



# DEVELOPING INFRASTRUCTURE



A KEY CATALYST IN REAL ESTATE GROWTH



Independent Non-brokerage  
Realty Research Company



## FROM THE FOUNDER'S DESK

As the curtain draws on the financial year, Indian realty sector gradually emerges from the state of inertia during the month of March and build positive momentum.

The positive tempo was carried on from last month's Union Budget as government continues to announce measures to promote affordable housing projects. CREDAI's announcements to develop 250 affordable housing projects across India & exempting affordable housing from stamp duty will provide supply side impetus to Mr Modi's ambitious "Housing for All" initiative. Besides, proposals like slashing the cash transaction limit to Rs. 2 lakh will further discourage cash transaction and hence, provide incentivise digital economy.

It is heartening to see infrastructure development accounting for lion's share in the annual budget announced during the month of March. Mumbai's thrust modernise its crumbling infrastructure, Ghaziabad's smart city proposal, progress on Chennai, Hyderabad and Bengaluru metro corridors etc. are key catalysts for future real estate growth that is needed to combat urbanisation challenges in these metro cities.

Few disappointments came in as the yearly sales numbers across states exhibited downward trends along with persistent problem relating to execution delays. Negative news like BMC hiking reckoner rates & putting surcharge on the properties, which must have been avoided, given already strain market conditions.

Amidst dwindling bank credit exposure to real estate, private equity money is gaining more prominence. During March, private equity space saw decent activities in investment & capital raising space. It seems, there seems to be no dearth of "Dry Powder" for real estate, and it is a matter of time before a significant PE money flows in along with improved market conditions.

The Journey into the new financial year seems promising. Let's hope that promise is met by serious implementation, so as to pave way for faster recovery.

### **Pankaj Kapoor**

Founder and MD, Liasis Foras Real Estate Ratings and Research Pvt. Ltd

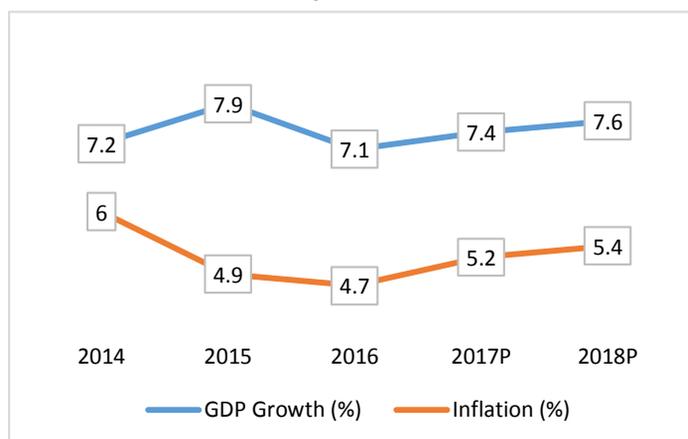
## MACRO ECONOMIC TRENDS

### Indian economy to grow at 7.4% in FY18: ADB

In its latest Asian Development Outlook (ADO) 2017 report, ADB expects the Indian economy to grow at 7.4% in the current fiscal year 2017-18 against 7.1% in the previous year, on the back of pick-up in consumption demand and higher public investment. The ADB expects consumption to pick up as more new bank notes are put in circulation post demonetisation and as planned salary and pension hike for state employees are implemented.

On the cautious side, ADB warns that excess production capacity, risks from higher oil prices, and new bank lending inhibited by too many stressed assets may prove to be a drag on future growth. ADB projected inflation to accelerate to 5.2% in 2017-18 and 5.4% in 2018-19.

### GDP & Inflation Growth Projections



Source: Asian Development Outlook Report, 2017

### India to become third-largest consumer economy by 2025: BCG Report

According to a recent report by BCG, despite a gradually slowing economy, India is likely to see a 4x rise in consumption expenditure to reach \$4tn by 2025, making India as the third largest consumer market across the globe. Report states that nominal YoY expenditure growth of 12% is more than double the anticipated global rate of 5%. As per the study, the shape of the growth will be led by emerging cities (those with populations of less than 1mn) that will constitute one-third of total consumer spending by 2025.

### Retail Inflation increases to 3.65 per cent in Feb, WPI at 6.55%

Firmer food and fuel prices drove India's overall inflation higher in February, further dimming any possibility of a cut in interest rate by the RBI amid worries of hardening global commodity prices and expectation of vegetables turning dearer as summer take its toll. As per data released by Statistics office, benchmark CPI Inflation index went up to 3.65% in February, compared to 3.17% in January (MoM) and 5.26% in February, last year (YoY).

### FII investments into India hit a record \$6.37bn in March

Foreign institutional investors (FIIs) have pumped a significant 56,261 Crore into the stock markets on an aggregate basis (debt and equity) in March, the highest ever for a month. FIIs have bought more shares in value terms in all but one trading session during the month.

The surge in FII investments has propelled key stock indices close to their life-time highs hit in March 2015. The benchmark Sensex and the broader Nifty indices are now trading only about 2% lower than their all-time highs.

### India's current account deficit to reach 1.6% of GDP in 2017: Nomura

As per a recent report by Nomura, India's current account deficit (CAD) is expected to widen to 1.6% of GDP in 2017 from 0.5% last year, owing to higher commodity prices and an expected strong domestic recovery. As per the report, stronger global demand and higher export prices are driving exports recovery, while the recovery in imports reflect higher commodity prices and likely improvement in domestic demand.

According to official data, exports continued their uptrend in March with a growth of 27.6 per cent year-on-year from 17.5 per cent in February. Import growth rose even faster to 45.3 per cent in March from 21.8 per cent in February.

### FPI / FII Investments in India: 2017

	Equity	Debt	Total
January	-1,177	-2,319	-3,496
February	9,902	5,960	15,862
March	30,906	25,355	56,261

Source: SEBI

Figures in Rs Crores

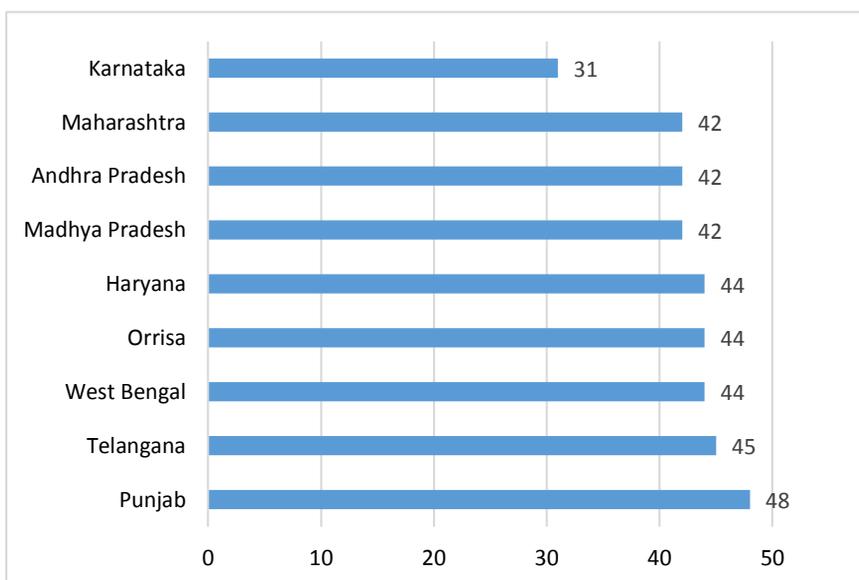
## NEWS OF THE MONTH

### 826 housing projects facing delay of up to 4 years: ASSOCHAM

According to a latest report by industry association ASSOCHAM, a total of 826 housing projects are facing an execution delays of up to 4 years across the country. As on December, 2016, a total of 3,511 housing projects were taken up, of which, 2,304 were under implementation stage. Of this, around 886 projects recorded significant execution delays of up to 4 years.

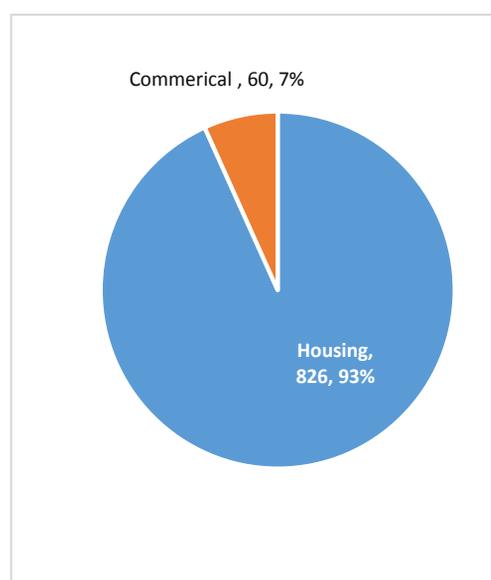
Punjab registered the maximum delay of 48 months in construction and real estate projects, followed by Telangana with a 45-month delay and West Bengal, Odisha and Haryana with a 44-month delay each. Karnataka witnessed the lowest delay of 31 months. The total of 886 comprises of 826 housing projects and 60 commercial projects.

#### Delays in Construction & Real Estate Projects Across Key States (Months)



Source: ASSOCHAM

#### No of Projects: Housing Vs Commercial



Source: ASSOCHAM

Through the report, Assocham urged the government to introduce a single-window system for clearance of all real estate projects. The chamber also recommended the government to act as a facilitator rather than a regulator of the real estate projects, particularly where demand is more than supply. State governments should complete updation their land records, making them computerized and online.

#### Liases Perspective

The report provides yet another testimony to the fact that execution delays have become a perennial problem across Indian real estate markets. As rightly pointed out in the report, Lack of single window clearance, means that developers run from pillars to post to obtain 50+ permissions, just to begin construction. Just holding the land for months during approvals time adds to unwarranted escalation in project costs.

Then, there are needless litigations owing to improper planning by the multiple agencies involved or by the developers themselves. We have numerous examples ranging from Dwarka Expressway, NGT issues in Noida to environment' land litigations issues in Panvel Airport.

Beside the single window clearance, onus is also on the developer fraternity to redeem themselves. Developers have an urgent need to exploit alternate financing options. Besides, going forward, upgrading their project development & management skills, optimum portfolio size, better understanding of fundamentals etc., holds the key for faster execution.

## SECTOR/REGULATORY/POLICY UPDATE

### Centre mulls no stamp duty for affordable housing projects

To further boost sentiments for affordable housing, Central govt. is now considering exempting affordable housing projects from stamp duty and has written to states govt. to frame guidelines to implement the step. At present, Stamp Duty typically ranging between 4% and 8% of the transaction value is imposed and collected by the state government.

#### Liases Perspective:

Abolishment or reduction in stamp duty, is also an attempt of Central government to ensure that there is no net tax escalation in affordable housing segment, following the implementation of much awaited GST. Notably, affordable housing continues to enjoy service tax waiver and has been accorded "Infrastructure Status", in Union Budget 2017-18. All steps combined together, it should result in higher disposable income in the hands of homebuyers and catalyse affordable housing projects for the lower/middle class.

### CREDAI to create 250 affordable housing projects across India

The Confederation of Real Estate Developers of India (CREDAI) plans to develop 250 affordable housing projects across India, offering units in typical size of 646sqft and will cost about Rs. 60 Lakhs each. CREDAI expects to complete the construction of the projects within 5 years.

With the new initiative, CREDAI aims to provide boost to "Housing for All" initiative and also reap benefits of various incentives to affordable housing schemes including recently announced credit linked subsidy scheme for the middle income group with a budget of Rs1,000 Crore. CREDAI will only develop the buildings with proper approvals in place.

### RBI to allow banks to invest in REITs, InvITs

RBI has proposed to allow banks to invest in real estate investment trusts (REITs) as well as infrastructure investment trusts (InvITs). The step aims to attract more institutional investors to invest into such assets and expanding the investment scope of banks. Banks, which are currently allowed to invest as much as 20% of their net-owned funds in equity-linked mutual funds, venture capital funds and stocks, may invest in these trusts within this limit.

The central bank will issue detailed guidelines by end May.

#### Liases Perspective:

This is a significant step for Real Estate. It has the potential to usher in a large number of REITs listing in India by offering a safe asset class to invest in and also provide competition to foreign institutions. For banks, it offers an additional important asset class for investing. For real estate developers, a pick-up in REITs will free up capital that can be used to lower costs. However, RBI will do well to increase the said limit of 20% to allow more scope for banks to invest in such assets class.

### Central Govt to identify idle land bank in states for affordable housing

Central Govt has reportedly asked officials to identify unutilised land banks in states wherein affordable housing projects can be developed. Govt.'s has initially prioritised unutilised land within developed government colonies as they already have basic amenities and getting approvals for those will be easier.

As the curtains draws on the Phase-I of "Housing for All initiatives" in March, the govt has been able to complete 86,689 units – Only 3% of targeted objective of constructing 28.6 Lakhs houses yearly till 2022. However, no of household approved for construction stands at 17.67 Lakhs – around 9% of total objective of 2 Crore units. With recently announced incentives to boost supply along with removal of procedural hurdles, we hope that Phase-II will fair better than Phase-I.

#### Housing for All: Report Card

Total Houses Approved: 17.67 Lakhs  
Total Approved Budget: Rs. 95,660 Crore  
Leading State: Tamil Nadu (2.27 Lakhs)  
Slow Progress in: Kerala, Delhi, Uttarakhand, Uttar Pradesh



## INFRASTRUCTURE UPDATE

### **Nitin Gadkari announces Rs. 40,000 Crore expressway project in northeast**

Central government. has announced first express highway project spanning 1300km in the northeast region, along the he Brahmaputra river in Assam at an estimated investment of Rs. 40,000 Crore. For the project, The Centre will dredge the Brahmaputra river from Sadia in Upper Assam to increase navigational channels up to Chittagong port in Bangladesh. Land acquisition process for the project has already been started. The agreement was signed between.

### **Railway Ministry mulls JVs with states to expedite rail projects**

Ministry of Railways is contemplating entering into strategic JVs with respective state government to expedite completion of rail projects. Ministry is expected to come up with detailed guidelines on proposed JVs in another 4-5 months.

Railway Ministry has also charted out plans to save Rs. 41,000 Crores of electricity over the next 10 years by investing in solar energy. Indian Railways has already saved Rs. 4000 Crore during the year by taking up reforms in the power sector. One of the strategies is to go for solar power and generate 1000MW of solar power in the next five years. In addition, we have already started production of 26 MW in wind energy. Generation of solar power to supplement the traction and non-traction needs of railways has been taken up on large scale.

### **Land acquisition process kick-start for Delhi-Jaipur Expressway**

The land acquisition process has started for a new 'super expressway' the NHA is building between Delhi and Jaipur. The new speedway will not originate in Delhi, but from Gurgaon near Kherki Dhoola toll plaza and pass through 7 districts before terminating at the Rajasthan capital. Its total length will be 195 km, as opposed to around 235km that one needs to travel to get to Jaipur from the same point, with a main carriageway of six lanes (three on each side).



## REGIONAL

### Delhi NCR

#### Decks cleared for Dwarka Expressway, HC disposes petition related to GPA Oustees

Paving the way for completion of Dwarka Expressway, Punjab and Haryana High Court has disposed the petition related to allotment of alternative plots to GPA oustees. Petitioner had alleged that HUDA had made dubious allotment on the name of GPA and SPA. Post the verdict, HUDA to complete the rehabilitation of oustees by April as per earlier court orders, following which, construction work on pending 2kms and 1.5kms has started. HUDA now expects to complete the much awaited expressway by December, 2017.

Further, NHAI will soon issue a notification for the acquisition of 24.03 hectares of private land required for the completion of the road. The land falls in Bamnoli and Bijwasan villages of Delhi and its acquisition will facilitate the completion of the Delhi section of the expressway.

#### Southern Peripheral Road to be completed by May

Southern Peripheral Road (SPR), connecting Golf Course Road with NH-8 in Gurgaon is likely to become operational by May later this year as HUDA has successfully rehabilitated the SPR oustees in Sector 49 in the first week of March. About 800 meters stretch was affected due to litigation which would now be completed in a month. The completion of SPR will improve connectivity of Golf Course Road, Faridabad Road, Sohna Road and nearby areas with NH-8 and will reduce the traffic load on Delhi-Gurgaon expressway.

#### Smart City proposal for Ghaziabad with a proposed budget of Rs. 2,901 Crore

Ghaziabad will compete with 59 other cities in the country in the third round of the Smart City mission. According to the proposal sent to Central ministry, a sum of Rs. 2,122 crore will be spent on area-based development and about 1,495 acres of land Vaishali, Vasundhara and Kaushambi areas will be retrofitted and redeveloped. An estimated budget worth Rs. 779 crore will be used for pan-city solutions, aimed at making infrastructure and services better.

Beside the own share of Rs. 500 Crore, the state government, will seek project funding through central assistance under AMRUT scheme and private partnerships.

#### Greater Noida to get Ganga water supply by March 2018

Residents of Greater Noida will have to wait another year to get supply of Ganga water. The Greater Noida authority will start supplying the water to Greater Noida residences by March 2018. Around 20% of the work on construction of underground water reservoir, water treatment plant and other civil works for the project is completed by now and authority expects to complete the remaining work by December this year.

Authority aims to procure 85 cusecs of drinking water from the Masuri-Dehra Ganga Canal in the first phase. The authority is also constructing a water treatment plant at Palla village in Greater Noida.

#### JICA's Rs. 400 crore loan to smoothen traffic on Delhi expressway

Japanese lending arm JICA will provide Rs. 400 Crore loan to India for to set-up an Intelligent Transport System on under-construction Eastern Peripheral Expressway. ITS will be deployed on Delhi Eastern Peripheral Expressway to monitor traffic volume and control congestion at toll gates.

The 135km long Expressway, will pass through Greater Noida, Ghaziabad, Faridabad and parts of Delhi. It is likely to take at least 70,000-80,000 vehicles off Delhi roads. NHAI has roped in Ashoka Buildcon Ltd for constructing the 22km stretch. A budget of Rs 800 crore has been allocated for the stretch. Project has a completion deadline of March 2018.

## MMR

### MMRDA will spend Rs. 6,977 Crore on improving City Infra

In its annual budget, MMRDA has embarked an allocation of Rs 6,976.50 Crore in 2017-18 to improve Infrastructure to improve Mumbai's infrastructure.

7 proposed metro projects accounted for a significant 47% of the total budget allocation. The authority has allocated Rs. 1,000 Crore each for the Dahisar-DN Nagar Metro-2A corridor (18.5-km) and the Andheri East-Dahisar East Metro-7 corridor (16.5-km), while The Colaba-Bandra-Seepz Metro-3 will get Rs. 800 crore and DN Nagar to Mandale Metro-2B (23.5-km), Wadala-Ghatkopar-Thane Metro-4 corridors (32km) have been allocated Rs. 200 Crore each.

### Detailed breakdown of MMRDA budget 2017-18

Projects	Allocation (Rs Crores)
Metro Rail Projects	3,273
Mumbai Trans Harbour Link	1,200
Extended Mumbai Urban Infrastructure Project	600
Development of Water Resources	300
Monorail Projects	208
Improvement of Roads outside MMR	100
Bandra Kurla Complex (BKC)	75
Mumbai Urban Infrastructure Project	70

Source: MMRDA

### Mumbai real estate to get costlier: BMC laves surcharge on property deals, reckoner rates go up by 5%

In its Annual budget for 2017-18, BMC has proposed a 1% surcharge on the value of property at the time of sale or purchase. However, this would require an amendment by the state government, which has been proposed by the civic body. If the state carries out this amendment, it will result into an additional cost to homebuyers already troubled by high realty rates and an existing stamp duty of around 6%. The civic body hopes to mop up Rs. 3,000 Crore into its coffers with this move.

Besides, state government has hiked ready reckoner (RR) rates by an average of 5% for various localities in MMR. While RR has been increased by 5% in Mumbai city, in Thane, increased was slightly lesser at 3.18%. Ahmednagar saw the highest increase 9.82% on an average in the state.

#### Liases Perspective:

Just as when buyers were coming back and sales were gradually taking place, such negative steps will act as hurdle and may prolong the slump. Hiking the RR rates will affect builders as the entire cost of the project will increase drastically in the long run and hence must have been avoided at present. If implemented, these steps have the potential to put the buyers again on the fence and hence hurt the industry as a whole.

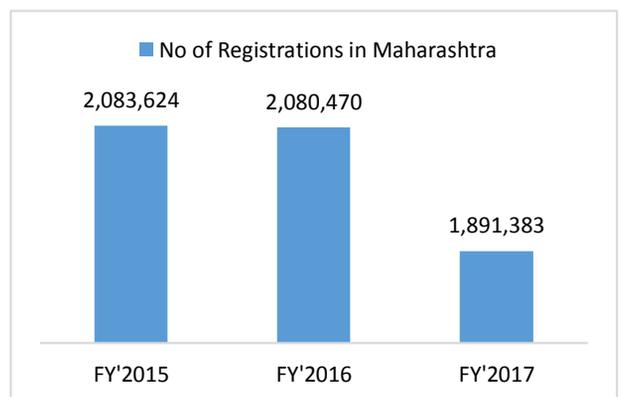
### Real Estate registration drops 9% in Maharashtra: IGR

As per figures released by the office of Inspector General of Stamp Duty and Registration (IGR), Real Estate registration has dropped 9% to 18,91,383 transactions during FY'17, as compared to 20,80,470 transaction done during FY'16 (Data available till February month).

By the end of February, the state has collected Rs. 17,702.56 Crore as revenue for FY'17, down 7% from Rs. 18,927 Crore for the corresponding period last year.

Developer fraternity attributes the drop to the demonetisation exercise and expects the market to improve in the new financial year. Buyers, on the other hand, blame un-affordable real estate prices and uncertainties in job markets for the fall in the property buying decisions. Also, slow or a complete lack of infrastructure have kept away the End-users from the market.

### No of Documents Registered in Maharashtra



Source: IGR. Data till February for each year. Data for plots, houses etc.



## **Maharashtra Government. to redevelop century-old Bombay Development Directorate (BDD) Chawls**

Maharashtra govt. has finalised 2 developers namely, L&T and Shapoorji Pallonji Group for the metamorphosis of the century-old Bombay Development Directorate (BDD) chawls at Naigaon, Dadar, NM Joshi Marg and Lower Parel.

In totality, there are 207 such chawls spread across about 37 hectare in four areas. About 12,327 families live in these 160-sqft houses. The state government has, for now, initiated the redevelopment for two of the four sites through MHADA. MHADA will sell these in its draw of affordable houses at a significant discount to the market price which is Rs. 30,000psqft. MHADA hopes to start the actual construction in a month which would last 7 years to cover all 4 locations.

## **REGIONAL**

### **HYDERABAD**

#### **Hyderabad to get India's largest office space**

Telangana's largest industrial house My Home Group has entered into a JV with RMZ Group to develop to build a 10mn sqft property in Hi-Tech City in Hyderabad. The project is expected to come up on 10 acres of land and will involve an investment of around Rs. 6,550 Crore. The 2 companies will contribute equally towards the project cost.

Project is christened as 'The Sky View', and construction for the first phase of the project involving 3.5mnsqft has already started and it should be ready by December next year.

#### **Hyderabad set to get metro by December**

As per the state government, Hyderabad Metro Rail operations will commence by this year-end. Rail routes to be commissioned includes Miyapur-LB Nagar and Nagole-Hitech City stretches, (Both 27-km each) as all the civil work now been completed along with all the necessary clearances to operate the trains. But due to some extension in the stretches, the commercial operations will begin only by December, 2017. In the past, said metro routes have been missing deadlines due to various reasons such as realignment issues and delay in acquisition of properties.

#### **State Govt. to construct ~70,000 affordable homes**

State govt has given blanket administrative sanction to Greater Hyderabad Municipal Corporation (GHMC) to build 69,535 two-bedroom units (dwelling units) costing Rs. 6,014.78 Crore in Greater Hyderabad. Blanket administrative sanction doesn't have to approach GHMC for sanction of houses in phases. These units will be built as per the availability of government land in various parts of the city. Each dwelling unit costs around `7.90 lakh excluding infrastructure cost which comes around to Rs. 75,000.

Further, a proposal for construction of 9,896 houses in the third phase has been submitted to government for approval.

### **CHENNAI**

#### **Gujarat State Road Transport Corporation award 2 projects to construct bus terminal**

Gujarat State Road Transport Corporation (GSRTC) has awarded 2 key projects to construct Bus Terminal Facilities (BTF) in Ahmedabad city to local Nila Infrastructure Ltd. The scope of the projects entail creating a structure and design fortified with modern facilities that integrate commercial facilities on Design, Build, Finance, Operate and Transfer (DBFOT) basis. Developer will also have the right to monetise the commercial facilities as shops, offices, restaurants, hospitals, multiplex, parking lots, etc., to be leased up to a period of 90 years. The total contract value of the project is Rs. 34 Crore.



## **JICA to extend Rs. 2,000 Crore for Chennai Metro Rail**

Japan International Cooperation Agency (JICA) has extended Official Development Assistance Loan (ODA) of Rs. 2,000 Crore to Chennai Metro Rail Ltd. (CMRL) for building of Mass Rapid Transport System. The project will provide the additional Metro Rail System network of around 9kms as an extension of Corridor-1 from Washermanpet to Wimco Nagar, in addition to approximately 45kms in the existing project from Washermanpet to Chennai Airport (Corridor-1) and Chennai Central to St. Thomas Mount (Corridor-2). With the signing of this loan agreement for Chennai Metro Project, the cumulative loan amount provided by JICA for metro projects in India (including Delhi, Bengaluru, Kolkata, Mumbai and Ahmedabad Metro's) exceeds Rs. 1.5tn.

## **Madras HC relaxes ban on registration of unapproved plots**

Almost 6 months after passing an order imposing a blanket ban on registration of plots and buildings in unauthorised housing layouts in the State, the Madras High Court has modified its order by permitting transfer of ownership of such properties, which were already registered. High Court has taken this step relying on the assurance given by the State government that a proper scheme would be brought into place within a week.

## **BENGALURU**

### **Namma Metro gets an Rs 2,500 Crore push**

Bangalore Metro Rail project has been allocated Rs. 2,566.39 Crore in the State budget for the year 2017-18. A huge chunk of this will go towards funding Metro Phase-II works. The Union budget in February had allocated Rs. 1,399 Crore for Metro projects, leaving Rs. 4,000 Crore –which is almost at par with the project costs of Rs. 4200 Crore (Outer Ring Road (K R Puram to Silk Board line). The remainder costs will be mobilised through loans.

## **TRICITY**

### **Real estate collector rates slashed by 10-12% in Mohali**

In a move aimed to revive slump in the real estate market, the Mohali administration has slashed collector rates by 10-12% in the city while creating room for the cheaper property in the area. This comes against the backdrop of declining demand in the tricity particularly Mohali. Earlier collector rates in Mohali were revised thrice since April 2015.

## **Chandigarh government to regularise illegal colonies**

Newly elected Punjab Government will soon introduce a legislation for regularisation of illegal colonies and transfer of ownership rights to the occupants. A committee has been constituted, which will look into the issue of such colonies built by private promoters, on Municipal Corporation (MC) land and on land outside MC limits and to initiate the process of allotting free houses for the homeless poor.

Among the other key decisions by Punjab Government were single-window clearance for small investors in five major cities, fixing of reasonable reserve prices for plots and sites, review of policy to allow medium sized real estate housing project, inclusion of EWS residential projects in industrial zones in all master plans.

## **PUNE**

### **Govt plans extension of transit oriented development to Pune**

Union Urban Development Ministry has decided to extend the newly framed Transit Oriented Development (TOD) policy to Pune. The new TOD policy enables people to live within walking or cycling distance from transit corridors like the metro, monorail and BRTS corridors, currently being taken up on a large scale. TOD will be backed by promotion of non-motorised transport infrastructure for walking and cycling to transport stations, development of street network in the influence zone of transit corridors and multi-modal integration.

According to the plan, TOD, high population density areas along BRTS & Metro Corridors will now have a FAR of 4.

## INVESTMENT ACTIVITY

### Private Equity Investments

Investor(s)	Target	Stake (%)	Amount (Rs Crore)	Business	Strategy
Singapore Angel Network	FalconBrick Tech	NA	NA	Online Tech	Early
CPPIB	Phoenix Mills	49.0	1,600.0	Mixed land Development	PIPE
Pragnya Group	L&T South City Projects	51.0	190.0	Residential Township	SPV
IDFC Alternative Ltd	Sunworld Infra	NA	105.0	Residential Project	SPV

Source: Liasis Foras Research

### Capital Raising

Fund House	Fund Name	Amount (Rs Crore)	Closure	Strategy	Focus Area
Blackstone Group	Blackstone Real Estate Partners Asia II	646.0	First	Opportunistic	Affordable Housing
Indiabulls	Dual Advantage Commercial Assets Fund	1500.0	Ongoing	Mature firms	Sector Agnostic

Source: Liasis Foras Research

### Land/Development Rights Transactions

Buyer	Seller	Location	Deal Value (Crore)	Strategy
Puravankara	Hetero group	Raidurg, Hyderabad	475.0	Reducing the Debt
Undisclosed	Mahindra Lifespace	Napean Sea Road, Mumbai	Undisclosed	NA

Source: Liasis Foras Research

### Key Trends/Activities:

#### Blackstone Group to venture into private debt in India

Blackstone Group LP is set to enter the private debt market in India and expects its first debt transaction in the country soon. The firm, which manages about \$90bn in credit globally, will make the investments from a fund managed by its specialized Tactical Opportunities Group. It is currently identifying large deals in the Indian market.

Currently, the PE firm's India and Singapore teams are working on classic credit deals such as "promoter financing for an acquisition or a structured equity for a last-mile financing on a project.

#### Lodha Group launches fund to invest in real estate tech ventures

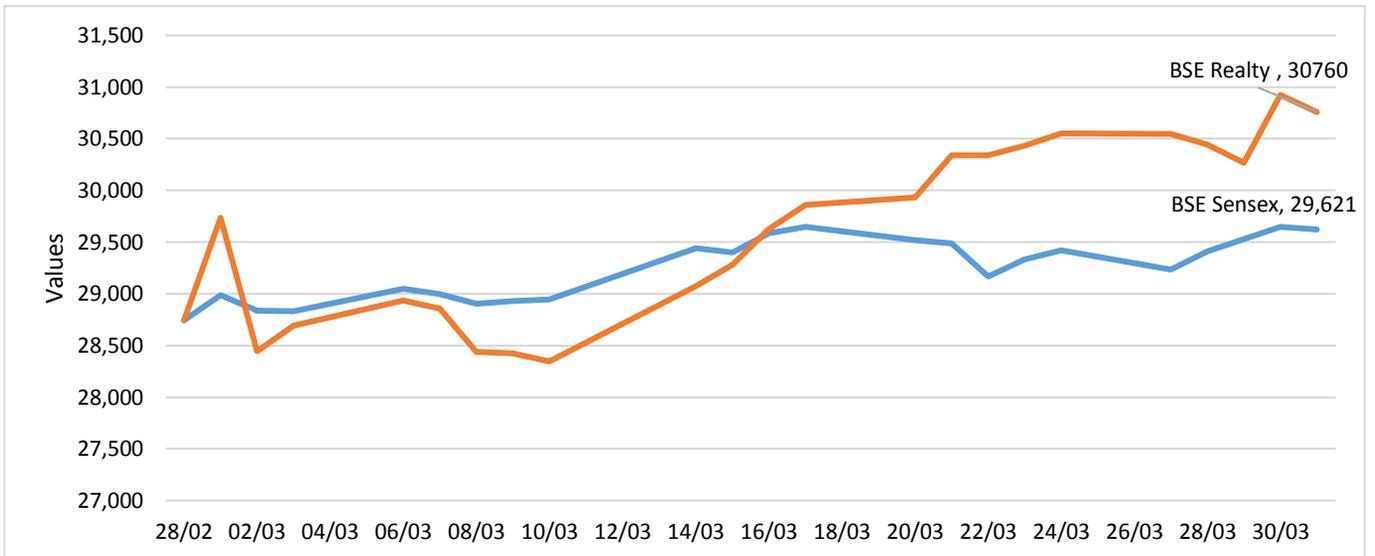
Lodha Group has launched its maiden investment fund for start-ups focussing on smart city solutions and the overall realty sector. Launched with an initial investment corpus of Rs. 50 Crore, the fund will not only provide angel funding and venture capital, but also business opportunities, industry contacts and mentorship.

Lodha Group's Startup Investment Fund will invest in start-ups at all stages of the development cycle, including early-stage start-ups. Within real estate, the company will look at all aspects—right from digital marketing and analytics to customer relationship management (CRM) and smart city services.

Bengaluru-based developer Brigade Enterprises launched an accelerator programme for realty-tech start-ups last year.

## STOCK MARKET UPDATE

### BSE Sensex vs. BSE Realty Index



Source: BSE Sensex. BSE Realty Index is rebased to BSE Sensex

### Commentary

- During the Month of March, BSE Realty Index clocked a growth (mom) of 7% - comfortably outpacing BSE Sensex growth of 3.1% during the corresponding period.
- The Biggest gainer during March was Prestige Estate (26.8%), HDIL (18.8%) and Sobha Ltd (17.8%), while Unitech Ltd saw the highest decline in stock price (7-2%)
- The government's measures like affordable housing, the new real estate regulation act and easier norms for realty investment trusts, along with a correction after demonetisation, have made realty stocks more attractive.



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Strategic Partner: **dmg** information

Liases Foras: The Pioneer in Scientific Research in Real estate

Founded in 1998, Liases Foras is a non-brokerage research centric firm that offers data and advisory services. Our works on industry and scientific prognosis of the local market is highly regarded. We have an organized and structured data source on real estate and property trends in India, which is updated on quarterly basis by primary market survey.

In 2015, DMG information, UK acknowledged us as their strategic partners.

## Data & Coverage

Liases Foras has a geographical coverage of more than 125000 projects all over India. As of today, we monitor more than 18,000 ongoing projects every quarter spanning 55+ cities in India, which comprises 80+ Census cities. We have tracked over more than 50 billion sq ft of Residential, Commercial and Retail supply over time.

## PRODUCTS

 <p><b>Ressex</b> Ressex, our online data interface, provides structured solutions to day-to-day questions pertaining to real estate markets and projects.</p>	 <p><b>Comparables</b> Comparables is a first of its kind, a unique web based valuation validation tool.</p>	 <p><b>Developer's Rating</b> It is the first of its kind analysis of the on-ground performance of more than 8500 developers across 55 census cities of the country.</p>	 <p><b>Business Intelligence and Risk Analytics</b> With our razor-sharp analytics, we help banks, HFCs and corporates to identify the potential opportunity and underlying risks.</p>	 <p><b>Construction and Approval Monitoring</b> Project Monitoring, Legal Due diligence and Technical evaluation across projects in a single platform.</p>
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## ADVISORY SERVICES

 <p><b>Highest Best use Analysis</b> Every structure belongs to its location and time. The analyses scan into various options to find out the one which gives the highest/ maximum development realisation.</p>	 <p><b>Valuation Report</b> Liases Foras offers transparent, scientific, data-driven and unbiased valuation solutions.</p>	 <p><b>Urban Planning Services</b> We prepare City Development Plans outlining the vision and development strategy for unlocking land in a city.</p>	 <p><b>Consumer Profiling</b> We specialise in the field of real estate-specific consumer surveys.</p>	 <p><b>Preparing a Design Brief</b> Extending beyond the best-use prognosis, we write uncluttered, contextual design briefs for Master Planners/Architects.</p>
 <p><b>Product Viability Study</b> This study is to ascertain that the envisaged development and product plan of the developers are correct or risky.</p>	 <p><b>Risk Reports</b> Risk Reports are carried out primarily to assess the state of the market and measure the price correction during oversupply scenario or default risks in the market.</p>	 <p><b>Portfolio Optimisation Strategy</b> Every structure has an opportunity cost. We analyse organisational functions, manpower and real estate assets to arrive at an optimal cost-effective portfolio.</p>	 <p><b>Location &amp; Entry Strategy</b> This study is to understand the growth patterns of a city and real estate developments to ascertain an ideal location for projects or establishments.</p>	 <p><b>Marketing Strategy</b> Partnering with the developer to formulate a marketing plan keeping in the line with target audience, positioning, product and pricing.</p>

