

HIGHLIGHTS FOR MARCH 2008

~SHRACHI GROUP~

DIRECT NEWS

Participation in Industry Articles:

Coverage appeared in:

- Hindustan Times , Kolkata Live
- The Statesman, 8th Day
- The Telegraph , Metro
- The Economic Times
- The Times of India

Profiling - Rosedale Garden Complex Ltd.

- Inside Outside

Curtain Raiser Ceremony of 'Renaissance': On March 23rd, in a press conference held at Bardhaman Town Hall, Shri Nirupam Sen, Hon'ble Minister In Charge of Commerce & Industries raised the curtain from *Renaissance*, the satellite township being developed by Burdwan Development Authority & Shrachi Burdwan Developers Pvt. Ltd. A mass media was invited in Bardhaman and the coverage has appeared in:

MAINLINES

- The Statesman

FINANCIALS

- Business Standard

VERNACULAR

- Ananda Bazar Patrika (Both in Kolkata Edition & Bardhaman)
- Sambad
- Ganashakti
- Bartaman
- Jansatta
- Mukto Bangla
- Coal Field Times
- Kalam

- Darkari Kagaj Patrika

ELECTRONIC MEDIA

- Kolkata TV
- Chabees Ghanta

SNAPSHOTS

Caught unawares by a falling stock market, inflation, and high interest rates that show no signs of giving way, the demand for luxury homes is slackening. In part, it's led by unreasonably high property prices and the exit of investors from the market, who are cashing out ahead of a possible softening. If the slowdown continues, there could be a price correction of up to 20% in the luxury market segment, say developers and analysts. Buoyed by enough takers, developers have been putting in their money in developing luxury homes as these yield higher margins than middle-income homes. But now, the mood is turning mellow. Real estate agents marketing luxury homes say bookings have slowed down considerably.

Home loan rates have begun to harden. IDBI Bank has withdrawn the 0.5 per cent cut in rates of home loans and other debt it had announced on Wednesday. Many other banks, say industry experts, are likely to follow suit. Inflation is at a 12-month high of 6.7 per cent, making it costly for banks to raise funds. This burden will have to be passed on to borrowers through higher interest charged on their loans. Apart from IDBI, HDFC, State Bank of India, Canara Bank, Bank of Baroda, Bank of India, Allahabad Bank and Union Bank of India had cut loan rates since February 1. Banking sources, requesting anonymity, confirmed they are seriously considering raising loan rates but are waiting to see which way inflation heads now. A rise in interest rates was expected after benchmark security yields rose by 0.13 per cent to 7.91 per cent in the government securities market.

A move is afoot within the government to liberalize the norms for foreign direct investment (FDI) in real estate. The department of industrial policy and promotion (DIPP) has circulated a Cabinet note proposing waiver of two conditions—the three-year lock-in on foreign investment and the minimum investment criteria of \$5 million for joint ventures or \$10 million for wholly-owned ventures.

COMPETITORS IN NEWS

DLF

DLF deposits Rs 4 cr fine for Silokhra SEZ construction - DLF has deposited Rs 4 cr fine for starting construction activity on its IT SEZ at Silokhra, Gurgaon without obtaining formal plan approvals.

DLF puts overseas REIT listing on hold - After Emaar MGF, Unitech and Omaxe, the poor market sentiments have hit DLF's fund raising plans. The real estate major has put on hold its plan to list its real estate investment trust (REIT) on the Singapore stock exchange till market sentiment improves.

DLF realty trust funding - Global financial firms Citigroup, Merrill Lynch and DE Shaw are likely to invest Rs 2,000 cr or \$ 500 million in the DLF Assets' (DAL) real estate investment trust (REIT). The transaction is likely to be completed by early next week. Part of DLF Group, DAL is focused in buying and managing office space.

DLF may delay REIT IPO, eyes placement - DLF Ltd. delayed a planned initial public offering in Singapore of a real estate investment trust and instead opted for a private placement to raise about \$ 500 million.

DLF beats slowdown with right priced flats- Residential apartment developers across the country are gearing to offer affordable housing in a bid to beat the slowdown in booking in of new homes witnessed over the past couple of months. DLF, the country's biggest real estate company has shown the way. It has managed to sell out most of the flats in its two recently pre-launched projects near Gurgaon and Chennai. More than the brand, what seemed to have helped DLF is the price bracket it fixed for its projects. It offered new residential apartments in the price range of 35 lakh to Rs 60 lakh.

DLF exposed to risks: Crisil- DLF Ltd, the country's biggest realty firm is exposed to significant business risks from its planned diversification beyond core real state sector as most of these new ventures are capital intensive and have long gestation periods.

DLF metro goes the green way, to make eco-friendly stations - DLF plans to make the nation's first private metro project energy efficient and eco-friendly one.

Ferragamo plans venture with DLF for single brand retailing - Italian luxury apparel and footwear brand Salvatore Ferragamo SpA is in the process of entering into a 49:51 joint venture with real estate major DLF to set its foot in the Indian soil. The company which, at present, has one premium outlet in India (through a distribution arrangement), is planning to scale it up to five by the end of 2008-09.

Budget hotels from railway with pvt help - DLF, Eldeco and Uppals are expected to partner the Indian Railways in constructing budget hotels on land leased out by the Railways Land development Authority at different locations across the country. It is an exercise that is expected to fetch revenue worth 4,000 crore to the ministry during 2008-09. Other real estate players including Unitech & Parsvnath Builders are also being roped in.

HSBC Global Research puts 'buy' on DLF - HSBC Global has assigned DLF an overweight (V) rating with a 12 month target price of Rs 831.

DLF to spend \$5 billion to build hotels in India - DLF Ltd. will spend \$5 billion in the next seven years to build about 125 hotels in the world's fastest -growing tourist destination.

UNITECH

Unitech's \$ 1.5bn QIP issue on hold - Unitech has put on hold a \$1.5 bn qualified institutional placement (QIP) planned for the first quarter of 2008 in the light of the instability in the domestic stock markets and the global liquidity crunch.

Unitech to invest Rs 9,000 cr in Hyderabad - Unitech Ltd has announced to invest Rs 9,000cr in two projects in Hyderabad. The company has bagged a mixed use project & a commercial retail project.

Unitech to finalise partner for telecom venture soon - With 22 telecom licenses tucked in its belt, Unitech said that it is hopeful of roping in a strategic partner for its telecom

business within next two months, for which it is currently in talks with three-four global telecom companies.

Unitech, Indiabulls defer REITs listing - Unitech & TBRIEL have deferred the listing of their respective real estate investments (REITs) on Singapore Stock Exchange owing to liquidity crunch in the global markets.

Unitech SPV may get \$ 500 m PE booster - PE players Lehman Brothers & Deutsche Bank are set to make a combined investment of \$500 million in an SPV floated by India's 2nd most valued real estate developers Unitech.

PARSVNATH DEVELOPERS LTD.

Parsvnath to develop 40 more hotels at Rs 2,500 cr - Parsvnath Developers Ltd is looking to invest between Rs 2, 000 - 2,500 cr for the development of 40 more hotels, for which it is talking to leading domestic & international hotel chains for tie-ups.

Parsvnath Starts Sonapat project - Parsvnath Developers Ltd. has announced to start Parsvnath Preston, a high-end group housing residential project at Sonapat, Haryana.

Malls by Parsvnath - Parsvnath Developers has launched a mall in Dehradun with a four screen in Dehradun with a four screen multiplex called Parsvnath Eleganza.

Yatra Capital my pick up 30% in Parsvnath project - Yatra Capital, the Euronext quoted India focused real estate fund, is final round discussion with Parsvnath Developers (PDL) to pick up 30% stake in latter's bus-terminal cum Commercial complex project in Mumbai for around Rs 220 cr.

Parsvnath to invest Rs 40 crore for malls - Parsvnath Developers is putting up a SEZ in Dehra Dun.

SOBHA DEVELOPERS

Sobha announces realty project in Bangalore - Sobha Developers announced the launch of their largest single location project, Sobha Lifestyle, in the vicinity if the airport area.

OMAXE LTD.

Omaxe town ship at Naya Raipur - Omaxe Ltd. will develop a huge, modern township spread over 400 acres in Naya Raipur. The project value is approximately Rs 1200 crore.

Omaxe Green - Omaxe Green will set up its residential complex at Derabassi in Punjab. It will consist of 600 spacious apartments in 10 towers.

OTHERS

Nawabi tradition - Kolkata Municipal Corporation celebrated the city's multicultural legacy by holding 'Shaam-E-Avadh' along with Bengal Shelter at Town hall.

Projects swamp Salt Lake - KMDA signed a MoU with Dhoot Developer, South City Merlin consortium and Simplex Projects is to develop IT Logistic centre, corporate park and multi-level; car parking facilities. The project is worth Rs 850 cr.

DE Shaw arm invests in HDIL affiliate - DE Shaw, an US Based private equity firm has invested \$ 250 million in Mack Star Marketing Private Ltd., a Wadhawan Group Company.

Sushant City Kurukshetra- Ansal API, to provide real estate solutions in Kurukshetra, has unveiled the luxurious township, Sushant City- Kurukshetra. Located on the NH-1, it spreads over 200 acres. It includes malls, shopping centres, schools, hospitals, jogging tracks, park and a community centre.

Rahejas get govt go-ahead for engg SEZ- Delhi based realty major Raheja Developers Pvt Ltd received an in-principal nod from the government to develop the first phase of its upcoming Rs 500 crore engineering SEZ at Gurgaon. The SEZs would be funded with a mix of equity, debt and internal accruals. The company will look at global private equity firms, strategic partners and internal accruals to raise money to develop the SEZ.

BPTP bags country's largest land deal, outbids DLF & Omaxe- Delhi based real estate firm BPTP has bagged the country's largest land deal worth Rs 5,006 cr, beating India's largest real estate firm DLF. Kabul Chawla promoted BPTP won the bid for the 95 acre plot in Noida's sector 94.

Vedic village thinks national - Vedic Realty Ltd. is planning to go national with its Vedic Village brand by developing IT townships, commercial and residential properties. The Kolkata based real estate company is leading a consortium of 25,000 cr integrated IT township at Rajarhat and is also in the process of developing a health spa with 200 farmhouses at Neemrana on the New Delhi -Jaipur highway.

Peerless housing sponsors Kahn's farewell match - Bengal Peerless Housing development Co ltd has signed an agreement with FC Bayern Munich, the Germany-based football club, to play a friendly match against Mohan Bagan in Kolkata on 27th May this year.

Beyond the usual - Sureka Group is coming up with a high end apartment block named Sunrise Symphony. The project is spread over 5 acres.

Landmark Group plans Rs 450 cr ready-to- move-in villa project - The group has launched ready-to move-in villas, golden villas and Golden Heights in Daruhera.

HM township set for launch - Construction work for the proposed IT township cum Auto Park at Uttarpara in Hoogly, to be developed by real estate developer Bengal Shriram and its foreign partners

Kalpataru Estate launched - Kalpataru Constructions has launched Kalpataru Estate, a premium residential project in Pune. Three, 11 storied towers will offer 2BHK & 3BHK apartments.

Emaar MGF to build exclusive Armani homes - While DLF has planned to open Armani outlets at their malls, Emaar Properties is now planning to launch private residences designed by Giorgio Armani himself.

INDUSTRY NEWS

Hotels out on a tax holiday - To promote cultural Tourism, this budget has proposed a five-year income tax holiday for two, three and four star hotels that are situated in specified districts which have UNESCO-declared 'World Heritage Sites'.

Realty sector upbeat on IT exemption - Realty majors found cause to cheer the budget on concessions extended to other sectors.

Private equity players eye real estate mart in Kolkata - Private equity companies are eyeing Kolkata's real estate industry as a viable market this year. Last year Kolkata's share in the total FDI pie of \$4 billion in the real estate sector, was only \$ 150 million, a mere 3.75%.

Mayor wants rule change for tax - Barely days after mulling the real estate developers to ensure implementation of the project, the mayor wants amendment to the existing Building Rules under the Kolkata Municipal Corporation Act, 1980, for introducing water tax and installing meters in the city.

Home is where many tax saving options still dwell - The new budget has not offered any relief, but people can make ample use of the existing provisions to save substantially on property investment.

Mint makeover in modern mould - The Old Silver Mint House is being moulded in a new avatar. The magnificent building on 60 Strand Road will be converted into a museum-cum research centre and the dilapidated staff quarter will make way for a three-star hotel. A conservation project worth whopping Rs 150 cr promises to preserve the legacy. The bidding process will start in April and construction will begin from July. The project will be completed by 2009 end - before the Commonwealth Games.

Pound 80 m home is most expensive - A home with more than 10 bedrooms and an underground swimming pool has become the world's most expensive single residential dwelling after being sold for 80 million pound.

Retailers brace up to tackle 'shrinkage' issues - Losses due to pilferage or breakages known as 'shrinkage ratio' in retail parlance are eating into the bottom lines of retail majors, forcing them to take remedial measures.

Sling it in Singapore - Far East Organisation, one of Singapore's; leading real estate developers, is courting Indian investors, especially those from Kolkata to buy property in

one of the world's best shopping destinations. It is promoting one of the premium condominiums called Vida, located in the affluent district of Cairnhill Rise.

Thrust on NKC's to spur realty demand - The government's move to focus on National Knowledge Centres (NKC's), interconnecting all knowledge institutions through a digital broadband network is expected to spur the demand for commercial property in certain businesses like IT, ITeS and knowledge process outsourcing units (KPOs), opine builders and international property consultants.

US housing crisis puts off first-time buyers- US middle class see greater security in renting homes than buying a new property. The prime cause behind this see-change is held to be the falling prices and families losing their homes to foreclosure.

Real estate - The DDT clause has been revised and it will now allow parent company to set-off the DDT paid by its subsidiary against the tax liability on the dividend it declares to its shareholders. Many real estate players have entered into equity partnerships with financial institutions on a project-specific basis by launching special purpose vehicles (SPVs).

Gammon infrastructure IPO price band at Rs 167-200 - Gammon Infrastructure Projects Ltd. (GIPL), a company promoted by the Gammon Group, is entering the capital market with an initial public offering of 1, 65, 50,000 equity shares of Rs 10 each.

400 acres lost, civic vigil on squatters - The civic body has woken up to the need for increased surveillance after feeling the pinch of rehabilitation squatters. The CMC has recently drawn up a scheme to free around 36 acres of encroached land and rehabilitate the occupiers in housing estates that will take Rs 180 cr to build. Altogether, 8,980 flats will be constructed on the 36 acres in Garden reach and East Calcutta under the Jawaharlal Nehru National Urban Renewal Mission.

Realty stocks tank, yet again - BSE's realty index tanked the most among all the indices during the day's trading.

Reliance Retail ties up with Pearle Europe - Reliance Retail Ltd has announced the signing of a JV with Pearle Europe for the launch of a chain of optical stores in India.

Shortage of five-star hotels in Delhi - There is a shortage of five-star hotels in the National Capital for the coming Commonwealth Games 2010.

Best eco-friendly hotel - The Taj West End has been awarded as the best eco-friendly hotel for its consistency in maintaining and implementing best environment practices.

Sebi board may clear realty MFs - At the meeting of SEBI, allowing asset management companies to launch real estate mutual funds (REMFs), simplification of offer documents for mutual fund new fund offers and debt insurance are three important points to be discussed.

Old mutual, ICS float \$500 mn realty fund - After life insurance and property services, \$ 4.5 billion Old Mutual is planning to invest in retail-related real estate assets in India through a property fund.

Square Foot plans to offer more floorings - Square Foot, the Rs 40 crore flooring solutions company is looking at a 50% year on growth, on the back pf retail & real estate boom in the country as well as demand for new-age floor coverings.

State solves infy land puzzle with pvt help - Vedic Village will return 600 acres of its 1,200 acre township in Rajarhat, which the government will then hand over to Infosys and other IT companies. The private developer is giving up the land for free.

Bahrain firm buys 49% stake in IT park - Bahraini real estate firm has acquired 49% stake in an information technology in Noida at a cost of \$ 69 million.

High Rise! IT's boom time for realty now - Land rates for big-ticket IT ventures have just scaled a new peak in Kolkata's bustling tech town in Salt Lake. In one of the biggest property deals in recent memory, a consortium of South City Projects and Merlin Group has shelled out a whopping Rs 143 crore to KMDA to acquire a prized 4.3 acre plot in the salt Lake Electronic Complex to develop an IT logistics centre. This pegs the deal size at an unprecedented Rs 33.33 crore per acre for a local IT venture. The South City - Merlin deal actually supersedes the Rs 27 crore per acre shelled out by DLF Hilton for its city hotels venture.

KFC lines up Rs 300 -crore investment, to open 66 stores - KFC is targeting 100 quick service restaurants in India by 2010 end. While growth will be primarily franchise-driven, about 20% of the new restaurants will be company -owned.

RDB group eyes retail, to roll out 50 stores - City based RDB Group has decided to enter the organised retail turf. The Rs 1,000 crore group intends to roll out a chain of 50 stores over the next three years at an estimated outlay of about Rs 200 crore.

Reliance Retail lines up Esops to retail its staff - RRL the organised retailing subsidiary of RIL, is understood to be readying a major employee stock options plans (Esop).

Indiabulls Real Estate promoters hike stake - Sameer Gehlaut & Rajiv Rattan, promoters of Indiabulls Real Estate (IBREL) have hiked their stake in the company.

Aditya Birla Retail lines up Rs 300 cr for hypermarkets - ABRL plans to invest around Rs 250-33—cr for setting up at least a dozen hypermarkets under the brand name more megastore in the country.

Indiabulls leads StanChart MF race - Financial Services- to real estate major Indiabulls may emerge as the dark horse to buy Standard Chartered Bank's asset management company, Standard Chartered mutual Fund.

Baruipur to have education city - A 'Shiksha Nagari' would come up in Baruipur, having world class facilities.

Bypass turns into smugglers' den at midnight - When traffic becomes thin, a strange kind of black market dealing in building materials crops up along EM bypass.

Real estate prices in Hyderabad cooling off - After a dream run of three years, it is time for the real estate prices in Hyderabad to mellow down. Prices, which shot up by up to 300 % in most areas, have started cooling off, witnessing very low growth rates or stagnation.

FM for lower home loan rates - Finance minister acknowledged the need to lower interest rates on home loans less than Rs 20 lakh. He, however, has left it to the RBI to take a call on it.

Wallowing in cinema - The big private players are fuelling the race of multiplexes in the city.

First non-commercial airport at Durgapur - India's first non commercial airport is coming up at Durgapur, WB. This follows a technical services agreement that the Bengal Aerotropolis Projects Ltd. (BAPL) signed recently with Singapore's Changri Airports International (CAI). The greenfield project will be a part of the \$ 2.5 billion Durgapur Aerotropolis project.

InterCointinental to build two hotels in Delhi - The capital seems to be in the grip of a hotel boom.

Labour pains haunt Pune - Industry leaders in the second fastest growing real estate market in the country are invoking the force major clause to escape liabilities of delays and cost overruns following exodus of laborers from UP and Bihar after alleged threats by Raj Thackeray.

Hot space- Kolkata has evidently earned its spurs as the hottest IT zone in the East. After all, tech showstoppers like TCS, Wipro, Cognizant Capgemini, IBM and HCL are already shining stars in the city's IT firmament. State government officials estimate the city's current IT/ BPO built-up space of about 3 million sqft will grow to 20million sqft within the next two years.

There is no real estate bubble here - As a result of rising incomes, the average age of a person availing a housing loan is in the mid-30s. Despite a healthy supply, the strong demand has ensured a healthy price appreciation.

Mukesh charges retail battery - The top brass at Reliance Retail Ltd. has been asked to go all out and step up the pace of expansion.

Retailers bet on high-end in-store labels - After consolidating their presence with private labels which were competing with mainline brands on value and cost parameters, some leading chains are now planning to create a second line of premium private labels. RPG Retail. Future Group, Shopper's Stop and ITC's Wills Lifestyle, among others, have or intended to create a high-end line of in-store brands which, in turn, will enhance their store image as well. Yet others, like reliance Retail & Aditya Birla Group too, want to enter the game at a later stage.

Logix projects to get Alpha Tiger funds - Alpha Tiger Property Trust, a real estate investment trust (REIT) listed on London's AIM, is investing Rs 330 cr in IT projects being developed by the Noida-based real estate firm Logix Group.

Centre to develop 50 new satellite townships - IN a move to decongest the metro cities, the centre is planning to develop 50 -odd townships. The ministry of urban development is giving a final touch to the new satellite towns to facilitate the process.

SBI cashes in on realty boom to beef up capital - For the first time, SBI is revaluating its fixed assets; large palatial office buildings which have been valued at just Rs 1 since the days of the Raj. Rising property prices have given SBI an opportunity to unlock value by revaluating its properties and thereby, strengthening its balance sheet.

Banks in two minds about home loans - Public & Private sector banks are divided over finance minister P. Chidambaram's proposal to cut interest rates in home loans of up to Rs 20 lakh.

Sector V set for a swank, green look - Salt lake sector V is set to undergo huge transformation in next 12 months. Nabadiganta Industrial Township authority (NITA) had appointed Enkon -Selvel to spruce up the IT hub and Karukrit has been entrusted with beautifying the township. IN February 2008, NITA has signed an agreement with Enkon - Selvel to give the IT hub a completely different look.

Move to acquire 95 acres for Howrah food park - WBIDC has received consent from farmers of Kanuda and Bhagabatipur in Howrah to acquire 95 acres from them at market price to set up a third food processing park.

Reliance Retail eyes Rs 15 Kolkata cr from electronics - RRL is open to partnering international players in case FDI is allowed in durables and in electronics segment, from where it eyes business worth over Rs 15,000 cr in 3-4 years.

Realty, power, banking indices bear the brunt - Bears prevailed on Realty, power and banking stocks, thereby pulling down the Sensex below the crucial 16,000 mark today.

LIC housing to float real estate fund - LIC Housing Finance intends to float a fund of about Rs 350 cr. The fund which will invest in large projects will be created in next three months.

New Town wonder: Smart Traffic system for fast corridor - High-tech traffic system will soon be installed along Main Arterial Road of Rajarhat. HIDCO has framed a comprehensive plan to develop the road.

Sector V tax hike proposed - Nabadiganta Industrial Township Authority has proposed a hike in the property tax and the trade license building sanction fees in Salt Lake Sector V.

ITC mulls retail entry in urban, semi-urban markets - After launching its e-Chaupal retail stores in rural India, ITC is now looking at retailing opportunities in the semi-urban & urban markets.

Gitanjali buys Renaissance retail, Trinity Watch - Gitanjali Lifestyle has acquired Renaissance Retail venture and its jewellery brand Lucera for Rs 25 cr.

Reliance plans flexi finance service at retail outlets - After rolling out 11 formats ranging from footwear to jewels, Reliance Retail now plans to offer flexible financing options for its customers.

Spinach retail stores in Bengal by April - Spinach, the brand for the retail venture of the Delhi based Wadhwan Group, is likely to make a foray in WB.

FM's rate cut call may fall on deaf ears - The call from the finance minister to cut the interest rates up to 20 lakh may fall on the deaf ears as the current low interest rates have not resulted in an increase in credit growth.

The heat is on - As per the 2007-08 economic Survey, except electricity, trade, hotels, transport and communication; growth in other sectors has slowed down even real estate is registering a slow pace of growth.

Green building to come up in Borivali - In Mumbai, the first ever civic green building complex is all set to come on a sprawling 52,000 sqm plot in Borivali.

PNB Housing seeks partner - PNB Housing Finance Ltd, housing finance arm of Punjab National Bank, is on talks with some companies, including Standard Chartered, to divest up to 26% stake.

Forging pathways of communication- Jadavpur University swept away most of the awards for the quiz competition on civil engineering. The other participants were students from colleges offering architecture and civil engineering in cities like Birbhum, Bhadrak, Guwahati, Haldia etc. The prizes were given away by architects Dulal Mukherjee and Debabrata Ghosh.

Rising infrastructure- A growing economy needs industries. And industries mean residential units for the people who work in them. And residential units mean infrastructure- roads, bridges, local trains et al. In India, however, the problem has been that despite witnessing a massive growth in infrastructure, the sector itself is afflicted by a severe manpower crunch.

Real estate programme by Harvard Business School- Harvard Business School (HBS) together with HBS India Research centre has announced a new executive education programme to be held in India in June 2008. The South Asia Real Estate seminar will be taught in Hyderabad by HBS faculty and is designed for senior executives in the real estate industry.

JP Infratech to mop up Rs 1000 crore- Jaiprakash Infratech, the wholly-owned subsidiary of Jaiprakash Associates, is set to raise around Rs 1000 crore through private placement. The realty venture of Jaiprakash Associates that owns Taj Expressways and around 3000 acres of land along the expressway starting from Noida will be valued around Rs 25000 acre.

Land buyout in Dankuni put on hold- After burning its fingers in Nandigram, the state government has put on hold land collection for the \$4 billion (Rs 20,000 crore) township project in Dankuni till the panchayat elections. The Hoogly-CPM unit is wary that the land procurement resentment could cast a cloud on its poll prospects.

Rs 5006-cr Noida land deal is India's biggest- In the biggest land deal in the country, a consortium led by Delhi-based Business Parks and Town Planners (BPTP) bagged a 95 acre commercial plot in Noida Sector 94 for a record Rs 5006 crore from the Noida authority.

Delhi realty firm eyes IPO - BPTP which shot into limelight with the country's biggest ever land deal, is a relatively smaller real estate player in Delhi, having operations mainly in Faridabad. The company is looking at going to the capital market sometime this year. Having possession of such a prime land-bank will add to its overall valuation.

Realtors seek rate cut- Realtors are disappointed with this year's budget, believe a cut in home loan rates is the only way to revamp the demand for housing. Real estate companies also complained that a hefty service tax on mall owners imposed in a previous budget had added to the higher pricing of flats.

Revised FDI ceilings for six sectors notified - The new relaxed FDI guidelines have no mention of the proposal to relax the mandatory three-year lock-in period for FII in real estate as stated in the announcement made by department of industrial policy & promotion (DIPP) following the Cabinet Clearance.

India's FDI kitty doubles during 10th plan - The country received FDI of \$30.80 billion during the 10th five year plan (2002-07). The top five sectors attracting FDI during April 2002 to December 2007 include the services sector, computer software & hardware, telecommunications, construction activities and automobile industry.

ICRIER report on organised retail likely by July 15 - The Indian Council for research on International Economic Relations is carrying out the study on organised retail, focusing on its effects on small retailers and vendors in the unorganized sector. The domestic retail market is expected to grow from \$ 336 billion in 2006 to \$ 590 billion in 2011.

Water tax revived - Bidhannagar Municipality is planning to re-introduce water tax to tide over its financial crisis.

Realty, metal indices take sheen off markets - BSE realty index lost the most, paring 965.33 points or 11.59% to close at 7,362.42 points was followed by BSE metal index.

Foreign retailers offer food tech - The entry of international retail chains in India will enhance the standard of domestic market, which at present fails to match the global benchmark.

SBI MF to launch Real Estate Equity Fund - SBI MF filed the offer document with SEBU for launching a dedicated scheme for the real estate and related sector.

Home aloan - Any movement in home loan interest rates is going to have far-reaching consequences on the realty sector.

Housing & Habitat - The ministry of urban housing and poverty alleviation tabled the national urban housing and habitat policy in Parliament last December. The objective is affordable homes for all - the goal is definitely commendable but the reality is far from the truth. When the urban population is about 300 million, adequate and affordable housing is not available to all.

IT Park - Mr. Debesh Das, IT Minister said in the assembly said that foundation of an IT Park will be laid at Sector V, Salt Lake next week.

Dabur enters retail space with flagship store 'newu' - Dabur India has rolled out its maiden retail venture 'newu' a wholly owned subsidiary. It plans to add 30 'newu' stores by 2008-09.

Helion Venture closes \$ 210 million fund - Helion venture Partners, an India -focused venture capital fund has closed its second fund of \$ 210 million (approx. 840 cr) that will focus on investing in sectors such as consumer services, retail services, education and financial services, in addition to technology led businesses.

Rating for green buildings - Green buildings have crossed the 100 million sq ft milestone in India, according to the Indian Green Building Council. Of the registered projects 19 projects have already been awarded the rating.

Future Group unveils Imported Bazaar - Future group's flagship value retail format Big Bazaar in association with Sankalp retail - the master franchisee of My Dollarstore in India - launched a new shop-in-shop format called 'Imported Bazaar' in the Big Bazaar outlets in Hyderabad.

Shoppers' Stop plans to invest Rs 450 crore - Shoppers' Stop plans to invest Rs 400-450 cr over the next three-four years for its aggressive expansion plans.

Govt says no to FDI retail, yet again - There is no proposal to allow Foreign Direct Investment (FDI) in the retail sector, agriculture minister Sharad Pawar said. He said that the union government does not regulate retailing and it falls under the jurisdiction of the state governments. State governments can allow and disallow setting up of retail establishments.

Draft rural housing policy sent to states- The government has prepared a draft rural housing policy, which has been circulated to the state governments for their comments. Under Bharat Nirman programme, 60 lakh houses are envisaged to be constructed for rural below the poverty line households in a period of four years from 2005-06 to 2008-09.

Sarovar Hotels plans Rs 400 cr investment spread- Sarovar Hotels & Resorts, a hotel management company, plans to invest Rs 400 crore in the next three to four years. The investment will predominantly go to setting up the group's budget brand Homotel with other brands such as Sarovar premiere as well.

Now Israeli firms arrive in Chennai realty space- After the domestic, the US and the European firms homing in on Chennai to cash in on the city's real estate boom, it is now the turn of a host of Israeli firms to make a beeline in Chennai. A slew of Israeli firms have lined up mega investment plans in the Chennai real estate market.

Home loan interest subsidy poor- India plans to provide an interest-rate subsidy on mortgages for the poor in the nation's city as property prices soar. A proposal to provide

interest rate on housing loans for the economically weaker sections and the low-income group in urban areas is under consideration of the government of India.

Trikona to inject \$10 bn into realty- Trikona Capital, a UK-based fund that invests in Indian property, may spend as much as \$10 billion in the country's real estate market over a decade. Trikona has invested \$450 million in a dozen transactions in India over the past one and a half years. It is investing in two special economic zones with 10 million square feet of space around New Delhi and wants to spend more as growth boosts demand for homes, offices and industrial parks.

FIPB rejects Red Fort realty fund's FDI proposal- The Foreign Investment Promotion Board (FIPB), the nodal body for clearing foreign direct investment proposals, has rejected a proposal by Red Fort India Realty Fund (Trust), a registered venture capital fund for real estate investments, to bring in investments from offshore corporate entities owned by non-resident Indians.

Water tax waived but cess slapped on buildings- The civic budget on Saturday is set to exempt 98 per cent households from paying water tax. New constructions in the city will however become dearer, with the introduction of a labour welfare cess.

Spencer Retail to invest Rs 3000 cr- The ROPG Group's Spencer Retail said it will invest Rs 250 crore to Rs 3000 crore in 2008-09 which also includes setting up 35 stores in Gujarat.

Developers bet big on luxury homes - Real estate developers are tapping the luxury home segment by targeting NRIs and HNIs keen on buying that exclusive villain India. Leading developers such as Sobha developers, DLF, Kalpataru, Nitesh Estates, Unitech, Omaxe, Royal Palms, Lodha Developers and Marvell Realtors are currently developing projects in cities like Mumbai, New Delhi, Pune, Goa, Bangalore & Kerala with the price range of an average luxury homes varying between Rs 3 crore to Rs 50 crore. The price depends upon the city where it is built in and the range of amenities in offer.

Let the Genie out? - The interest rate may come down on loans up to Rs 20 lakh but that could push up realty prices. Now with the FM's call for further rate reduction, the

question that most prospective buyers are facing is whether they should wait & watch or they should go ahead and purchase the property.

Mantri Developers ties up with Apollo hospitals - Mantri Developers has tied up with Apollo Hospitals to provide quality health care services 24X7 through telemedicine to residents of select Mantri Homes.

SmartCity Kochi to appoint master planner - SmartCity head quarters based out of Dubai has confirmed that they have invited Indian and international master planning companies to submit proposals for SmartCity Kochi's master plan.

Mallya may clinch two mega land deals - Vijay Mallya is set to clinch two mega land deals. On the foothills of the Himalayas, Mallya is said to have picked up around 1,000 acres of land located between Rishikesh & kedarnath that encompasses three mountains at a price close to Rs 300 cr. Down south, the Mallya is close to picking up an islet Thinakkara, off the Bangaram island in Lakshwadeep.

IT slump bites realty mart - Real Estate firms are beginning to feel the beat of the slowdown in IT/ ITes sectors. Leading IT companies are saying that lease of office space to software and BPO firms have fallen by over 30%. The trend is particularly bound to affect firms like DLF and Unitech which are building several software SEZs across the country.

Real estate on a slide - After seeing a strong bulls run in the previous year, real estate and construction sector stocks have been correcting rapidly.

No worries for lenders - India will not face a subprime crisis because repaying loans is primarily a moral obligation. Experts firmly believe that Indian banking system has much more understanding of products.

Luxury homes may give space to affordable ones - The real estate markets are also facing a neat correction. This year could see a drop in the 'high value' properties market since retail customers are looking for buying homes that cost less than 50 lakh. This is what builders, property portals and international property consultants are suggesting.

Heritage trio in Welcome fold - Welcome Heritage, a joint venture between ITC and Marudhar Hotels of Jodhpur, is entering into a franchisee and marketing arrangement with these properties across India.

Protest over market plan - A plan to develop a Jodhpur Park Market, spread over 08 cottahs, into an eight storied commercial complex with the help of a private form has diverted its traders.

A secret garden cools a concrete jungle - Corporate America is joining the trend a planting gardens atop the buildings. Some four million square feet of rooftop gardens have been planted on public and private buildings in the seven years since the first plants were placed atop city hall as part of a broader effort to reduce the Windy Cindy's carbon footprint.

Realty, metal indices crash between 7-9% - Banking metal & realty shares continued to be pummeled by panicky investors, sending the respective indices crashing between 7% and 9%.

Realty index continues to fall at the rate of 8-9% every day - The ET realty index has lost 47% since the beginning of 2008 and it continues to fall at the rate of 8-9% every day. Of the eleven real estate companies that have listed since December 2006 to date, seven companies are trading almost 40% below their offer price. The rest are barely managing to hover above the IPO price.

UCO cuts home loan rates by 25 basis point - Responding to the plea of FM, UCO bank has reduced the rates by 0.25%.

For US landlords realty market is still looking up - The housing crisis and credit may end the American dream of property ownership for millions of people, but for landlords seeking bargain investment properties the market is looking up.

Software worries upset real estate mood - The infotech industry continues to rubbish speculation about a downturn in their future prospects after all the spooky talk about a recession in the US. But all the babble has sparked fears that if the software industry goes through the skids, it will have a knock non effect on real estate prices at home.

Bandra-Kurla realty bids top Rs 1,322 cr - The downfall in BSE had no effects on the land prices. The Mumbai Metropolitan Region development Authority (MMRDA) auctioned only three out of five plots in the plush Bandra-Kurla Complex, but raked 1,322 cr in the process.

Central, Allahabad Bank slash home loan rates - Two state owned banks, Allahabad Bank & Central Bank have reduced housing retail rates on Tuesday, after FM expresses his desire that banks should reduce home loan rates under Rs 20 lakh category.

Phoenix seeks shareholder nod for merger with Ruia - Real estate firm Phoenix mills is planning to seek shareholders' and creditors' nod for the proposed merger of Ruia Real estate development Company.

Home loan rates decline in last one year: FM - Home loan rates have seen a declining trend during the last one year, with rates slashed as many as three times by several banks, parliament was informed.

Put real estate industry under scanner - The Indian stock market crises is primarily due to the absence of the foreign institutional buyers. Not only are FIIs not buying but they are even selling huge blocks of shares that they own in companies in India to shore up the balance sheets of their parent companies.

Realty sector flied low-rise advance tax payments - Real Estate companies have begun to feel the pinch of sluggishness in the sector, it seems. Advance tax payments by some of the key realty players in March have been lower than payments made in previous quarters.

Centre clears 20 SEZs in West Bengal - West Bengal commerce & Industry minister Nirupam Sen told the state assembly on Wednesday that the centre had cleared 20 SEZs in the state and also agreed in principle to give the go-ahead to 17 other SEZs.

Country club buys properties - Country Club India Ltd has brought properties in Chennai, Pune, Delhi, Kochi, Kolkata, Ahmedabad, Vadodara and Surat during the past two months.

Realty index drops 48% since Jan 14 high - Real estate stocks have been hit the hardest on the bourses with many of them, including Sobha Developers, Purvankara Projects and Ansal Housing, hitting one-year lows after investors fled sending a slowdown in property rates.

Now, industry drags loan offtake - High interest rates and the result and suppresses demand for the housing and retail loans has slowed down non-food credit growth to 21.8 % during April - February 2007-08 compared with 29.6 % in the corresponding period last year.

Central Bank cuts home loan rates - Central Bank of India slashed its home loan rates by up to 50 points and interest rate on other retail loans were reduced by up to 200 basis points.

JMD eyes Dubai realty sector - Real estate major JMD Ltd is foraying into the hot property markets of Dubai with an initial investment of Rs 200 crore.

Realty help for IT land - The government has devised a model that might enable it to allot land fast and at competitive prices to IT companies. The new model is being tried first in the Rs 25,000 cr IT township being developed next to Vedic Village.

A Rs 48,000 cr industry - Rising incomes, easy financing and population growth are driving demand for housing and luring overseas investors to India. It puts the worth of the Indian Real estate market at \$ 12 bn (Rs 48,000 cr) and pegs the annual growth rate at 30%.

Realty gears to feed talent crunch - with a 30 % annual shortage of skilled workers projected for the construction sector in India, there is an urgent need to bridge the gap. The realty players and industry bodies have begun launching coursed that could help them generate crucially needed stuff.

Retail biggies discover future in big format - The bog guns of organised retail have entered new markets with small-sized supermarkets and branded convenience stores. Reliance, Aditya Birla & Tata's Star Bazaar are focusing on larger European -style

hypermart roll-out while old hands like Spencer's and the Future Group too are scaling up their hypermart formats.

Dial R for insurance - Since the project sizes have become bigger, premium payout for such covers have also grown proportionately. The premium amount of the 'contractors all risk policy' typically varies between 1-5% of the project cost and depends on factors like value and duration of the project.

Jones Lang Lasalle Meghraj to expand to smaller cities - JLLM is planning to expand its operations to tier II cities soon. The company would launch operations in Visakhapatnam, Bhubaneswar, Ahmedabad & Lucknow over next 6-12 months.

Srilanka's Jetwing Hotels plans India Foray - The company is especially keen on hotel projects in Kerala.

Green homes are ushering in a responsible lifestyle - Homes equipped with low-flow toilets, individual room thermostats, tankless water heaters, energy rated appliances & renewable wood-flooring gain in popularity. The goal is to help consumers save money, live healthier and conserve natural resources.

High interest rates, prices stunt real estate: Industry - High interest rates and overheated asset prices have cooled the super-charged growth in real estate even as a demand supply mismatch continues in the Indian property market.

Bill defines township - The WB government passed a bill named, West Bengal Town and country (Planning & Development) (Amendment) Bill, 2008. The bill defines a township to prevent mushrooming of buildings without infrastructure.

Shoppers's to raise Rs 500 cr - Shoppers Stop Ltd will raise Rs 500 cr through a rights issue to part its expansion plans.

Slum, home in agency focus - CMDA finalized a slew of projects that will be undertaken in the current fiscal. Special emphasis will be laid on housing projects for minorities, providing surface water to civic bodies and development of slums.

Realty tops savings tool for households - Indian households are increasingly opting for physical assets as instruments of savings compared with their earlier emphasis on financial tools.

Dewan Housing ties up with UAE firm - Dewan Housing finance Corporation said it had tied up with United Arab Emirates based Sponsorship Centre to sell its products in the region.

Blackstone eyes housing for single geeks - Blackstone likely to commit big money into a nationwide network of residential campus for 'industry singles'. The PR giant is in substantive discussions to invest \$100 million (about 400 crore) for taking a major stake in Bangalore headquartered Woodstock Ambience, a community lifestyle developer targeting the single working professional in the ITes and BPO sectors.

The weekenders - The trend of Calcuttans buying property somewhere in Santiniketan's Prantik or Purba Pally has come to be complemented in the past couple of years by locations closer home. Merlin Group, Ideal Group, Creative Holifarms & Ambuja Group are coming up with villas in Amtala, Rajarhat, Howrah & Raichak respectively.

JK Group plans departmental stores in Bengal - JK Group, the makers of Kolkata spices, has earmarked Rs 20 crore of venture into the retailing space. The company plans to roll out 20 new departmental stores under the 'JK Lifestore' name across West Bengal.

FDI realty show may get bigger - A move is a foot within the government to liberalize the norms for foreign direct investment in real estate. Specifically, the department of industrial policy and promotion (DIPP) has circulated a cabinet note proposing waiver of two conditions:

- A three year lock-in on the foreign investment
- The requirement that the investment be at \$5 million for a joint venture or \$ 10 million for a wholly owned venture.

Colour Green - A green revolution is cooking in Kolkata's concrete jungle. Its root lays in the profusion of upcoming environment and energy-friendly realty projects. One can safely say that a green building is not a fad anymore. It is increasingly becoming a standard specification among upcoming Grade-A office buildings.

Airport blow to Behala realty - Two hundred acres of land on the southern and northern ends of the airstrip will have to be acquired and several high-rises and residential buildings razed within a 5 km radius to comply with airport safety norms. The big projects that will come under threat are: Diamond City West, Merlin Sapphire, BBC Enterprise.

India ranks 44 as global retail destination - India has been ranked 44th on the list of most preferred destinations by global retailers, according to a report by real estate consultant CB Richard Ellis.

Still Sezzling - India's prime driver of commercial real estate for almost a decade and a half has been information technology. As a result, most commercial developers have made buildings catering to the specific needs of IT & ITeS companies and fit into the Software technology Park of India category, which gets the users tax incentives. But with these incentives coming to an end in 2009, the IT companies are considering a move to SEZs which offer tax breaks. So what will happen to the millions of sqft of commercial real estate that today services the entire IT sector?

Real estate MFs may soon get tax exemption - Sebi registered real estate mutual funds will be given a tax pass-through status if they invest the money raised from investors in shares of real estate companies.

HUL renews bond with Brooke - HUL has shelved plans to sell its palatial 28 acre Brookfield land in Bangalore.

M&S may buy majority stake in Reliance JV - Reliance Retail Ltd. is likely to cede majority control to UK clothing & food chain Marks & Spencer in their proposed JV in India.

Reality check on process under way - A price correction of 10-15 % is slowly happening in the realty sector across the country though it is area-specific in cities.

Retail industry all game for revolution - The 12 billion Indian retail industry is all set to witness a revolution of branded exclusive game shop zones in the cybercafé format in the next 2-3 years.

Pune set to turn India's mall capital in two years - In about 2 years from now, IT hub Pune is set to turn into the hottest destination for malls with at least 20 branded ventures readying to kick start operations.

Reliance Retail / Dutch tie-up - Reliance is tying up with a Netherlands based manufacturer of eyewear, Pearle Europe B.V, for optic products to be sold through Reliance Wellness Stores.

Inflation fall out: Home loans likely to get costlier soon - The industrial development Bank of India has withdrawn the 0.5% cut in the rates of home loans and other debt.
