singh, Director,

Sales, Kalpataru Limited shared, "Thane is in the midst of infrastructure and connectivity transformation which is expected to appreciate property prices and rentals. Wide new roads, multiple new metro



lines (to Central Mumbai-4, Western Mumbai- 4A&10, Bhivandi-10, and a Circular Line within Thane city), two additional lines on Central Railway between Thane and Diva, the new waterway connecting Kalyan to Western Suburbs via Thane, the proposed Personal Rapid Transport System (PRTS) using small pod cars, the proposed Thane-Borivali underground road and stoppage of Mumbai Ahmedabad High Speed Railway at Thane will substantively transform Thane."

THE COMMERCIAL REALTY DEVELOPMENT

With an increased number of retail and commercial spaces, Thane is steadily moving towards a self-sufficiency model. In Q1 2022 as per CBRE report Thane Belapur Road was the most active micro market with a 34% share in leasing. Another major development in the same quarter has been the acquiring of 'Viviana Mall' in Thane suburbs by Abu Dhabi backed Lakeshore India Advisory from Singapore's Sovereign Wealth Fund GIC and Ashwin Sheth Group. The transaction was valued at INR 1,900 Cr.

Over the last two years, the trend of having satellite offices to enable hybrid work, has seen Thane gaining traction among organisations as a popular location for small format office spaces. With excellent connectivity to



SALE OF HOUSING UNITS IN THANE POCKETS GREW **BY 25 PERCENT IN JAN-**MAR 2022 AGAINST JAN-MAR 2021. HOMEBUYERS IN THE REGION SHOWED MORE **AFFINITY TOWARDS UNDER-CONSTRUCTION UNITS PRICED** WITHIN RS 40 LAKH. IN THIS **BUDGET CATEGORY DEMAND EXCEEDED SUPPLY BY AROUND 15 PERCENT IN THE STUDIED QUARTER, AS PER 99ACRES INSITE REPORT. AVAILABILITY OF** SPACIOUS TWO-BEDROOM FLATS AND SEAMLESS CONNECTIVITY VIA EASTERN AND WESTERN SUBURBAN RAILWAYS **CONTRIBUTED TO THE GROWTH** IN THE HOUSING LOCALES OF **GHODBUNDER ROAD, POKHRAN** -2, MANPADA AND AMBERNATH.



all parts of Mumbai, suburbs and the MMR, Thane has emerged as a cost-effective option for many start-ups and corporate firms. "Planned development of Thane has ensured balanced growth and even distribution of residential areas, job centres, centres, retail outlets and work spaces, says Ajay Ashar, Immediate Past President, **CREDAI** -MCHI Thane.

"As the centre-point of the MMR enjoying excellent connectivity, Thane has seen increasing demand for commercial real estate. Thane is where jobs and business opportunities flourish, in parallel to growth in demand for homes. This fuels business volumes for retail, F&B, and other fringe lifestyle-related commercial real estate. In effect, Thane's real estate success

story is scripted by exponential growth in residential as well as commercial real estate. It is developing into an ideal work destination resulting in high demand for Grade A offices. A vibrant real estate live wire centre witnessing multiplier growth story," stated Dr Niranjan Hiranandani, Founder & MD- Hiranandani Group.



"An increasing number of businesses, particularly knowledge led businesses such as IT and Media are setting up operations in Thane, buoyed by the availability of large office spaces, comparatively lower rentals and reduced commute times. This influx of commercial enterprise has grown the professional opportunity pool, attracting new residents from across the country and spurring demand for high quality homes and civic amenities, added Mukesh Singh.

Vishal Sharma, Director Sales & Marketing, Raymond Realty expressed, "Thane is becoming a commercial hub in itself as the majority of the corporate are moving their offices out of MMR to get a bigger workspace, better transport

connectivity and enhanced



work-from-home culture, the hybrid work environment in restaurants, cafes, and lounges will likely become the new normal. Commercial estates are focused on diversifying the experience of a customer. Thane has a diverse social infrastructure that provides opportunities for pleasure and enjoyment. Thane's lifestyle quotient is boosted by a slew

of high-end retail malls, hotels, and restaurants."

"Booming is the word, with one of the most premium office spaces - "CNERGY" next to Viviana Mall and getting sold over 60% in a span of 12 months

alone, shows the demand is back in commercial space. Viviana being the most premium mall around, has resumed full capacity of clients and turnover, shared **Piyush Chawla, Head - Sales & Marketing, Sheth Developers**.



THE RESIDENTIAL RELTY GROWTH CENTRE

Grade A developers have been the major partakers in adding new supply of residential units in the city and the reason is evident. Thane's real estate market is increasing at the expense of Mumbai, the key reason being the capital values that are much more cost effective for developers compared to in Mumbai where capital values have always been rising. Furthermore, Thane is a self-contained area, well connected to South Mumbai, other major Mumbai Suburbs and Navi Mumbai as well as offers influx of office spaces, malls and amenities, making residential properties attractive for buyers. Not surprisingly, in Q1 2022 Eastern Suburban and Thane sub markets witnessed the highest share in total launches in the quarter with a combined share of 46% as per CBRE.

In fact, homebuyers are ready to shell more for localities with sound connectivity and housing locales such as those of Ghodbunder Road, Pokhran-2 and Manpada in Thane have been popular for 2 BHK units in Rs 70-1.5 crore budget range.

Also, the rental occupancy in Thane has grown by around 40-50 percent, YoY. Majiwada, Vasant Vihar, Hiranandani Estate, Hiranandani Meadows, and Brahmand remained most popular among tenants owing to connectivity via Eastern Expressway Highway (EEH) and their proximity to commercial hubs. Average rentals for 2 BHK units in these areas hover around Rs 18,000-35,000 per month.

Dr Niranjan Hiranandani elaborated, "With burgeoning demand for luxury homes branded developers also offer sky villas, penthouse and bungalows to satiate the growing need of spacious apartments. It could be accredited as one of the prominent markets for affordable luxury homes. In a manner of speaking, the entire city is

THANE'S MIXED DEMOGRAPHIC **DEEPLY ENRICHES THE CITY'S** SOCIAL FABRIC. THANE ALSO HAS STRONG CULTURAL **MOORINGS, AND OFFERS A** VARIETY OF AVENUES FOR **CULTURAL EXPRESSION FROM** THE TRADITIONAL NATYA MANDIRS AND READING HALLS TO MODERN DAY LIBRARIES. AMPHITHEATERS. MALLS AND MULTIPLEXES. THE **COSMOPOLITANIZATION OF** THE CITY HAS ONLY INCREASED THE CHOICES ON OFFER WHERE CITIZENS OF EVERY HUE CAN FIND MEANINGFUL ENGAGEMENT.

a growth centre. From the perspective of home seekers from across the MMR, Ghodbunder Road is future-perfect, given the on-going metro rail line and the coastal road, which will enhance the positives of the location. New-age developments with plush amenities and easy mobility have contributed towards attracting the right customer segment to this micro-market."

Mukesh Singh added, "Home buyers in Thane may have previously resided in standalone projects, row houses or small housing societies that offered limited amenities. They preferred to move away from the cluttered city of Mumbai to the open spaces and world class amenities that are available in Thane. Integrated townships provide a high quality of life on account of planned infrastructure, amenities, civic facilities and workspaces within walking distance. The warmth of vibrant community living in a close knit secure neighborhood makes integrated township living an unbeatable proposition. Township homes also offer better return on investment due to these factors. Usually, buyers within the age group of 25 to 40 prefer 2 BHK homes to cater to their requirement of an extra room for dependents. Those that are of 40 years of age or more tend to opt for 3 BHK apartments. Areas such as Kolshet Road, Balkum, and Ghodbuner Road are good from an

infrastructure, connectivity and future development point of view, and can be expected to appreciate well. Kolshet, for instance, is at the centre of Thane's hyper-connected future with multiple metro lines, water transport jetty, and Thane's first multi mobility transportation hub, which will seamlessly integrate metro, road, rail and water transport. Mixed Use Township developments combining residential, lifestyle and commercial facilities in Kolshet Road and Balkum by reputed national developers are enabling walk to work and holistic living. "

As per Vishal Sharma, Thane is surrounded by prominent business hubs and hence, the residential housing demand has risen manifold. "In Thane, the ticket size of 1 and 2 BHK apartments is popular, but the inventory levels for big-ticket projects is rising. There has been a significant demand for more spacious apartments of 3 and 4 BHK homes in recent times. Pokhran road 1 & 2 is located in the heart of Thane & offer connectivity to Mumbai, Bhiwandi and Western suburbs through EEH, Western Express Highway and Godbunder Road. It has premium residential and commercial locality, comprising low, mid- and high-rise apartments. It boasts excellent social and retail infrastructure with good public transport and frequency. It also has highway connectivity and has schools, malls, metro and hospitals in close proximity. The growth in the extended locality like Godbunder and Kalyan Bhiwandi corridor has shown significant potential to benefit the real estate sector. These hubs avail themselves of the proximity to Mumbai and have a promising future in terms of affordability and better employment opportunities."

According to Piyush Chawla, Metro connectivity,

THANE IS ONE OF PRIME REAL ESTATE MARKETS OFFERING A PLATTER OF CONFIGURATIONS TO BEFIT THE PRICE AND SIZE NEEDS OF THE USER. THE OPTION VARIES FROM RIGHT FROM MODERN AGE STUDIOS TO BOUTIQUE APARTMENTS OF 1 AND 2 BHK AND LUXURY TO ULTRA-LUXURY HOMES SPRAWLING ACROSS 3 TO 5 BHKS.

THANE PROPERTY CAPITAL VALUES

LOCALITY	JAN-MAR 2022
AMBERNATH	4250
ANAND NAGAR	9200
AMBERNATH	4250
ANAND NAGAR	9200
BADLAPUR	3830
BALKUM	11700
BHIWANDI	4740
DHOKALI	11400
DOMBIVLI (EAST)	6200
DOMBIVLI (WEST)	6970
KALWA	9300
KALYAN (EAST)	5500
KALYAN (WEST)	6900
KAPURBAWADI	13200
KARJAT	3600
KASAR VADAVALI	9620
KAVESAR	11000
KHOPAT	12200
KOLSHET	12350
MAJIWADA	12700
MANPADA	12730
NERAL	3750
OWALE	9050
PANCH PAKHADI	15200
PATLIPADA	13030
TEEN HAATH NAKA	17000
THAKURLI	7200
TITWALA	4100
VARTAK NAGAR	12300
VASANT VIHAR	12500
VASIND	3500
WAGHBIL	10600

Source: 99acres.com

Thane - Borivali tunnel, Waterways, Thane to Mumbai road widening, Thane to New Mumbai road Expansion, all these factors make the entire Thane location a real growth hub. "It's difficult to pick one micro market when one is spoilt for choices. From 1 Bhk to a 5 Bhk, everything sells in this market. "Thane was missing the luxury segment development, but with new players coming in, inclination towards larger/ luxurious homes are gaining prominence. New launches of 3-4 BHK is now available to cater to those wanting to invest in and willing to afford an enhanced lifestyle."

THANE PROPERTY RENTAL VALUES

LOCALITY	JAN-MAR 2022
AMBERNATH	10
ANAND NAGAR	19
BADLAPUR	7
BALKUM	25
DHOKALI	25
DOMBIVLI (EAST)	13
KALWA	22
KALYAN (WEST)	14
KASAR VADAVALI	20
KAVESAR	24
MAJIWADA	26
MANPADA	27
OWALE	18
PANCH PAKHADI	31
PATLIPADA	26
TEEN HAATH NAKA	30
VARTAK NAGAR	27
VASANT VIHAR	25
WAGHBIL	23

Source: 99acres.com

THE DEVELOPMENT CHALLENGES TO OVERCOME

"Obtaining approvals for real estate projects is becoming easier. However, the environment clearance norms and maintaining the height of the building based on the road width are crippling the real estate project approval processes in Thane. This backlog of approvals based on environmental grounds causes' further delay in commencing the project, says **Vishal Sharma**.

According to **Piyush Chawla**, "Diversity is the biggest challenge. With almost all top developers having mega town ship projects, the question remains: what new offering can be brought in the project/ product."

Summarizing the growth challenges of Thane, **Dr Niranjan Hiranandani** shares his perspective, "There are situations where the success story's biggest challenge is replicating the same over the future. Thane's real estate has seen growth trends continue even during the Covid-19 pandemic induced lockdowns, so the organic growth continues at its own pace. The challenge is to speed up the process and develop faster so that large areas get residents 'settled in' and the city evolves to the next level. Keeping up with conscious consumerism, riding demand



for eco-friendly real estate development as also providing amenities and facilities which are of international standard to satisfy a discerning clientele – while following global best practices – are some of the challenges being faced by developers in Thane."

HOW GOOD IS THANE AS A REAL ESTATE INVESTMENT OPTION?

As per industry experts Thane is the only location where the return on investment has been excellent. Land availability, connectivity, employment opportunities and lifestyle amenities, all assure that buyers profit from growth potential.

"Thane property market scores high for end-users as



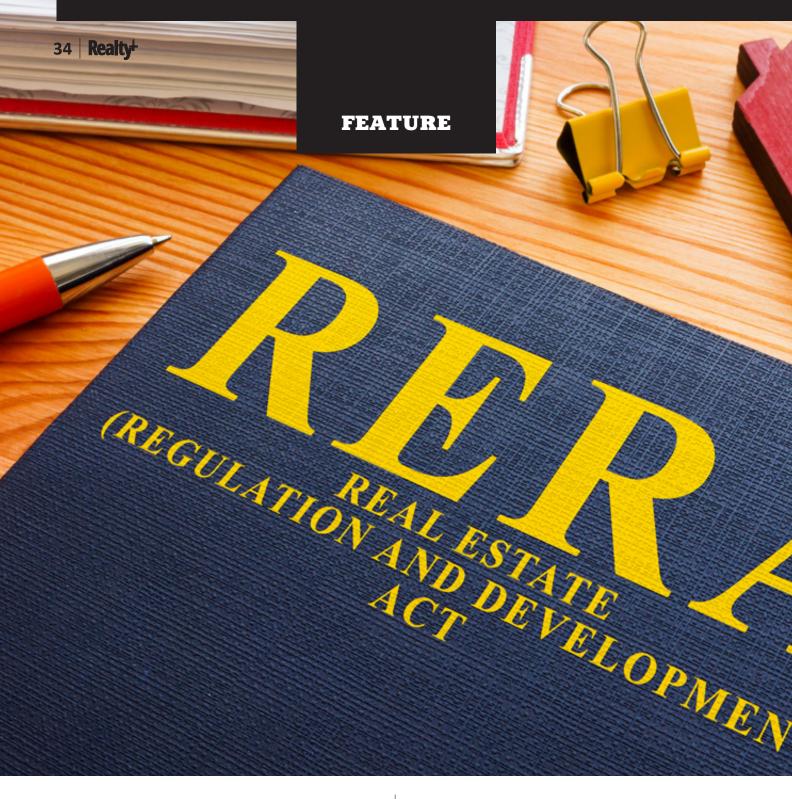
well as investors. It entices investors' traction with timely easy exit options as end user demand is on upbeat," says **Dr Niranjan Hiranandani**. "Thane has quickly morphed into Twin city with the linear growth of Mumbai. The real estate market has offered value proposition to its investors with a slew of infrastructure connectivity and world class social fabric developed to enable ease of living. This growth has become a wealth generating avenue with steady capital appreciation for the investor's cohorts. Also, the rise of suburbia emerges with decentralization of commercial realty, making it an apt and safe bet investment destination. Thane real estate market has witnessed slew of branded developers entering this micro market to cater the rising demand," he added.

Indeed, over the past decade, Thane has transformed into a bustling metropolis. Vast tracts of industrial land have been developed into high end residential and commercial zones, and the process is further increasing in pace and scope. The availability of large land parcels have given developers the opportunity to create selfsustaining integrated mixed use townships promoting holistic living and enabling 'walk to work' at an increased scale. Mukesh Singh adds, Thane hosts some of the finest educational institutions in MMR, as also a strong healthcare ecosystem with several multi-specialty hospitals. Thane is one of the greenest cities in MMR and it has green spaces such as parks and gardens, lakes and creeks, and forest zones. Not only do they provide the spaces to unwind and rejuvenate, but also give the city a large green lung, which brings down pollution, enabling healthier living.

Thane offers locational advantage, centrally situated as it is between the industrial zones in the Kalyan-Dombivali-Bhivandi belt and the commercial and business hubs in Mumbai and Navi Mumbai with road, rail and going forward metro connectivity options to all of MMR, enabling quick access and convenient commute. All these factors making it a good investment bet."

Piyush Chawla considers Thane as one of the most promising investment destinations in and around MMR. "Earlier it used to be a smaller ticket size market and people from Mumbai who did not wish to take steep liabilities, would move there. With the enhancement of current and upcoming Infrastructure projects, Thane has become a Central Business District," he stated.

"Thane has become a goldmine for real estate investors," expresses Vishal Sharma. In the proximity to Mumbai, Thane as a city offers a lot of dimensions. With cleaner air and greenery, several social and planned infrastructures are all evolving into a self-sufficient urban ecosystem. Another considerable advantage of this bustling commercial is its strong transport network. It not only has well connectivity to Mumbai but enjoys an effective integration with Eastern Express Highway, Mumbai-Nashik Highway, and Ghodbunder, JVLR road. Also, the Price growth trend in Thane has shown a significant increase in the last five years. The average price per sq. ft. in 2018 was around Rs10, 000 but now, in 2022, the average price per sq. ft. is Rs.12, 500 and the YoY growth in the prices is also good. Undoubtedly, it is a go-to destination for lucrative deals on property."



Since the introduction of Real Estate Regulatory Authority Act 2016, the Indian realty sector has become more transparent and has helped buyers and sellers to build the trust the real estate sector stakeholders needed for transactions.

This year Real Estate Regulatory Authority Act 2016 (RERA) turns six. Introducing the RERA was an effort to promote the real estate sector as well as to establish an adjudicating mechanism to resolve disputes arising around real estate projects.

According to Ministry of Housing and Urban Affairs the Real Estate (Regulation and Development) Act (RERA) has been fully notified in 30 states where 80,492 Real Estate Projects and 62,550 Real Estate Agents have registered under RERA across the country.

RERA has three main functions. The first is regulatory oversight, which involves project registration and monitoring whether or not they are progressing in the right

SIX YEARS ON: ANALYZING RERAEFFECT



direction. The second is developer-homebuyer conflict settlement. Third, there's general housing policy, such as what may be done to improve housing infrastructure.

Many states, including Maharashtra, Rajasthan, Uttar Pradesh, and Haryana successfully implemented RERA rules and regulations to improve the real estate market. RERA registration is required in several states for projects larger than 500 square metres. RERA ACT WAS INTRODUCED IN MAY 2016 TO REMOVE TRUST DEFICIT BETWEEN BUILDERS AND HOMEBUYERS. THE RESULTS SIX YEARS LATER, REMAIN DEBATABLE.

diversion of monies acquired from one project to another. However, promoters must now reserve 70% of all project receivables in a separate escrow account. The money in such an account can only be used for construction costs, and it must be certified by a professional.

Since promoters would be required to make periodic submissions to the regulatory regarding the progress of the project, home buyers will be able to track its progress on the RERA website. RERA also established a common model sale agreement between promoters and homebuyers. RERA also acts as a middleman between buyers and sellers. It also serves as a body to punish developers for bad practices, which was previously a time-consuming process.

RERA has helped enhance sales for builders while also guaranteeing that the rights of buyers are protected at all times. On issues such as real estate project advertising, project completion, and cancellation charges for cancelling a booking, the RERA tribunals have acted in the best interests of buyers.

RERA has boosted the efficiency not just for buyers but also for developers. While, developers are frequently penalized for delaying construction, but now buyers are also penalized for late instalments. RERA also allows for the extension of real estate project registration, however registration must be completed within a year, along with the application and price.

Prior to RERA, projects were delayed due to the

During the Covid Pandemic, RERA granted extensions of

six to eight months to builders to complete their projects, which was the need of the time.

RERA ACTIONS & REACTIONS

The Uttar Pradesh RERA fined nine promoters Rs 1.40 crore for failing to comply with its instructions, despite the Authority giving them ample time to do so. Developers that advertised without registering with UP RERA were also punished. In one of its rulings dated January 4, 2022, the UP-Rera approved Urbanac Building Technologies to purchase a land from Proplarity Infratech Pvt Ltd that covered 20,000 square metres (five acres). For the first time, UP RERA permitted for the transfer of rights between enterprises for the execution of Bizlife project

Maharashtra RERA blacklisted 644 residential projects in the state, prohibiting their sale. MahaRERA also allowed a buyer to withdraw from the project owing to incorrect information on the brochure, and the developer was ordered to reimburse the money with interest. In another case, MahaRera fined a developer Rs 1000 per day for failing to register the project, with the fee to be paid daily to the regulatory authorities until the project receives a registration number.

The MahaRERA Appellate Tribunal has ruled that if the redevelopment contract has expired, buyers can request a return from the first builder. In a decision that explains the function of a housing society in redevelopment projects, Maha-RERA determined that societies must provide explanations when switching builders in the middle of a project and must also honour allotments made by the previous builder to buyers of the project's free sale component..

Gurgaon developers were fined Rs 3 crore by Haryana RERA for advertising without registering. HaRERA has also instructed builders to only sell flats on carpet area. HaRERA also set a limit on the commission that brokers can charge while arranging a land transaction. Banks cannot auction projects without the approval of purchasers and authority, according to HaRERA. HaRERA will issue thorough recommendations on the handover of projects to Resident's Welfare Associations (RWAs), the development of RWAs, and the duties of builders in the near future.

Punjab RERA had written to the Greater Mohali Area Development Authority (GMADA) to take corrective measures for protecting the rights of people who had invested in properties auctioned by it for setting up group housing societies and other commercial projects after one



VARIOUS STATE GOVERNMENTS HAVE ESTABLISHED UP A WEB PORTAL TO PROVIDE UPDATES ON REAL ESTATE DEVELOPMENTS, DECISIONS AND JUDGMENTS ISSUED BY VARIOUS AUTHORITIES, AND SO ON, IN ORDER TO MAKE THIS INFORMATION MORE ACCESSIBLE.

real estate group defrauded customers.

Real estate entrepreneurs who do not register their projects with Kerala RERA face a penalty of roughly one crore rupees. Kerala RERA has fined a luxury construction company for failing to follow the rules and delaying a project in the state.

In a recent writ petition, a division bench of the Hon'ble Rajasthan High Court ("Rajasthan HC") issued a landmark judgment protecting the rights and interests



of homebuyers, holding that secured creditors such as financial institutions and banks fall under the jurisdiction of the concerned RERA and that homebuyers can approach the concerned RERA against such secured creditors.

What's more, UP RERA has created a micro-website to assist promoters in resolving their issues. On the MahaRera website, homebuyers can look up data of complaints against projects and promoters. HaRERA and Jupitice Justice Technologies have agreed to collaborate on the digitalization of the complaint redress system.

DISSATISFACTION AMONG HOMEBUYERS

Many homebuyers across the country feel let down by the RERA implementation mainly due to execution delays despite favorable orders by the regulator and the critical gaps like lack of manpower and power to district magistrates for recovering the penalties from defaulting developers.

Homebuyers and their associations have been raising concerns over non-enforcement of these orders. "Despite the orders getting served, homebuyers are left in the lurch CENTRAL GOVERNMENT HAS DECIDED TO LOOK INTO THE REASONS FOR NON-COMPLIANCE WITH ORDERS ISSUED BY THE RERA CHAPTERS. A COMMITTEE OF HOMEBUYERS AND REAL ESTATE DEVELOPERS WILL BE FORMED TO EXAMINE VARIOUS ORDERS THAT HAVE BEEN APPROVED BY STATE OFFICIALS BUT HAVE YET TO BE IMPLEMENTED.

as the enforcement of these orders is taking unreasonable time," said Abhay Upadhyay, President, Forum for People's Collective Efforts (FPCE).

Homebuyers forum have demanded that the government convene a meeting of the Central Advisory Council (CAC), the apex advisory body under RERA for timely, effective, and coordinated implementation of the legislation of RERA.

A general sentiment among people is that RERA has failed to meet the expectations of scores of homebuyers whose investments were stuck in ongoing housing projects. Another point of contention has been the blanket extensions given by RERA during pandemic even when there was no work stoppage nor complete lockdown announced.

Industry experts too have expressed concern on many states having diluted the RERA provisions allowing developers to flout the rules. It has been suggested that general rules of all states should be reviewed and placed before the Supreme Court for its consideration.

The issue of structural safety of projects too has been a major cause of distress to homebuyers which again is not completely covered under RERA though builders are required to give 5-year warranty against structural flaws as per RERA

WHAT MORE CAN BE DONE

One of the recommendations has been that RERA should be revised to hold financial institutions responsible for the completion of projects that they have financed. Because financial firms own unsold flats, RERA should have authority over them. RERA currently only covers two groups of people: buyers and real estate developers.

SUPREME COURT VIEW

The Apex Court has asked the Chief Secretaries of all the States to respond to the queries raised by the Centre on implementation of RERA Act, 2016 rules in their jurisdiction.

In March 2022 the Centre had written to all the States seeking certain information with regard to the agreement of sales rules notified under the RERA Act and their compliance but only five States had responded to it.

The top court noted that the central government shared the draft 'agreement for sale' in 2016 after the enactment of RERA with all the states and Union Territories and currently West Bengal, Jammu, and Kashmir, and some north-eastern states are yet to notify the rules.

The top court had said that there may be some local conditions that need to be taken care of by the states but most of the rules should be in compliance with the Centre's draft rules of 2016.

The top court had said that it wants that instead of leaving it to the States, the Centre makes the model builder-buyer agreement and model agent-buyer agreement which shall be applicable for the whole of the country. It had said that the whole purpose is that there is some uniformity in the basic terms and conditions and the flat buyers are not exploited.

The Centre in its affidavit said, "There is a robust regulatory mechanism, and a draft 'agreement for sale has already been prescribed under the provisions of RERA (Real Estate Regulatory Authority), which seeks to balance the rights and interest of home buyers and promoters in an accountable and transparent manner".

Some state RERA authorities continue to violate Section 34 (c) of the RERA Act, which requires them to keep a database of defaulters on their website, including images of the promoters, for public inspection. RERA should try to close loopholes used by promoters to get away, there should be regular inspections

Developers advocate single-window disbursal to make it easier for them to obtain approvals. Since one of the biggest roadblocks has been clearance from government officials, the projects get delayed.



According to section 84 of RERA, the appropriate government that is the state government save in the instances involving its application in the territory of union territories has to notify rules for carrying out the provisions of this Act. RERA mandates for registration of projects before advertising, marketing, booking, selling and the law ensures the timely delivery of real estate projects, and the entire fund flow is also subject to strict monitoring by the regulator to avoid diversion of funds, which will also secure the interest of home buyers.

The top court had said it was important for the country to have a model builderbuyer agreement in the real estate sector for consumer protection because developers try to put numerous clauses in it, which common people may not be aware of.

A uniform payment schedule for home buyers across states is also urgently required. There is a need for a clear definition of "structural defects," and after collective consultations, the state and central governments should provide more clarity on the subject.

Experts are of the view that states should not be allowed to weaken the RERA Act's provisions, which are critical to its effectiveness. RERA has achieved excellent progress over the years, but continued efforts are required to ensure RERA's continuous improvement.

Realty

BE ON THE FRONTLINE OF DIGITAL TRANSFORMATION

Realty-

A series of webinars that provide a platform to discuss current topics of interest to the real estate industry, featuring experts and industry leaders.

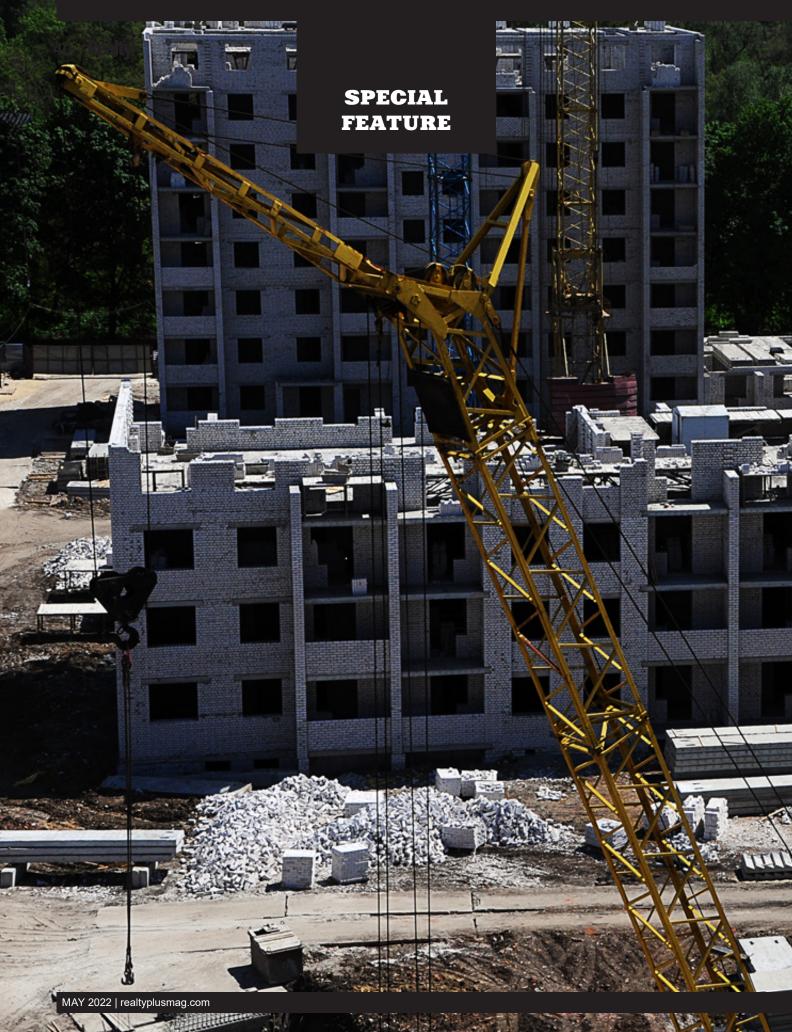
Video interviews that address honest views & opinions, facts & figures for the benefit of all the stakeholders of the industry.



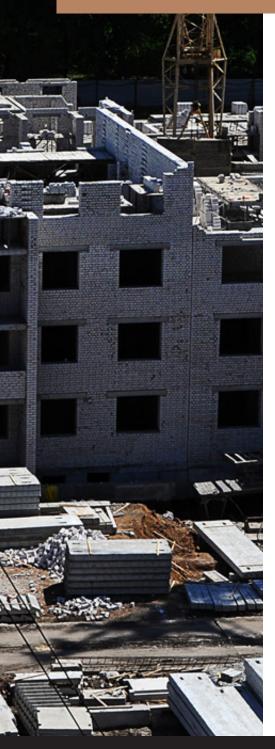
Digital marketing initiatives on Realty+ online channels that provide high visibility and real-time engagement.

For Brand Integration & Partnerships, contact:

Ganesh Gurav +91 99309 60403 | ganesh.gurav@exchange4media.com Tripti Kedia +91 98200 10226 | tripti@exchange4media.com



REDEVELOPMENT AN ECONOMIC & SOCIAL GROWTH ENGINE



REDEVELOPMENT OF BUILDINGS AND SLUM REHABILITATION PROJECTS ARE THE WAY FORWARD FOR LAND STARVED URBAN CENTRES. REALTY+ TAKES VIEWS FROM AN ARCHITECT, DEVELOPER AND A FINANCIER.

n a rapidly urbanizing world, inclusive development of city finds greater meaning. The megapolises bursting through the seams are exploring various ways and means to provide quality living to its residents. In such a situation, redevelopment of old dilapidated buildings in a planned way can help reduce the burden on city infrastructure.

Rahul Kadri - Principal Architect - IMK Architects states, "There is a dearth of land in Mumbai therefore, most projects in the city tend to be redevelopment projects. Such buildings also tend to be located in prime areas with a good FSI, making the value and profitability of the projects very high. The redevelopment business model is usually a joint venture between the landowner and society in proportion to the land value and development cost. However, often, getting approvals from all society members and tenants is a hindrance."

Amit Goenka, MD & CEO, Nisus Finance Services agreed that the major limitation is that the size of the developments are small and hence the amenities that can be offered in such small projects are often quite limited. "The small size of the plot also inhibits the parking design and cars are often double and triple stacked and cramped in the ingress. Another factor is that the small size of the flat and its high landed cost to the developer, severely inhibits the positioning of the project and creates a congested mid-market development. To alleviate this problem, the regulators have initiated clubbing policies, which give an extra incentive for societies to combine their properties under "cluster redevelopment."

Ram Raheja - Director - S Raheja Realty expressed, "The challenge with redevelopment is the greed and need of the people; since there are too views of individuals representing one housing society. In addition, the expectation from redevelopment projects is higher as every homebuyer is expecting better amenities and a larger space than their current household area. Hence it is essential

42 Realty+



The market is ripe for institutional players to enter and provide a destination for societies to redevelop their projects in a reliable way. The sheer numbers of societies which require redevelopment makes it an attractive destination for volume and yield seeking PE firms. **Amit Goenka.**



The future of redevelopment in metro cities especially Mumbai is very bright since there are constraints on the availability of open land within the city. Additionally, the suburban insatiability for fastgrowing lifestyles leads to demand for upgraded or spacious houses. **Ram Raheja**



Cluster development is better because many available plots are very small and it is not feasible to utilise the complete FSI of the plot given the open spaces that have to be left all around. When a cluster is developed it becomes easier to utilise the full potential of the plot. **Architect Rahul Kadri**

to associate with credible and experienced developers who are known for building similar properties; doing this will help the homebuyers to be in safe hands."

CHANGING LANDSCAPE OF REDEVELOPMENT STRATEGY

Initially, redevelopment projects were mostly taken up by small scale builders and projects involved single buildings or small housing societies. Lately big organized developers have shown interest in this segment as it enables access to land in prime markets without huge upfront investment, the majority costs being compensation to homeowners for relocating during the construction period that are compensated with the sale of additional flats at market prices also bringing profit on investment.

Ram Raheja elaborated, "Location and connectivity are crucial for a successful residential project, and currently, the issue of the rise in land prices and lack of availability of land is growing interest of big developers towards redevelopment projects specifically in the suburban areas of Mumbai. (Bandra, Khar, Santacruz, Juhu etc). But, when consenting to a rebuild, it is critical to thoroughly review the paperwork and discuss all elements with the developer."

Amit Goenka, MD & CEO, Nisus Finance Services added, "Shortage of land and slow pace of redevelopment have forced regulators like MCGM, MHADA and SRA to change regulations and make it easier for large developers to commit substantial capital and evince interest towards the redevelopment space. Certain premiums, if paid before Dec 31, 2021, were discounted at 50% to improve the profitability of the projects. As a result, it is estimated that appx INR 14,000 Crores of premiums were collected in Mumbai alone, and almost every large developer invested heavily in the redevelopment space, to avail of the benefit. Another change was that approval costs could be defrayed over 4 instalments at an interest rate of 8.25%. Further, concessions & approvals have been fast tracked for redevelopment under DCPR 2034. Following COVID -19

societies have also been forthcoming to accept reasonable terms and prefer redevelopment with large developers. Hence, substantial opportunities on viable margins have emerged in the redevelopment space attracting large developers to make a foray into the segment."

THE RISING PE INVESTORS INTEREST IN REDEVELOPMENT MODEL

The redevelopment market is growing and attracting private-equity firms, prompted by the entry of big players in the segment. The method used by PE firms is however different and consists of underwriting the entire project cost in exchange for the allotment of the entire saleable inventory. As the project sells out, the PE firm pockets the difference between the underwritten price and the market price and nets an IRR of 20-30%.

"Since the turnaround times are short, the exits happen relatively faster and the investors are happy to provide the capital required to complete the project up front. Funds like Nisus Finance find greater returns on a risk adjusted basis in such redevelopment projects since, with a100% society consent there is no risk of litigations or legal issues on the project. The established and well known buildings in their micro market command the interest of the new buyer and there is strong alignment of interest of all stakeholders," adds **Amit Goenka**.

THE FUTURE FOR THE REDEVELOPMENT MODEL

Architect Rahul Kadri sharing his vision for the way forward said, "Covid-19 has shined a spotlight on the often-overlooked underbelly of Mumbai, where unusually high population densities and poor drinking water and sanitation facilities make social distancing virtually impossible. Elimination and clearance of slums have to be substituted by up-gradation of living conditions, access to basic services and participation of current residents in policy conception."

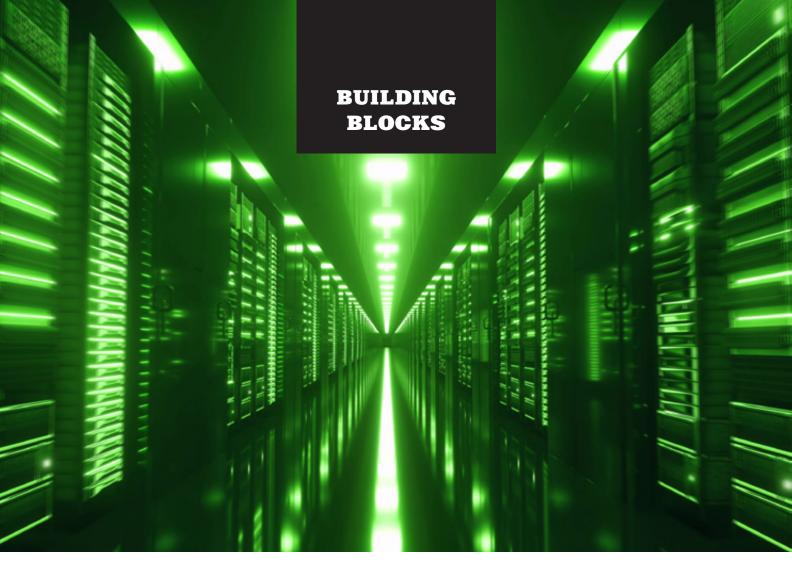
Ram Raheja expressing an optimistic opinion stated, "Since land is scarce in the city like Mumbai, standalone redevelopment projects are in most cases supported by favourable government regulations and norms."

Amit Goenka believes that the answer to making Mumbai into Shanghai or Singapore like cities lies completely in the world of redevelopment and has been the focus of the current state government which has come out with the SRA amnesty scheme, cluster development scheme, discount on approval costs, reduced stamp duty and several other innovative ideas. "In a recent survey conducted by BMC, the authorities identified a total of 337 dilapidated structures covering island city (70 structures), western suburbs (163 structures) and eastern suburbs (104 structures). With large redevelopment projects like BDD chawls, Kamathipura among others being taken up with earnest by state government, this segment will continue to attract institutional developers, foreign and domestic capital and see larger clusters being redeveloped into modern integrated developments over medium to long term. Nisus Finance continues to be one of the foremost domestic funds championing the private redevelopment and self-redevelopment space with its intelligent pools of capital and partnership structures."

THE REDEVELOPMENT BUSINESS MODEL BEING ADOPTED BY DEVELOPERS

The predominant method is the Development Agreement (DA) which is signed by the society along with payment of rent and corpus to the society. The developer typically offers a 35% increase in the FSI (equivalent to the fungible available) to the society members and keeps the balance as sellable to cover costs and make a profit. The developer is also responsible for funding the project including the cost of the approvals and the residents move out post IOD being in place and not before all funding has been arranged.

A second method is the self-redevelopment -Development Manager Model. In this model, the society engages a developer as a development manager to the project and keeps the profit, and funds the rent and corpus from advance sales to its own members. In this case, the funding is arranged by the development manager and the society jointly to ensure that the project is completed on time. The development manager typically earns a project management fee and may or may not be a promoter under the definition of RERA.



DATA CENTRE: THE NEW PILLAR OF INDIAN REAL ESTATE

INCREASING DIGITIZATION ACROSS INDIA AND INFRASTRUCTURE STATUS BY THE GOVERNMENT ARE SET TO MAKE IT DATA CENTRES THE NEW REAL ESTATE ASSET CLASS TO WATCH OUT FOR.

he technological landscape in India has shifted dramatically over the last five years, and the country is making fast-paced progress toward a full-fledged digital economy. The rising adoption of digital transactions, IoT and smart devices have created a significant demand for digital services and more importantly, data centres. What's more, the disruptive actions to ensure business continuity during the pandemic that began during 2020, are becoming permanent with companies and government agencies alike moving to advanced IT strategies. At present, the data centre industry is buoyant in cities of Mumbai, Chennai, NCR, Bengaluru and Hyderabad. Kolkata and Pune with heightened supply and demand activities.

INVESTMENTS IN INDIAN DATA CENTRES

Year 2021 witnessed joint investment of \$2 Bn by Brookfield Infra-Digital Realty, \$1 bn by joint venture between Everstone Capital and Yondr and an announcement by Adani Enterprises & EdgeConneX, to establish 50:50 joint venture in data centres. Cisco's Duo also launched a data centre in India to meet data localisation requirements. DLF has announced an investment of Rs 1,700 crore in office space and a data centre. Yotta Infrastructure, a subsidiary of the Hiranandani Group, is constructing two more data centre buildings in Greater Noida at a cost of Rs 2000 crore. Both buildings will have a capacity of 30 MW and will be operational in January 2024.

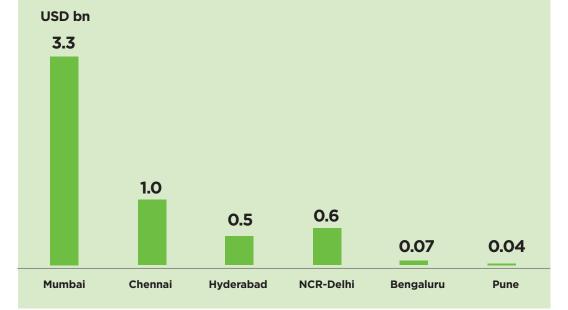
Equinix, a data centre infrastructure company, is also investing USD 9 million to acquire approximately 5.5 acres in Chennai to expand in India. CapitaLand also plans to build more data centres in India, including in Hyderabad, Bengaluru, and Noida. Sophos, a cyber-security solutions provider based in the United Kingdom, has opened a data centre in Mumbai to meet local demand for its cloud management platform and to comply with local data sovereignty regulations. NTT recently opened its latest hyperscale data centre campus, NAV1A, in Mahape, Navi Mumbai, the first in the satellite city. NTT has 12 data centres in India spread across Mumbai, Bengaluru, Delhi ACCORDING TO A SAVILLS INDIA REPORT, 5G, IOT, AI, AND CLOUD ARE EXPECTED TO DRIVE GROWTH FOR 15-18 MILLION SQUARE FEET OF THE DATA CENTRE.

NCR, and Chennai, with a total facility power capacity close to 220 MW and plans to open eight new data centres by 2024

THE GOVERNMENT SUPPORTING POLICIES

In the budget 2022, the Finance Minister accorded Infrastructure status to data centres. Several of the State Governments too were quick to respond with initiatives & framework for facilitating the development and operation of Data Centers in India, through separate policy announcements. The States, within India that have announced Data Center Policies are – Telangana, Uttar Pradesh, Tamil Nadu, West Bengal and Odisha. Several other States are also in the process of announcing their own separate policies.

The infrastructure status to the data centre industry will help companies in availing easier credit and managing resources. It will also augment investment in the sector



INVESTMENTS EXPECTED FOR DATA CENTRE CAPACITY ADDITIONS BY 2024

SOURCE: JLL RESEARCH

and boost country's required digital infrastructure. Furthermore, government plans to give incentives to the tune of Rs. 12,000 crore to Rs. 10,000 crore to companies to set up data centres in the country. Under the hyperscale data center scheme, the government is targeting investment of Rs. 3 lakh crore in the next five years and is planning to dole out anywhere between 3-4% of capital investment as incentive to companies along with other benefits such as real estate support and faster clearances.

THE REAL ESTATE DEMAND

Most Data Centre operators have been acquiring land parcels at key data centre hubs which has led to an appreciation in land prices in preferred cities. Some operators have modified existing buildings to reduce time to market, while some cloud players with self-build ambitions have acquired land at new locations in line with their growth strategies.

Large data centres are looking to primarily set up facilities in major cities and most of the current demand is focused on cities like Mumbai, Chennai, Noida and Hyderabad, followed by Bangalore, Pune and Kolkata.

As per JLL, the Indian Data Centre industry is expected to create a demand for 9.7 mn sq ft by 2024 for new capacity building across India's leading cities. Mumbai, Pune, and Chennai together accounted for 83% of the total supply during 2021. More than 180 acres of land was transacted for colocation data centres across major markets in India In

A RECENT DATA FROM CUSHMAN & WAKEFIELD SHOWED THAT A TOTAL \$11.4 BILLION INVESTMENT HAS BEEN PLANNED AND COMMITTED FOR DATA CENTRES DEVELOPMENT IN THE COUNTRY AND GLOBAL FIRMS' CONTRIBUTION OUT OF THIS IS MORE THAN 65%. IND-RA ESTIMATES THAT TOTAL INVESTMENT IN THE DATA-CENTER INDUSTRY IN INDIA TO TOUCH RS 70,000 -72,000 CRORE OVER THE NEXT FIVE TO TEN YEARS. THE JOINT PARLIAMENTARY COMMITTEE (JPC) RECENTLY ADOPTED THE REPORT ON THE PERSONAL DATA PROTECTION BILL 2019. A MANDATE ON DATA LOCALIZATION WILL BE A MASSIVE BOOST FOR LOCAL SERVICE PROVIDERS AND THE DATA CENTRE COMPANIES.

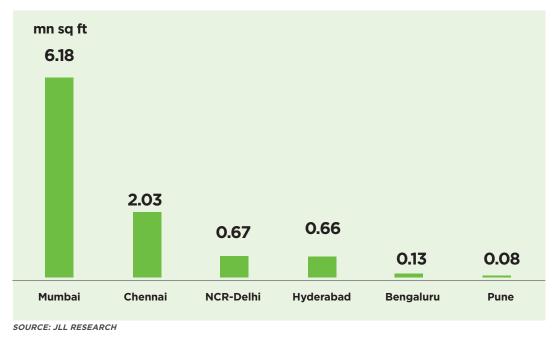
2021. Out of which, Navi Mumbai alone witnessed about 100 acres being acquired by data centre operators.

Owing to its high share of capacity addition, Mumbai is expected to create demand for 6.18 million sq ft, going forward. The comparatively high land cost of the city visà-vis other DC hubs will lead to a higher outlay of US\$ 3.3 billion for setting up data centres in the city. In the Mumbai region, the Navi-Mumbai suburb has emerged as a preferred location due to its high-capacity power station, developed territorial cable connectivity, and availability of land at a lower cost than the mainland. As Chennai has similar advantages, it would follow with 2.03 million sq ft of real estate space addition at an investment of US\$ 1 billion.

In case of services where operators need to ensure minimal to zero latency – primarily for edge services such as smart cities, IOT applications for home or industries, etc. there is merit in storing data close to end users i.e. Tier II cities as well. Another reason for tier II cities seeing rise in data centres in future will be the increase in data requirements because of rising decentralised workforce. Already evident is some traction to set up small data centres of sub 2 MW capacities in Tier II cities though their scale will be limited. Large investments in this space are expected in Tier-2 cities such as Ahmedabad, Coimbatore, Bhubaneshwar, Jaipur, Kochi, Nagpur, Vizag, and Lucknow.

CHALLENGES TO OVERCOME

Power Supply: Data centres need continuous power supply and most cities have a single power service provider with no alternate sources of power. Unstable power supply and heavy reliance on generators is a major operational task for operators. Close partnership with the relevant government bodies along with a local partner can help overcome any logistical challenges.



REAL ESTATE DEMAND FROM DATA CENTRES

Fibre Network: India's current fixed broadband speed is relatively lower than global average and is an impediment to efficient data centre operations. A sufficient infrastructure of fibre network is lacking in India and still a work in progress.

Location: Site due diligence is a key component and issues that are not identified in time could lead to a pause

MUMBAI AND CHENNAI TO LEAD IN CAPACITY EXPANSION AND ARE EXPECTED TO WITNESS HIGHER GROWTH OWING TO THEIR INFRASTRUCTURE ADVANTAGES. HOWEVER, LANDLOCKED LOCATIONS LIKE NCR-DELHI WOULD ALSO SEE GROWTH IN CAPACITY ADDITION DUE TO GOVERNMENT-LED DIGITAL INITIATIVES AND DATA DEMAND. PROACTIVE STATE POLICIES, MEANWHILE, ARE CREATING HYDERABAD INTO AN EMERGING LOCATION FOR HYPERSCALE CLOUD PLAYERS. in construction and significant delays. Seismic activities, flood records, flight paths, access to transportation facilities and critical utilities, as well as proximity to other industrial areas are important parameters to be taken into consideration. Thus, procuring land banks with these particular set of requirements is a challenge.

Workforce: Global standard talent in the data centre business is lacking. It requires workforce to have specialised knowledge in power, fibre, mechanical cooling, security, civil engineering, fundamental technical skills such as programming languages and tools.

Green Technology: Data centres consume a lot of energy. Because of their higher power consumption, many businesses are basing their data centre programmes on green technologies and an active renewable energy strategy.

Cost: Data centres are capital intensive, involving high real estate costs, wide area network connectivity and equipment costs.

Policy: The current building byelaws for commercial buildings are not suitable for data centres and lead to space and cost inefficiencies. Concerted efforts are needed from government to streamline tax structures and stamp duty exemption on land purchase, and different set of norms for data centre buildings.

BUILDING BLOCKS

TECHNOLOGICAL DISRUPTIONS TO WATCH OUT

THE CONSTRUCTION INDUSTRY IN INDIA HAS WITNESSED PHENOMENAL CHANGES IN THE FIELD OF TECHNOLOGY, PRIMARILY DRIVEN BY CONSTRUCTION PROFESSIONAL'S NEED TO REMAIN PROFITABLE WHILE BALANCING MARKET DYNAMICS.

BY DEVEN

ast year Prime Minister of India Narendra Modi highlighted how new technology can accelerate the construction of houses, PM Modi in his Man ki Baat Speech said, "There was a time when it would take years to complete even a minor construction. But today due to technology the situation is changing in India."

India's construction industry is on a cusp of change that is already visible and is creating a growing impact on the way we design and build our structures. The engineering firms, contractors, and value chain participants recognise the benefits of connected construction technologies and are increasingly deploying them.



50 Realty+

These technologies can assist in unifying assets, people, processes, and job sites enabling everyone and everything to work smarter, reduce downtime, maximise resource utilization and efficiency, and gain greater visibility into operations. Building information management (BIM), digital supply networks, digital twins, preventative analysis, prefabrication and modular construction, asset tracking, and autonomous drones are just a few examples.

Artificial Intelligence: Gartner predicts that by 2023, AI will be one of the top workloads driving infrastructure decisions, which is good news for the construction industry. AI has now made the idea of a smart city much more accessible to the future. It has greatly helped construction projects by increasing safety, improving workflows, and accomplishing goals faster and effectively.

Digital Twin: A digital twin in the construction industry combines real-time data from a built asset with its digital representation to generate insights throughout the project lifecycle. Digital twins provide multidimensional views of an asset's design and performance, including occupant behaviour, use patterns, space utilisation, and traffic patterns. It thus has agreat significance in building cost and resource efficiently, given that a digital twin allows to test "what-if" scenarios like design changes, weather disruptions, and security events.

3D Printing: The technology has the potential to change material sourcing. Materials for a project can be printed and then transported to the job site, ready for use right away, using prefabrication. This not only eliminates, site pollution, reduces waste and saves carbon footprint but can also create complex designs that would be impossible, too expensive, or too labour-intensive to create using traditional construction methods. However, one of the current barriers to widespread adoption of this technology is a lack of mass production capacity.

Workflow Management: Smart Construction Management technology is constantly evolving, moving towards digitization from start to finish, from planning through the actual execution process, and then into a property's daily use and maintenance. Workflow management tools are making it possible to tackle larger scales, build taller, environment friendly and faster while staying within budget.

Autonomous Drones: Drones are the most widely used emerging construction technology. They can conduct site surveys more quickly and accurately than a crew on the ground and are cheaper than aerial imaging. Their



INVESTMENTS IN CONSTRUCTION TECH START-UPS IN INDIA HIT RECORD-HIGH LEVELS IN 2021. THE SEGMENT RECEIVED TOTAL FUNDING OF \$104.2 MILLION (AS OF JUNE 15, 2021), THE HIGHEST IN THE LAST SEVEN YEARS, ACCORDING TO DATA FROM TRACXN.

high-resolution cameras and the data collected can create interactive 3D or topographical maps and models and take volume measurements. Another benefit of using drones is the ability to inspect hard to reach places safely and ti monitor progress on a job site.

DIGITAL TRANSFORMATION DIFFICULTIES

If digital transformation is to be implemented across the industry, the solution must be practical. Adopting digital technologies necessarily requires an



initial investment in equipment, software, and training; nevertheless, the benefit of digitalization is not always evident, and the ROI is highly improbable to be visible in the short term. Furthermore, switching methodologies may disrupt the production process and result in backlash. Unless the business needs and current situation are correctly analysed. This will have a negative impact on investment decisions.

The cooperation from all stakeholders becomes an issue for a new technology as it may take time to understand its importance or long term benefits. Lack of standardisation also creates risks on a sectoral level. In a fragmented industry such as construction, it is difficult to develop common standards for all participants at each stage of the construction project. The current lack of common protocols for data sharing and the standardisation of information requirements impedes digital transformation.

Additionally, a tech-savvy workforce is required for the implementation of any technology in any business. According to global surveys, the average age of construction workers is over 40. An ageing workforce finds it extremely difficult to learn and adopt new technologies. Training is also time-consuming and costly.

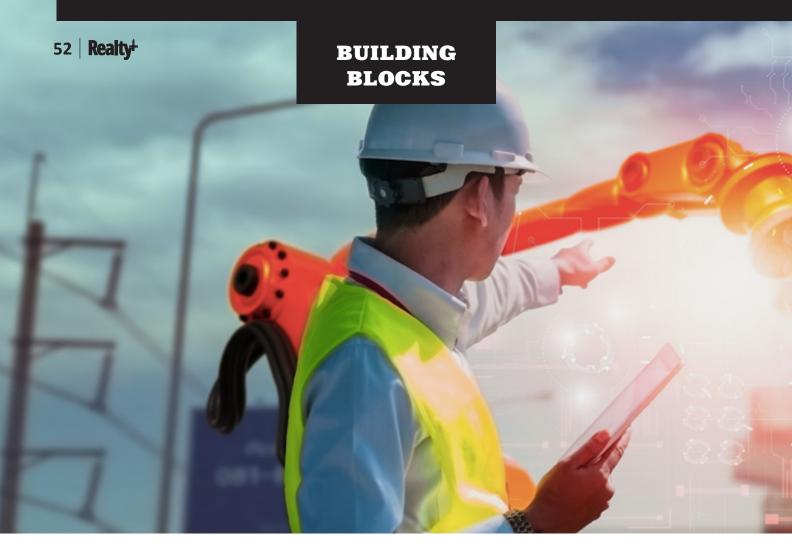
THE ADVENT OF START-UPS

Despite the numerous challenges that businesses faced during the pandemic, construction start-ups have exploded in the last year. Because the construction industry is notoriously slow to innovate, construction start-ups are capitalising on the growing need for digitization to bring the industry up to speed. The successful construction startups strike the ideal balance between developing cuttingedge technologies and leaving room for change.

GOVERNMENT TECH IINITIATIVES

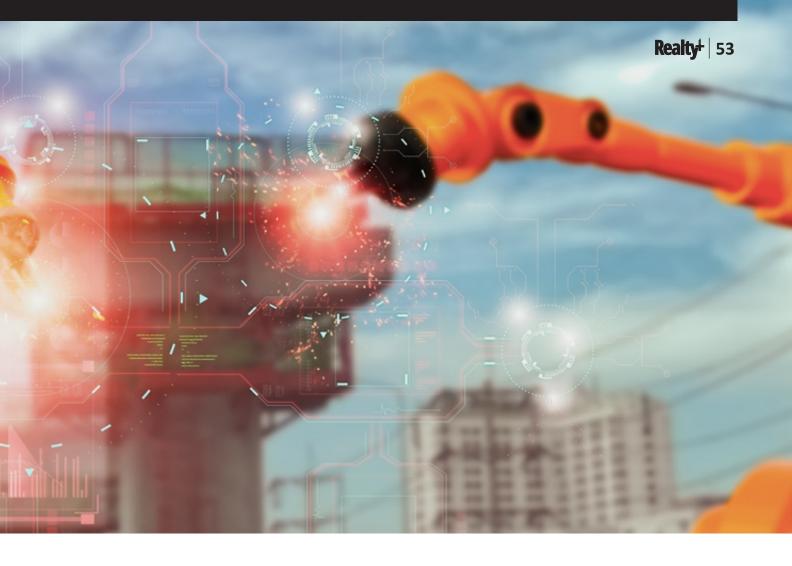
The government is employing in its low-cost housing projects (Light House Projects (LHPs) Such as monolithic concrete construction technology from France in Project in Rajkot to make houses strong enough to withstand natural disasters. Similarly, Canadian technology is being used in Lucknow, which eliminates the need for plaster and paint. In Chennai, pre-cast concrete system technology from the United States and Finland is being used to build houses faster and more cheaply. Flats in Ranchi are built using the German 3D construction system where the entire structure will be joined together the way block toys are joined. To combat earthquakes, houses in Agartala are being built with steel frames using New Zealand technology.

Following the lockdown, the Indian construction industry is in recovery mode, and technology has enabled the industry to grow faster than ever before while also delivering projects on time. As digital technology continues to permeate the industry, it is critical for construction firms to prioritise data and analytics as a core competency as the industry poised towards growth opportunities.



REMAINING COMPETITIVE IN **CONSTRUCTION SECTOR**

IN INDIA, THE PERENNIAL COMPLEXITIES FACED BY THE CONSTRUCTION INDUSTRY INCLUDE, MATERIAL COSTS, SUPPLY CHAIN IRREGULARITIES, LABOUR AND SKILL SHORTAGES, AMONGST MANY OTHERS. REALTY+ SPOKE TO THE WELL-ESTABLISHED GLOBAL AND DOMESTIC LEADERS IN THIS SEGMENT ON THE CHALLENGES, OPPORTUNITIES AND NEW DIGITAL APPROACHES IN THE INDIAN CONSTRUCTION SECTOR.



ccording to the World Economic Forum, more than 70% of the global GDP will be generated from construction by 2050. The forecast acknowledges the role and significance of the construction industry in economy but also makes us ponder on the challenges the sector faces resiliency, technology, equity, and sustainability across the countries.

HOW IS TECHNOLOGY IMPACTING THE CONSTRUCTION INDUSTRY, PEOPLE AND BUSINESSES?

SS Reddy - The overall goal for the sector is to improve the lives of residents and the community, while safeguarding the environment. Technology plays a big role in these efforts. The pandemic, especially, forced a transformation upon the construction sector with the use of technology expanding to other services such as administration and procurement.

The need for operational efficiency and digital transformation can no longer be taken for granted. It is imperative to continue the growth of the sector. This is an opportune time for previous industry practices to be reassessed and for new systems to be introduced including AI and Data Analytics. This applies to all traditional fixtures of the sector such as ERP, project management and customer service.

Saurabh Sharma – Technology has had a powerful impact on the construction industry. Traditionally this has been a slow mover in the adoption of tech but since the onset of the 2nd decade of this millennium, we can notice a certain shift in the way things are done. Starting from the design stage of projects, where we have already seen major inclination towards adoption of 3D design methods using BIM and better visualization techniques and software being put to use.

In addition to this, we can also notice the use of gaming tech such as AR and VR in helping remote homebuyers get a first-hand experience of how their dream home shall look like. This came to good use during the pandemic when physical commute and contact were limited. A new emergence has been the use of drones in not just in curating promotional videos and aerial views but also



SS REDDY MANAGING DIRECTOR, APARNA CONSTRUCTIONS AND ESTATES

"India's urban planning initiatives depend heavily on smart and sustainable cities. wherein in technology will play a massive role. These smart cities have underlying themes including device connectivity, utilization of big data and creation of feedback loops. Smart Cities Mission is an urban renewal and retrofitting programme by the Government that aims to develop 100 cities across the country making them citizen-friendly and sustainable. India has unique challenges due to its large population and fragmented social infrastructure. Innovative technological approaches to housing, transportation and utilities will have to be implemented in order to overcome these challenges."

remote supervision in treacherous terrain on infrastructure projects in hilly and remote areas.

Manish Khandelwal - Much like any other industry, advancements in technology have had quite a significant impact on the construction and infrastructure Industry. We have witnessed an increase in the quality and overall functioning of the construction industry. This has further led to an increase in the demand for technologically smart products focused on sustainable living. From a plumbing and sanitation perspective, technological advances have allowed us to address problems like wastage of water.

HOW ARE COMPANIES ENSURING REAL-TIME CONSTRUCTION OPERATION MANAGEMENT?

SS Reddy - The incorporation of technology in construction helps simplify large-scale complex operations and streamline data management with more accuracy and efficiency. The goal is to consistently deliver highquality, relevant information and insights for a better real-time construction operation management. This may include real-time digitization of data and integration of all operations via internet of things (IoT). Furthermore, drone footage of construction sites, combined with advanced analysis and design methodologies, allow the construction of increasingly more efficient buildings with minimal impact on the surrounding environment.

Saurabh Sharma - Construction companies have now come to realize the importance of engaging specialist consultants such as PMC's on major projects to serve the purpose of real-time construction management. In many case scenarios, where the owner/financiers are not from construction background or are foraying into their 1st project into construction domain, prefer to have a specialist Project Management Consultant like David Adamson Group on board with them to help them navigate and mitigate the challenges faced in Construction operation management. The use of Project Trackers and multi-user dashboards is also catching on now. Many companies are adopting Power BI backed dashboards in order to remain up to date in real time regarding the challenges faced on construction projects.

Manish Khandelwal –As the demand for housing and development is on the rise, additional public investment



SAURABH SHARMA INDIA DIRECTOR, DAVID ADAMSON GROUP

"The government has done a lot of ground work in terms of laying down the foundation and providing platforms such as Start-Up India for the new age entrepreneurs to foray into new areas and try out new things without much fear of failure. In terms of future prospects, we do have a long way to go in terms of adoption of tech in construction sector. The government in its own has surely added value to public projects by using technology to some extent. And by means of setting this example they expect the industry to follow suit. But prior to that we need to understand that our industry is a price sensitive one and factors such as affordability and availability of tech for use in construction projects, currently seems to be a major deterrent in terms of implementation of the latest advancements in our field."

in modern infrastructure will prove to be a significant step towards making India a better place. Quite a few technological advances are being made in the field of project management, design tools, and even building technology that is also attracting major funding.

WHAT ARE THE CHALLENGES IN MAKING THE CONSTRUCTION SECTOR GO TRULY DIGITAL IN INDIA?

SS Reddy - Keeping up with the pace of technological advancement is a significant challenge in the construction sector. The technology behind standard construction industry practices such as ERP and project management is rapidly evolving. Old processes are being disrupted by new technologies that did not exist a decade ago including automation and big data. While digital technology creates powerful business opportunities, it also creates skills gaps. A developer's capacity for training and developing its workforce to expand their digital skillsets creates a significant competitive advantage.

Furthermore, the pandemic has introduced new challenges on construction sites such as supply chain

restrictions and absenteeism amongst the workforce. Best practices must be designed that increase efficiency and mitigate risk. Since approximately 80% of savings results from stages prior to construction, using digital analysis to address inefficiencies in vendor management and bid management processes is vital.

Saurabh Sharma – India has pre-dominantly been a traditional market as far as construction activities go. Current Industry leaders and pioneers are majorly 1st Gen Entrepreneurs who made it big by being the torch bearers in revolutionising construction across India.

But now 75 years after independence and 60 years after the initial surge of Mega-Construction companies, we see a sluggishness and unwillingness to adapt to new trends which are modernising construction elsewhere across the world. Not just the big companies but we can easily see many new ventures mushrooming in this domain and carrying out activities as they used to do decades ago without any major change in working methods and no major USP's as such.

Manish Khandelwal – Going digital, albeit the need of the hour, is a fairly complicated proposition, especially



MANISH KHANDELWAL COMMERCIAL DIRECTOR, WAVIN

Increasing technology in the construction sector does not only boost productivity but also delivers substantial benefits to both the public and private sector. With initiatives like PM Gati Shakti and Har Ghar, Nal Se Jal being implemented, the need for increasing and refining technology has taken the limelight to ensure a smooth running and completion of the projects in time. With projects on mass urbanization being planned, there has been a surge in both the number and the magnitude of the projects and this, in turn, has increased the importance of technology to new heights.

in the construction industry. For starters, almost every construction project comes with its own unique needs. Adopting digital solutions for every project is not the most feasible. Additionally, construction projects involve multiple participants at each stage of the whole life cycle. They often work in silos, following their processes making it hard to implement any digital solution across the construction projects. However, there have been efforts to upskill the workforce and lead them toward the digital era.

DO YOU SEE MORE INVESTMENTS AND START-UPS COMING IN THE CONSTRUCTION TECHNOLOGY SECTOR?

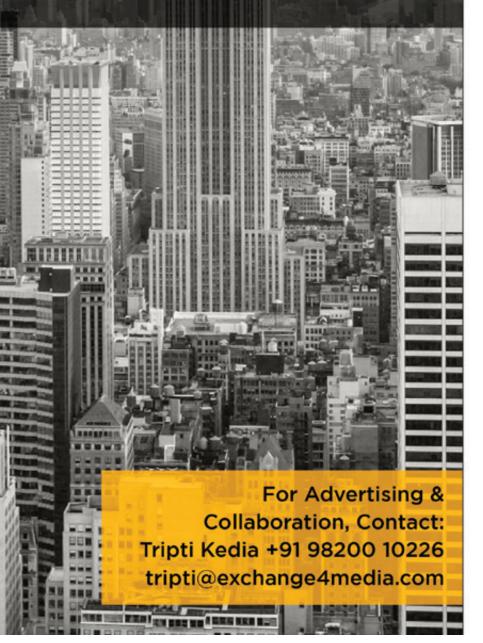
SS Reddy - Due to the global impact of the construction sector, environmental responsibility is now a high priority for all stakeholders. This trend is driving more investments and start-ups in the construction technology sector. Startups are creating innovative ways of utilising eco-friendly materials and integrating natural sources of energy into the architectural design such as rainwater harvesting, waste management and solar power.

Building Information Modelling has been a growing trend and is now a necessity in the construction sector. The top developers are investing in energy modelling tools to optimise a building's architecture and layout. This improves operational efficiency of the buildings, promotes conservation of natural resources and enhances the overall health of residents.

Saurabh Sharma - We can surely see the Indian Startups ecosystem now trying to bring construction into their purview. Previously focused on just E-commerce, Fintech, Supply-chain management etc. we can now see a diversification in the type of companies that Venture Capitalists are now investing into.

With respect to the construction sector, we are now witnessing investments into Drone Tech companies not just limited to Drone Mapping and usage of LiDar scanning capabilities but also development and enhancement of the overall drone technology which has numerous uses. There are also construction design related companies who are getting funded now, for their venture into unconventional design methods and usage of new age tech to develop designs and showcase projects.

Manish Khandelwal – There are many operational applications of AR and VR technology in the construction market which will likely be an area where we can expect investments in. In the real estate sector, property technology or proptech has already been making waves, we can take that as a precedent for increased investments in the construction sector as well. REALTY: WAS CREATED TO UNDERSTAND THE NEEDS OF THE REAL ESTATE BUSINESS. FOR THE PAST 17 YEARS, IT HAS BEEN AT THE FOREFRONT OF FEATURING CONTENT AND COVERAGE ON KEY MATTERS OF REAL ESTATE





CONNECT WITH CORE SEGMENTS

- REAL ESTATE
- 2 BUILDING MATERIALS INDUSTRY
- **3** ARCHITECTURE & INTERIOR DESIGN
- 4 BANKING & FINANCE
- 5 CO-WORKING & CO-LIVING SPACES
- 6 FACILITY MANAGEMENT SECTOR

7 PROPTECH COMPANIES

8 REAL ESTATE MARKETING AGENCIES

ENGAGE WITH A READERSHIP OF OVER 7000000 EVERY MONTH

HAVE A PRESENCE IN 1700+ REAL ESTATE HUBS IN METRO AND NON-METRO CITIES SPECIAL FEATURE

WAREHOUSING SECTOR RE-DEFINED BY E-COMMERCE & 3PL

THE CONSUMER DEMAND ARE DRIVING THE E-COMMERCE AND 3PL SEGMENT WHICH IN TURN IS NOT ONLY BOOSTING THE DEMAND OF WAREHOUSING BUT ALSO THE DEFINING ITS STRUCTURE AND OPERATIONS.

ndian e-commerce has grown and evolved significantly, especially during the covid period and brands too are turning towards alternative online selling channels such as D2C and Social commerce. Thereby, the role of 3PL providers too has increased for offering end-to-end logistics process solutions.

According to **Shyam Arumugam**, **Managing Director**, **Industrial & Logistics Services**, **Colliers**, the warehousing market showed resilience throughout the pandemic and demand for high-quality warehousing space was steered by 3PL (Third party logistics) players with a 33% share, followed by e-commerce companies with a share of 29% in total leasing. Various Performance Linked Incentive (PLI) schemes approved by the government across the manufacturing have also led to increased demand for warehousing spaces.

Aditya Sikri, President, IndoSpace shared some statistics, "By 2024 the smartphone penetration is going to reach 60% and about 900 million people in India are going to be making online purchases. Moreover, almost 99% of Zip codes have been tapped as delivery destinations by the E commerce players. I believe in the next seven or eight years, ecommerce will make 25% of the total organized retail market in India. Given these forecasts, India is playing catch up with the rest of the world, but the scope and the scale is very different for us. So, as a developer we will have to think of different strategies for not only fulfillment centers like that of Amazon but also modernized in-city centers that are nearer to customer base."

THE EXPERTS WERE BULLISH ON THE INVESTMENTS IN THE WAREHOUSING SECTOR FROM BOTH DOMESTIC AND FOREIGN INVESTORS AND PREDICTED THAT AT LEAST USD \$3 BILLION OF CAPITAL IS WAITING TO BE DEPLOYED BY FOREIGN INSTITUTIONAL INVESTORS IN THE INDIAN LOGISTICS & WAREHOUSING SPACE. "BUT THE CHALLENGE IS THE SCALE AT WHICH WE CAN EXECUTE IRRESPECTIVE OF MARGIN,' THEY EXPRESSED.



SHYAM ARUMUGAM



ADITYA SIKRI



N SRIDHAR



RAJAT GARG

RAHUL PANDIT

RICHARD THEKNATH

N Sridhar, CEO - Greenbase Industrial and Logistics Park said, "The recently seen supply chain disruption and the digital transformation across industries has influenced the warehousing & logistics segment as well. The location continues to be a very critical factor for the E-commerce fulfilment centers as well as the manufacturing bases. However, the logistics cost in India is about 13% of GDP vis-à-vis 8% of GDP across USA, Europe. And this is even higher than the GST benefit that the sector gets. Therefore, proximity to a transportation hub becomes critical. Also, companies consider the lowest cost of market (LCM) and want to be near consumption centres through hub and spoke model, but that too is ow undergoing realignment."

Rajat Garg, Head of Investments - ESR India pointed out that customer wants their good faster and therefore near city locations are being preferred even though that means 5% - 20% premium on land. "You don't want your product sitting in the warehouse for a long period of time requiring an algorithm which will ensure that the inventory moves fast. Interestingly, propensity to consume is a lot higher in tier two cities and new emerging residential locations near metro cities. Therefore, many ecommerce players want to be in new locations. So you need to be very careful about know which customer are you targeting when you choose locations. At ESR, we want to be within 45 minutes of a large consumption hub."

Rahul Pandit, CEO, Horizon Industrial Parks shared his perspective, "India is in its infancy and there is a big runway ahead to grow. India has a huge domestic consumption market and GST and Covid have been a big accelerator for the warehousing market. The Grade A absorption across key cities stood at 22 million sft in 2021 and is poised to grow at a CAGR of 9.1% during 2021-2026. But, the unavailability of feasible land parcels, and the cumbersome process of land acquisition remain the biggest challenge for the sector."

Richard Theknath, Chairman & MD, JetFrieght Logistics sharing his opinion on the logistics end of the warehousing market conceded that the high fuel costs and limited air freight are the short term challenges. The bigger challenge is that logistics sector is fragmented. "Given the rise of e-commerce in India and internationally, India has the potential to be the logistics and the warehousing hub of the world. What we need is the modernization of the sector and favorable government policies." SPECIAL FEATURE

TIER 2 CITIES: THE WAREHOUSING GROWTH HUBS

LOGISTICS AND WAREHOUSING FIRMS ARE RAMPING UP THEIR PRESENCE IN TIER 2 AND TIER 3 CITIES AND THE REASONS ARE NOT HARD TO FIND.

ities like Ludhiana, Coimbatore, Vapi, Guwahati, Bhubaneshwar, Surat, Lucknow, Patna, Siliguri and Ambala to name a few, are witnessing increased warehousing demand and investment.

ALC: N D

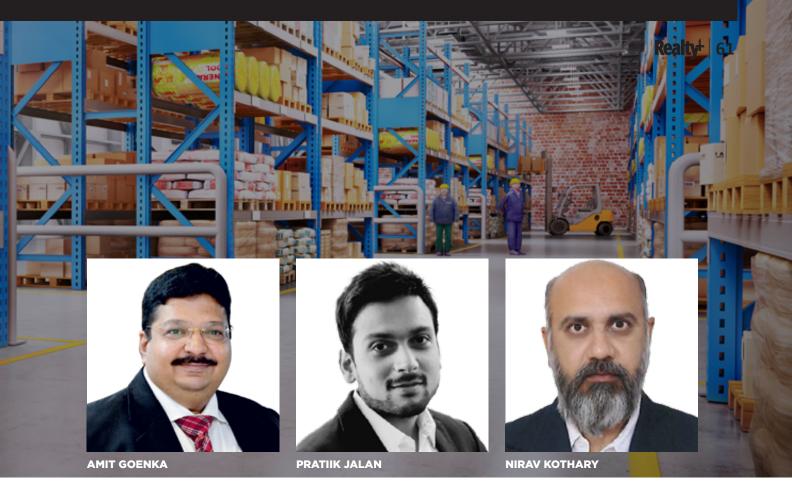
KINNI .

Amit Goenka, MD & CEO, Nisus Finance Services stated that about 300 million square feet of warehousing has already come up which is likely to double in less than two years. "It's a massive target which is not possible without a full on chugging along of the tier two cities and non-metro locations. As per the statistics in the last three to four years, warehousing industry has grown at a CAGR of almost 14% and apart from top six cities - Ahmedabad, Bangalore, Chennai, Mumbai, Delhi and Pune, Grade- A warehousing providers are expanding operations in 15 small cities across India."

Pratiik Jalan, Director, Jalan Builders that has presence in Siliguri and Guwahati concurred, "The biggest advantage of a small city is the land cost and rentals that are becoming unviable in metro cities. Companies are mainly focusing on Tier-1 cities as distribution hubs with main warehouses in a tier- 2 or 3 location. However, a big challenge in tier 2 cities is the mindset of the land owners. Their percentages are always based on Grade D warehousing specifications. They are stuck at construction cost of INR 800- 900 per square feet and are not ready to accept the current costs of INR 1400 and above for a Grade A warehouse."

Nirav Kothary, Executive Director, Godwitt Construction Pvt. Ltd that is based in Ahmedabad shared, "About 15 years back, the yield was around 12% to 14%, which has now come down to 8% due to the rising input costs. This makes tier 2 cities even more attractive for the companies. But, when a customer comes to a tier-2 city, the expectation is that of a tier 1 city quality with ready supply and availability. Unfortunately, tier-2 markets don't have that. We have to think ahead of the curve, build the facility in a potentially attractive region and then probably wait three to six months for a customer to occupy that space".

Amit Goenka summed up that there is a need for further acceleration in small cities and a level of maturity in the sector is yet to show in these locations. "All industry reports indicate that the growth and the aspiration to find liquidity in the warehousing market cannot come without extraordinary growth happening in the tier 2 locations."



THE WAREHOUSING PATTERNS

According to the experts in tier 1 cities, people have access to malls to source products. But in tier two cities, access to malls and branded stores is limited so, the e-commerce driven warehousing demand in tier 2 and 3 cities will remain much higher in comparison to tier 1 cities.

Moreover, due to the pandemic, the demand for e-commerce has increased in the Tier 2 and Tier 3 cities. One major reason is the rapid internet penetration and second is the increase in consumer spending on branded goods."

Pratiik Jalan stated, "Demand for D2C warehouses has increased dramatically in recent years. This is mainly driven by the E-commerce and grocery markets who are setting up last-mile delivery options for faster deliveries."

As per **Amit Goenka**, most warehousing facilities in small cities is managed by unorganized local players and there is a shortage of high quality, technologically advanced grade A warehouses. "While, the organized players are now foraying in tier 2 cities and are attracting the investors, the local developers too are improving quality, given the rising demand."

Nirav Kothary shared, "The lag in escalation in commodity prices and the escalation in rentals is

THERE HAS BEEN A SIGNIFICANT GROWTH IN E-COMMERCE IN MARKETS BEYOND THE MAJOR CITIES, AND THUS THE NEED FOR FASTER DELIVERIES. TO STRENGTHEN THIS TREND, 3 PL PLAYERS ARE CAPITALIZING ON CONSUMPTION-DRIVEN DEMAND IN SMALLER CITIES.

anywhere between six months to a year which impacts the yields in the near term future. Eventually, occupiers would have to pay if they want the quality they desire."

Nirav Kothary stressed on the uniformity of government sanctions and faster approvals. **Pratiik Jalan** felt that tier 2 cities require good infrastructure and feasible land parcels for organized developers to step in." **Amit Goenka** added that the industrial clusters and manufacturing hubs form the growth corridors for the warehousing sector and the ESG compliant facilities will be in demand.

SPECIAL FEATURE

RISKS & REWARDS OF INVESTING IN WAREHOUSING SECTOR

MOST INSTITUTIONAL INVESTORS HAVE MADE INVESTMENT SHIFTS IN ACCORDANCE TO THE GLOBAL CRISIS. AMIDST THE FAR REACHING CHANGES INDUCED BY COVID, WAREHOUSING SECTOR HAS EMERGED AS ONE OF THE MOST FAVORABLE INVESTMENT OPTION FOR INDIAN AND FOREIGN INVESTORS.

autam Saraf, Managing Director, Mumbai & New Business India, Cushman & Wakefield said, "Investing in Indian warehousing sector accelerated post COVID. GST turned out to be the boon however input tax credit remains a pain point. While the demand and supply in the warehousing industry remains robust, the gap in the flattish rents and rising costs is worrying."

Tapan Bhatt - Head of Investment - Ascendas Firstspace stated, "Many developers that entered in this segment had unplanned growth strategies. Now that the institutional investors are stepping in, we are seeing consolidation. In the next phase we'll see more Grade A warehouses and opening of new geographies for the sector."

Ashish Joshi, Founder and CEO, Landmark Capital Advisors was of the view that the construction material price rise is an aberration and will stabilize but the land price will continue to move up, which is the bigger risk. Therefore, beyond the point the market has to accept that the higher rentals will reflect the rising cost.

Anay Shukla – Chief Customer Officer, Welspun One Logistics Parks expressed, "Land prices will go up and needless to say the rentals too will have to shift up from a sustainability point of view. But, the capital markets are bullish on the sector which is still very nascent with a lot of room to grow. It will be the ability to offer value for money to the customers that will bridge the cost and rent gap."

Rahul Virmani, Director, Operations & Business Development, S. M Logistics & Warehousing agreed, "It's a relatively new industry and last five, six-quarter had been tough for all businesses. The warehousing providers will have to show value of a Grade A facility to beat the hypercompetition in around the area that is willing to rent the space at much lower prices."

Sandeep Narayan Singh Deo, Senior Director & Head - Industrial Investment Services, Savills India added, "Understand the tenant's business and advise them on how to reduce costs across other areas such as using volumetric storage and technology driven management to reduce costs and compensate for higher rents. After all warehousing rentals comprise just 4% to 6% of the entire logistic costs."

"In the last 10 to 15 years, investors have gained a lot more confidence in Indian warehousing market. The structural reforms have removed the undesirables from the system. People have increasingly realized that, after the



GAUTAM SARAF



TAPAN BHATT



ASHISH JOSHI



ANAY SHUKLA



RAHUL VIRMANI

SANDEEP NARAYAN SINGH DEO

United States and China, India will be the largest market in terms of E-commerce and warehousing as an asset class. Taking developmental risks is considerably easier now that the investors have gained confidence, stated. **Tapan Bhatt.**

"The interest has been extremely high from investors for warehousing due to assured rental and lower churn in tenancy. The size of the warehousing investment is also manageable, easier than a commercial office," said **Ashish Joshi**.

Rahul Virmani mentioned, "Industry players need to get out of the main city locations. We need the entire ecology on our side from nearby transportation hub to labour accommodation, transit facilities for materials and connectivity infrastructure. Thus, there will be a lot of demand in Tier-2 cities and Tier-3 cities near industrial corridors."

Anay Shukla supported the idea of expanding the market. "If we keep creating competition in the same micro-market, we will eventually start pushing the land prices up, start becoming unviable as you're taking a hit on the yield or you're taking a risk with the customer because your rents are going up, Creating more micro markets in an existing Tier-1 market and to collectively explore Tier-2 city locations will be the way forward." THE WAREHOUSING SEGMENT WITNESSED MORE THAN \$5 BILLION FUNDS COMMITTED BY PRIVATE EQUITY FIRMS AND PENSION FUNDS. ON THE OTHER END YIELDS IN WAREHOUSING ASSETS HAVE FALLEN IN THE PAST TWO YEARS.

Sandeep Narayan Singh Deo pointed out, "In-city, warehousing is an amazing opportunity as there is a constant need to reduce the delivery timeline on a logistics. Furthermore, developing built-to-suit warehouses in strategic locations is becoming appealing to investors as developers identify clients' requirements in advance and ensure cash flows."

Gautam Saraf concluded that if Indian warehousing sector can reach even 50% of the USA which is the gold standard of industrial real estate development, given the domestic consumption we have, we have a fantastic growth ahead.



SCOPE FOR VALUE ADDED SERVICES IN WAREHOUSING

WAREHOUSING COMPANIES TO GAIN A COMPETITIVE EDGE ARE COMBINING SMART AND EFFECTIVE TECHNOLOGIES TO OFFER CUSTOMIZATION VALUE ADDITIONS AS AN INTEGRAL PART OF WAREHOUSING.

he very definition of warehousing has evolved to a much larger context in terms of providing valueadded services and customization to customers. Shobhit Agarwal, MD & CEO - ANAROCK Capital expressed, "Warehousing has been utilized by manufacturing companies to manage their inventory and storage needs which is now not limited to just storage but also as assembly hubs, to reduce time and cost."

Mitesh Kaul, Country Head – Integrated Services, Embassy Services Pvt Ltd concurred, "Warehousing sector has seen the fastest growth and the fastest maturity in s a short span of time. It is not just about the grade A players coming into space, but it's also about the amount of client interactions and inputs that are defining this sector. The larger firms like the Amazon along with the startup e-commerce companies are compelling the growth in a very organized way evolving the segment from a mere storage space.".

Ashish Shah, Head Leasing & Business Development, Logos Property stated, "In today's world, warehouses are like living organisms playing an active part in the supply chain rather than just being a storage area. The whole appeasement part of the end consumer is driving innovation in technology and services for the occupiers, developers as well as warehouse providers.

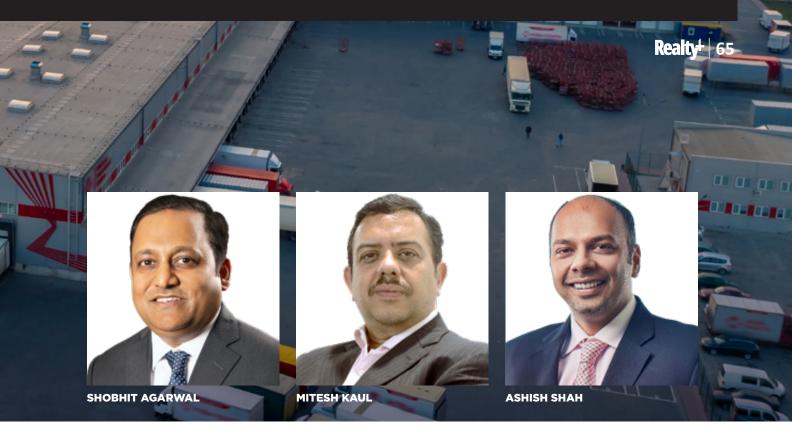
The experts agreed that much of the value additions in the warehousing have been client driven. They are asking for industry regulations compliant, green compliant and safety compliant buildings and are willing to pay a premium for the same. This has also been the reason from a shift from local storage providers to Grade warehousing facilities. Given the demand, the developers too are integrating quality right from designing the right building and making sure it has got the scalability.

SUSTAINABILITY IN WAREHOUSING

Environment and Social Governance (ESG) is becoming inherent to warehousing development as the investors and occupiers are increasingly focusing on the ESG. **Ashish Shah** gave an example of one of their warehousing facilities in Delhi-NCR, "The estate will incorporate market- leading sustainability and environmental initiatives, including 20 acres of Miyawaki forest plantation, solar power generation and distribution for warehouse and common infrastructure energy provision. State-of-the-art monitoring to measure warehousing air circulation, temperature, energy, and water

Realty

64



MODERN WAREHOUSES MAKE THE MOST OF THE SPACE AND ARE DESIGNED TO ENSURE EFFICIENT MATERIAL HANDLING AND ECONOMICAL STORAGE, WHILE PROTECTING THE SAFETY OF PEOPLE AND PRODUCT. IN TERMS OF CUSTOMIZATION, THE FACILITIES CAN BE MODIFIED TO ACCOMMODATE CHANGING NEEDS WITHOUT MAJOR EXPENSE OR DISRUPTION.

usage will also be employed within the Estate in conjunction with heat mapping on the movement of trucks and people throughout the property for operational control, thereby influencing the future design requirements of the estate."

Mitesh Kaul elaborated on the technology aspect," Technology plays a huge role, right from reducing the carbon footprint at the time of the building itself and then during the operations and maintenance. The complexity of the function is pushing us to migrate from a traditional approach to convergence of the man, the machine and the humanistic approach. Not only has technological advancements helped improve warehousing management, but have also made it more affordable for businesses."

Shobhit Agarwal, agreed that technology integration starts right from the warehousing design and planning. "From layout to storage space planning, lighting, circulation and product mapping that can offer most efficient way of managing the stocks."

NEED FOR CUSTOMIZATION

Ashish Shah explained,"Our focus is to make warehouses in shapes so that it allows our clients to speed up their delivery and assembly processes and reduce expenses. With the introduction of warehouse automation, optimal fire safety and global green standards, it has provided us opportunities to reach out to compete at a global level."

Mitesh Kaul was of the opinion that the segment is mature and has efficiently addressed the service design, compliances and experiences aspects of the business. By adding value to processes right from managing the inflow materials to managing storage and delivery, warehousing has been defined by technology and customized offerings.

Shobhit Agarwal, concluded that while, technology driven systems are ensuring good quality services and cost efficiency, the government initiatives too have been encouraging for the sector. "We are just scratching the surface as the sector is still very young. What would be critical in the long run is the value to the customer, pricing and the need of scaling up."

PERSPECTIVE

INFRASTRUCTURE DEVELOPMENT IS THE BACKBONE OF WAREHOUSING SECTOR

DR NIRANJAN HIRANANDANI - FOUNDER & MD - HIRANANDANI GROUP SHARES HIS OPTIMISTIC VIEWS ON THE INDIAN WAREHOUSING SECTOR AS THE RECESSION PROOF ASSET CLASS.

ndian government policies are encouraging for the warehousing and logistics sector. Schemes like Pradhan Mantri Gram Sadak Yojna, Industrial & Dedicated Freight Corridors, Bharatmala and Sagarmala projects, Jal Marg Vikas, and UDAN are enabling the sector's growth. In the long term, logistics and warehousing will be one of the key beneficiaries of the country's march towards becoming a global manufacturing hub.

In addition, the implementation of Goods & Services Tax (GST) and the surge in e-commerce are the biggest drivers of Indian logistics and warehousing sector growth over the past few years. The extension of the Production Linked Incentive Scheme (PLI) would also give a further boost to the sector.

Furthermore, the PM Gati Shakti scheme, the expansion of the National Highway Network by 25,000 km in 2022-2023 and the National Infrastructure Plan (NIP) encompassing 8200 projects are moves in the right direction for interstate co-ordination and unification that will reduce logistics costs.

We are now witnessing highest ever international investments coming into the Indian warehousing space. The hub and spoke model in this segment will gain further traction as during Covid we saw the need for delivery centres to be near the consumption hubs.

I believe technology will be the game-changer for the warehousing assets. The new-age organized warehouses are automated with IoT capabilities, making them an important part of India's logistics sector. The role of 3PL providers has been undeniable in making this sector emerge stronger. REDUCING THE COST OF TRANSPORTATION AND DEVELOPING LOGISTICS INFRASTRUCTURE IN THE COUNTRY WILL MAKE US COMPETITIVE WITH OTHER ASIAN COUNTRIES AND POSITION US TO BE THE GLOBAL WAREHOUSING HUB.

Given the remarkable growth during last two years, the sector has established itself as one of the most resilient asset classes. Grade-A warehouses demand has witnessed a major uptick that continues to bring significant capital.

THE VOICE OF REAL ESTATE THE VOICE OF REASON THE VOICE OF EXPERIENCE

FOR THE PAST 14 YEARS, REALTY+ HAS BEEN AT THE FOREFRONT OF NEWS & STORIES INFLUENCING THE WORLD OF REAL ESTATE.

Benefits of Subscribing

- Fresh insights from leading real estate professionals
- A ringside seat to major stories affecting Indian Realty
- Access to trend reports, forecast reports and market research
- Curated articles on architecture & interior design
- An overview of upcoming real estate projects

SUBSCRIBE NOW TO THE ULTIMATE MONTHLY RESOURCE FOR ALL THINGS REAL ESTATE

Serial No.	Period of Subscription	Magazine cost - R 80 each	Discounted Price	Courier Cost	Total cost inclusive of courier + discount
1	One Year - 12 issues	₹ R960	864 @ 10% Discount	288 for 12 issues	₹ 1152
2	Two Year - 24 issues	₹ 1,920	1536 @ 10% Discount	576 for 24 issues	₹ 2112
3	Three Year -36 issues	R2,880	2016 @ 10% Discount	864 for 36 issues	₹2880

I will pay through 🔜 NEFT 🔛 Cheque									
Cheque No	Bank Drawn	Bank Drawn		Dated					
Name:									
Courier Address:									
Mobile No	_Tel No	_ Email Id:							
Cheque to be drawn in the favour of 'Mediasset Holdings'									

5A, Diamond House, 35th Road, Linking Road, Opp. Linkway Hotel, Bandra (W) Mumbai - 400050. For subscription related queries please contact Sanchita Shinde +91 98203 36144 or Email us at realtyplus@exchange4media.com



Terms & Condition: Rates & offers are valid in India only. Publisher will not be responsible for delay or non-delivery of the magazine. Inclusive of one Anniversary issue.

EVENT

REALTY+ FIRST WAREHOUSING CONCLAVE SETS INDUSTRY BENCHMARK

THE INAUGURAL EDITION OF REALTY+ WAREHOUSING LEADERSHIP CONVERGENCE 2022, VIRTUAL SUMMIT ON APRIL 29 HAD RENOWNED INDUSTRY LEADERS SHARE THEIR VIEWS ON THE GROWTH TRAJECTORY OF THE SECTOR

The top names of the India warehousing and logistics sector gathered to discuss and deliberate on the sunrise segment of Indian real estate and challenges and opportunities, which it presents.

Giving a motivating start to the knowledge sharing conclave the eminent thought leader of Indian real estate Dr. Niranjan Hiranandani, Vice-Chairman of NAREDCO and MD of the Hiranandani Group addressing the audience. In his Keynote Address of the day he elaborated on the government's initiatives to boost the logistics and warehousing in India. According to him, E-commerce has been the biggest driver of warehousing demand and hub & spoke model is becoming popular especially after the Covid. Moreover, GST has boosted the organized warehousing in the country and which is now attracting significant domestic and foreign investments.

CONVERGENCE OF GLOBAL LEADERSHIP

The first panel discussion on,



Dr. Niranjan Hiranandani

'Warehousing Sector Re-Defined By E-Commerce & 3PL' was moderated by Shyam Arumugam, Managing Director, Industrial & Logistics Services, Colliers. The Speakers were - Aditya Sikri, President, IndoSpace, N Sridhar, CEO - Greenbase Industrial and Logistics Park, Rajat Garg, Head of Investments - ESR India, Rahul Pandit, CEO, Horizon Industrial Parks and Richard Theknath, Chairman & MD, JetFrieght Logistics. The discussed the challenges facing the sector especially the land acquisition, rising cost of construction and transportation as well as what will be the factors that will contribute to the growth of still nascent sector.

The exclusive fireside Chat discussing **Tier 2 Cities: The Warehousing Growth Hubs'** had eminent speakers **Amit Goenka**, MD & CEO, Nisus Finance Services,



Panel 1: Warehousing Sector Re-Defined By E-Commerce & 3PL



Fireside Chat 1: Tier 2 Cities: The Warehousing Growth Hubs'



Fireside Chat 2: Scope for Value Added Services & Customization

Nirav Kothary, Executive Director, Godwitt Construction Pvt. Ltd, and Pratiik Jalan, Director, Jalan Builders, who concurred that the future of warehousing growth is in smaller towns, mainly due to lower land costs and the low concentration of Grade-A warehouses.

The next exciting conversation was on the subject of **'Risks & Rewards of Investing in India's Warehousing Sector'** that was chaired by **Abhishek Bhutani**, Managing Director - Logistics & Industrials, Cushman & Wakefield (I) Pvt. The panel speakers were - **Anay Shukla** – Chief Customer Officer, Welspun One Logistics Parks, **Ashish Joshi**, Founder and CEO, Landmark Capital Advisors, **Rahul Virmani**, Director, Operations & Business Development, S. M Logistics & The Realty+ Warehousing Leadership Convergence 2022 for the first time provided a platform for the leadership of Indian warehousing industry to come together from across the country.

Warehousing Co P Limited, Sandeep Narayan Singh Deo, Senior Director & Head - Industrial Investment Services, Savills India and Tapan Bhatt - Head Of Investment - Ascendas Firstspace. The speakers were unanimous when they expressed the need for standard regulations for the sector and reducing the approval times from the government. They also



Panel 2: 'Risks & Rewards of Investing in India's Warehousing Sector'

suggested forming an industry body that can represent the sector and share concerns with the government agencies.

The conclave concluded on a high note with a stimulating talk on "Scope for Value Added Services & Customization". The speakers were Shobhit Agarwal, MD & CEO -ANAROCK Capital, Ashish Shah, Head Leasing & Business Development, Logos Property and Mitesh Kaul, Country Head – Integrated Services, Embassy Services Pvt Ltd. They deliberated on the needs of the occupiers and readiness of the warehousing providers to cater to the same. From space customization within the standard format to health, safety, and environment conservation and technology tools, the scope of warehousing operations is constantly evolving.

The conclave was a huge success as it not only offered solutions to the industry's existing problems, but also shared the reasons for the Indian warehousing market's bright outlook and growth potential. Not surprisingly, the experts predict the sector's total revenue growth reaching INR 2243.79 billion in 2026, expanding at a CAGR of 10.90%.



Yacht History Supreme

History Supreme is the most expensive yacht in the world which is worth approximately \$4.8 Billion. This yacht which was designed by Stuart Hughes, a world-famous UK-based luxury designer took almost 3 years to complete. This pricey 100-foot vessel was bought by a Malaysian Businessman for a whopping 4.5 billion dollars.

The Perfect Pink

The perfect Pink diamond was auctioned at Christie's, Hong Kong for a whopping 23.2 million dollars. According to Vickie Sek, director of the jewelry department at Christie's Asia, it is the most expensive jewel in the Asian subcontinent.





Villa Leopolda

Villa Leopolda at 506 million USD is the second most expensive house in the world. Leopolda is constructed on the French Riviera that served the purpose of the hospital during the Second World War. It is owned by Edmond and Lily Safra.

The Card Players

The painting is the artwork of famous French artist Paul Cezzane that is presently owned by the Royal family of Al Thani of Qatar. This rarest of rare painting was won by Qatar for 275 million dollars in its effort to become an international intellectual hub.





FOR REGISTRATION, CONTACT: Monisha Karkera +91 9870441920 | monisha.karkera@exchange4media.com Avantika Patel +91 76780 41182 | avantika.patel@exchange4media.com

FOR BRANDING OPPORTUNITIES, CONTACT: Tripti Kedia +91 98200 10226 | tripti@exchange4media.com

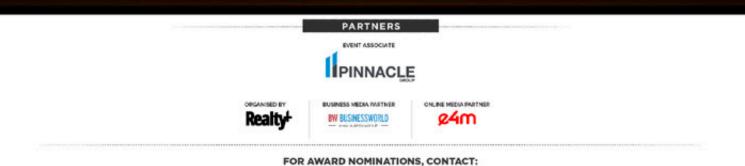
Ganesh Gurav +91 99309 60403 ganesh.gurav@exchange4media.com



THE YOUTH OF TODAY, THE LEADERS OF TOMORROW!

REALTY+ IS HONOURING 40 EMERGING REAL ESTATE LEADERS WHO ARE ACTIVE, DYNAMIC, AND UNDER 40 YEARS OF AGE WITH INSPIRING ACCOMPLISHMENTS.

NOMINATE NOW



FOR AWARD NOMINATIONS, CONTACT: Almas Khan +91 9773257054 | almas.khan@exchange4media.com

FOR BRANDING OPPORTUNITIES, CONTACT:

Tripti Kedia +91 98200 10226 | tripti@exchange4media.com | Ganesh Gurav +91 9930960403 | ganesh.gurav@exchange4media.com