

HIGHLIGHTS FOR JULY 2007

BENGAL SHRACHI HOUSING DEVELOPMENT LIMITED

DIRECT NEWS

ROSEDALE GARDEN COMPLEX

- Mint
- Project Monitor
-

6th Greenwood Spirit Theatre Festival

- Grihashova [Bengali]

CORPORATE PROFILING: BENGAL SHRACHI HOUSING DEVELOPMENT LIMITED

[Participation in industry article]

- The Telegraph [Metro]
- Mint
- Hindustan Times
- India Today [Bengali]

SNAPSHOTS

This month witnessed the launch of India's first housing price index, **NHB Residex**, which will be an indicator of how the housing price index is moving in several cities. In the need to groom the second generation developers in a more scientific and structured manner, CREDAI Bengal, has tied - up with St. Xavier's College to offer a 6 month certificate course in real estate. The state Govt announced that it will soon be launching a regulatory body to govern the real estate sector.

Ansal Properties makes Rs 2,000 - cr hospitality foray - Ansal API has announced its foray into the hospitality sector through a SPV with Vipin Luthra owned Ambience Hospitality Management and unveiled plans to invest Rs 2,000 cr to set up 30 hotels in the next 10 years. Ansal API will hold 80% equity in the proposed SPV. The proposed SPV would set up hotels in the 5-star and 4 - star categories including palace hotels, golf - resorts, business hotels, spas and clubs and serviced apartments.

Ansal API eyes education sector - After hospitality, healthcare and sports, it is now the education sector that Ansal API is eyeing in a big way. Their focus is now on expanding their education chain in the northern region by bringing in some of the best domestic and international expertise for schools in their townships.

Warner Bros, Sony to enter the multiplex biz - Cinema - goers are in for a treat with global entertainment majors Warner Bros and Sony Pictures now planning to enter India's burgeoning multiplex industry. Both companies are already in talks with real estate major DLF Ltd to set up multiplexes in major cities across the country.

Unitech expanding operations to South - Unitech Ltd is expanding its operations to the South with major projects in Chennai, Hyderabad, Bangalore and Kochi. The company is in the process of launching two large residential projects - one with a leading Chennai based developers and another on its own. In Hyderabad, the company is planning a 120 - Acre Township and group housing, in Bangalore it is planning a commercial project.

PS plans services SEZ at Rajarhat - The PS Group aimed to build a service sector SEZ, spread more than 250 acres of land near the upcoming IT hub of the city in Rajarhat. The Group has also lined up an Rs 600 - cr investment plan for nearly 22 residential and commercial projects in and around Kolkata by 2010. This apart the group is developing smaller housing projects in areas like Behala and Tollygunje.

Ambuja Realty Development Ltd - ARDL may explore the possibility of raising resources from the capital market through an IPO offer for funding its investment plans. ARDL plans to pump in Rs 4,000 cr in the coming years for setting up high - end hotels, IT SEZs and retail project across India.

Many takers for realty courses - Educational institutes are slowly catching up with the concept of real estate education in the country. Many of the business schools in the country are now offering real estate as an elective course in their curriculum and have started inviting top real estate developers in the country for informal sessions and industry lectures.

Pricing Puzzle - The prices at New Town has gone beyond the reach of the middle class Bengali with the present prices hovering around Rs 3000 per sq ft. But there are enough indications in the market to prove that prices of fist hand property in Rajarhat are going to dip in the next couple of years.

Varsities gearing up to train realty professionals - Universities and educational institutes in India are gearing up big time to meet the increasing demand for trained professionals in the real estate sector. Manifold investments, tie ups with foreign partners and sizeable FDI coming into the sector are indicative of the growth and hence sharp increase in demand.

Mall space supply to be 60 mn sq ft by 2008 - The real estate sector has responded well to the growth of the organized retail sector and this has led to a phenomenal rise in supply of space for organized retail operations year after year. Though organized retail activity in India is concentrated in two major metros of Delhi & Mumbai, these still have considerable opportunities on offer, reveals a study by Jones Lang La Salle Meghraj on the Indian retail sector.

Shriram Properties to invest Rs 1,000 cr - Shriram Properties Ltd, plans to invest nearly Rs 1,000 cr to acquire land for developing real estate projects in Kolkata by the end of this year. The company plans to set up project specific Joint ventures with local developers for real estate projects in and around Kolkata. Besides residential and commercial properties, Shriram Properties also plans to develop a SEZ in Kolkata.

Realtors shift focus to mid - income housing - Private developers in the country have found a new mantra - mid - income housing. With high - end residential options reaching a saturation point, most real estate developers are planning to foray into housing for the middle classes in a big way.

Oakwood debuts with serviced apartments - OAKWOOD worldwide, which manages 20,000 serviced apartments across the globe, has debuted in India with the soft launch of a residence in Pune. Regarded as the world's largest provider of serviced apartments, Oakwood has plans to open in other Indian cities.

Wellside plans to develop nine hotels in Bengal - Wellside International of Singapore plans to invest Rs 1,100 cr to set up 9 hotels in the business, budget and luxury segments in West Bengal. The company plans to develop these hotels in joint venture with the Far East Organization, one of the largest private property developers in Singapore, and Starwood capital Group Global

India's first housing index debut - India's first housing price index called the NHB Residex will be launched this month. The half yearly index will be an authoritative indicator of how housing prices move in cities. The NHB in collaboration with the finance ministry has developed the index.

Four in race for Bengal chip design centre - Bengal Intelligent Park of TCG, DLF, Infinity and Ramky Infrastructure have submitted expressions of interest to the state It dept to build a chip design centre in the city. The total investment in the centre is estimated at Rs 400 cr.

Focus on title registration to prevent property frauds - The urban development ministry plans to emphasize on registration of titles and encourage ownership of titles, and encourages state Govts to maintain an updated database on ownership of land.

State to get Rs 100 cr kick off PPP core projects - The Centre has promised to provide states with an Rs 100 cr corpus to assist them in preparing PPP projects for the infrastructure sector. The fund would be a revolving fund and would get replenished from successfully bid projects.

Real estate sector to have a regulator - The state will soon have a regulatory body to govern the real estate sector and set standards for the industry which presently runs more or less on the whims of developers and promoters.

COMPETITORS IN NEWS

ANSAL PROPERTIES INDIA LIMITED

Ansal Properties makes Rs 2,000 - cr hospitality foray - Ansal API has announced its foray into the hospitality sector through a SPV with Vipin Luthra owned Ambience

Hospitality Management and unveiled plans to invest Rs 2,000 cr to set up 30 hotels in the next 10 years. Ansal API will hold 80% equity in the proposed SPV. The proposed SPV would set up hotels in the 5-star and 4 - star categories including palace hotels, golf - resorts, business hotels, spas and clubs and serviced apartments.

Ansal API to set up medicity in Greater Noida - Ansal API is planning to set up a medicity in its upcoming 5,000 acre Greater Noida Township through a JV with a healthcare company. The medicity will be developed by Fortis Healthcare. The funding for the project will be to the tune of Rs 1,000 cr.

Ansal API eyes education sector - After hospitality, healthcare and sports, it is now the education sector that Ansal API is eyeing in a big way. Their focus is now on expanding their education chain in the northern region by bringing in some of the best domestic and international expertise for schools in their townships.

House of Pearl JV with Ansal API - House of Pearl Fashions Ltd has announced that it will be utilizing a large tract of land owned by its subsidiary Pearl Global Ltd for commercial development. The company has entered into a MoU with Ansal API to jointly develop the property.

DLF INDIA LIMITED

DLF to invest Rs 160 cr in multiplex biz - Banking on the growing multiplex culture in metros, DLF is planning to set up 35 - 40 new movie screens across the country over the next two years entailing an investment of about Rs 160 cr. The company operates multiplexes under the DT Cinema brand and invests in a range of Rs 3-5 crore on each screen.

DLF Asset to raise \$1 - bn through Pvt Placement - DLF Asset Ltd, the asset management company of the DLF group, is planning an IPO offer in the next 18 months. The company which has just raised \$600 million from hedge fund D.E. Shaw and \$200 million from Lehman Brothers is planning to mop up another \$1 billion dollar through private placement before the IPO.

DLF may snap up DCM Shriram land for Rs 1,750 cr - Real estate major is learnt to be on the verge of snapping up 112 acres of prime land in Delhi from DCM Shriram

Consolidated Ltd for Rs 1,750 cr It is said to be the largest land deal in monetary terms between 2 private parties.

Warner Bros, Sony to enter the multiplex biz - Cinema - goers are in for a treat with global entertainment majors Warner Bros and Sony Pictures now planning to enter India's burgeoning multiplex industry. Both companies are already in talks with real estate major DLF Ltd to set up multiplexes in major cities across the country.

DLF bags Rs 6,000 cr project from DDA - DLF has bagged development and operation project for an international convention centre in New Delhi from DDA. The convention Centre will come up in Sector 24 of Dwaraka, New Delhi. The project, with a land cost of Rs 900 cr is expected to have a built up area of approx 2 million sq ft. The convention centre will have a seating capacity of 12,000 delegates.

DLF enters Gujarat with Rs 850 - cr IT SEZ - DLF has entered Gujarat with the stone laying ceremony of its SEZ for IT units. The IT SEZ will be spread over 25 acres and offer 2.5 q ft of developed workplace. The project will cost Rs 850 cr and will be operational in 15 months.

UNITECH GROUP

Unitech project to raise Noida Realty rates - Unitech Grand, the real estate major's ambitious integrated township project on Noida Express way is set to stir the high end residential property market in Noida with startup rates of around Rs 1.8 cr for an apartment, going all the way upto Rs 4.5 cr. The property is being sold for about Rs 7,700 per sq ft. The project is being exclusively positioned for foreigners, NRIs and HNIs.

Unitech to raise up to 3,000 cr from domestic market- Realty major Unitech plans to borrow up to 3,000 crore from the domestic market to meet the construction cost of various projects and expects its revenue to grow by 50 - 60% during the current fiscal.

Unitech expanding operations to South - Unitech Ltd is expanding its operations to the South with major projects in Chennai, Hyderabad, Bangalore and Kochi. The company is in the process of launching two large residential projects - one with a leading Chennai based developers and another on its own. In Hyderabad, the company is planning a 120 - Acre Township and group housing, in Bangalore it is planning a commercial project.

Unitech to invest \$270 mn - Unitech plans to invest \$720 mn in 4 years building 28 hotels with partners including Marriott International Inc. 4 hotels are being built and another 10 will be constructed by the end of the year. The company is still working on funding the projects and it will be a mix of its own money and borrowings

OMAXE CONSTRUCTIONS

Omaxe IPO to hit market on July 17 - Omaxe Ltd hit the share market on July 17, 2007 with a price band of Rs 265 to Rs 310 a share. The company expects to raise up to Rs 1,400 cr from the capital market. The size of the public issue will be up to 1.77 cr equity shares of Rs 10 each through a 100% book building process.

P S GROUP

PS plans services SEZ at Rajarhat - The PS Group aimed to build a service sector SEZ, spread more than 250 acres of land near the upcoming IT hub of the city in Rajarhat. The Group has also lined up an Rs 600 - cr investment plan for nearly 22 residential and commercial projects in and around Kolkata by 2010. This apart the group is developing smaller housing projects in areas like Behala and Tollygunje.

EMAAR MGF

Emaar plans 100% India subsidiary - Emaar is setting up a 100% subsidiary in India, though it has an equal JV with Delhi Based - MGF. The new venture will be implemented through Hampton International, a UK company Emaar acquired last year for \$500 million, and will sell residential property and consultancy services to developers and investors.

PARSVNATH DEVELOPERS

Parsvnath plans Rs 5,200 cr investment to develop SEZs - Real estate major Parsvnath Developers Ltd plans to invest about Rs 5,200 cr in the next 5 years to construct five SEZs for biotech and IT sectors. The company has received formal approval to develop SEZs in Gurgaon, Dehradun, Indore, Kochi and Hyderabad.

Parsvnath open to going public for SEZ funding - Parsvnath Developers Ltd is upbeat on its SEZ business - The Company has already set aside around Rs 40,000 cr for at least 12 of its 15 - odd proposed SEZs.

AMBUJA REALTY

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INDUSTRY NEWS

Realty firms plan trusts to list in Singapore - As REITs are yet to take shape in India, about half a dozen realty firms have started the spadework for listing REIT - like vehicles on the Singapore Stock Exchange. The Bangalore based developer Embassy Group, Ascendas and DLF & Unitech are planning their fund structures, which mainly include REITs, on the SGX.

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Slowdown forces malls to turn multi - stage - The slowdown in real estate market is prompting developers to come up with novel business concepts that will help them ride

this tide. A new idea to hit the market is to make malls multi - usage, by including business hotels and in some cases even office with the retail mix.

Mall space supply to be 60 mn sq ft by 2008 - The real estate sector has responded well to the growth of the organized retail sector and this has led to a phenomenal rise in supply of space for organized retail operations year after year. Though organized retail activity in India is concentrated in two major metros of Delhi & Mumbai, these still have considerable opportunities on offer, reveals a study by Jones Lang La Salle Meghraj on the Indian retail sector.

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Lanco building world's tallest residential complex - Lanco Infratech Ltd, part of the Lanco Group is developing what it claims will be the world's tallest residential building near Hyderabad, hosting 100 stories and designed by Atkins, of the UK. The project would form part of the Rs 5,500 - cr integrated techno - township developed by Lanco in a 108-acre site acquired through competitive bidding process from the AP Industrial Infrastructure Corporation Ltd.

Core sector SEZ units could get cheaper funds - Some units based in SEZ may be allowed to raise loans at core sector interest rates, almost 2% points cheaper than rates applicable to real estate projects.

German - Swiss JV eyes local realty sector - MPC Synergy Real Estate AG, the JV of German financial company MPC Capital and Swiss Synergy asset management announced that it will invest \$1 billion in real estate in India.

Oakwood debuts with serviced apartments - OAKWOOD worldwide, which manages 20,000 serviced apartments across the globe, has debuted in India with the soft launch of a residence in Pune. Regarded as the world's largest provider of serviced apartments, Oakwood has plans to open in other Indian cities.

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UK commercial real estate funds lose currency - One of the Britain's biggest property fund managers Standard Life Investments has cut the value of its UK Commercial real estate funds by 6.7%, in a sign of growing distress in the sector.

Developers Wake up to new Reality - If the rising interest on home loan has deterred some buyers, developers are going out of the way to keep buyers enthused. Some developers have tied up with banks and are taking care of the interest component of a loan till the possession of the flats is delivered.

Commercial rentals rise up to 20% every 3 months - Limited supply of office space is leading to an increase in commercial rental by 10-20% on a quarterly basis in most Indian cities.

India's first housing index debut - India's first housing price index called the NHB Residex will be launched this month. The half yearly index will be an authoritative indicator of how housing prices move in cities. The NHB in collaboration with the finance ministry has developed the index.

Four in race for Bengal chip design centre - Bengal Intelligent Park of TCG, DLF, Infinity and Ramky Infrastructure have submitted expressions of interest to the state It dept to build a chip design centre in the city. The total investment in the centre is estimated at Rs 400 cr.

TSI India, ICICI Venture join hands for office space projects - TSI Ventures India, a JV between Tishman Speyer and ICICI Venture, has formally launched its first realty venture in the country. The JV has announced ground breaking of the proposed 'office space project' christened Wave Rock in Hyderabad. Built in three phases on a 12 acre plot,

Wave Rock will have 2.2 million sq ft class A office space including a 100,000 sq ft space for support services.

Real estate still a major choice - Property development, construction and housing finance still contribute significantly to portfolios, partially discounting the theory that the recent dip in the real estate market has made more than a small dent.

Aussie realty co opens 2nd office in Bangalore - Australian Real Estate Company L J Hooker has opened its 2nd office in Bangalore. The company plans to expand across Bangalore and wants to reach major Indian cities with its franchisee model.

State plans sponsorship model for housing - In a bid to bridge the supply gap for affordable housing in cities, the West Bengal Govt is in the process of launching a sponsorship model to build houses for the LIG and MIG. Under this model promoters will be allowed to take up housing projects in conjunction with the housing board in cities within the state.

Govt clears 23 mega core sector projects - The Union Govt has given in - principle nod for 23 mega infrastructure projects worth Rs, 10,100 cr to be implemented through PPP mode under the viability gap funding scheme. The Centre would give funds worth Rs 2,572 cr for the 23 projects approved.

Focus on title registration to prevent property frauds - The urban development ministry plans to emphasize on registration of titles and encourage ownership of titles, and encourages state Govts to maintain an updated database on ownership of land.

Realtors now face contractor's shortage - The real estate sector may be booming, but these are easy times for developers. For one thing, costs have increased by 10-15% annually on account of building contractors raising their fee. With contractors having their order books full, industry experts say that they are able to literally pick and choose the projects they want to execute. In this scenario it is the small developers who are suffering the most.

Hospitality boom to propel home furnishings sector - The hospitality boom that India is witnessing today is not just going to be a boon for the budget traveler, but it has already

started spinning success for home furnishings market in the country. The sector is expected to propel the Rs 9,000 cr home furnishings market forward by 25% in the next couple of years.

Property exhibition in London - CREDAI will hold a 3 day property exhibition in London starting from 20 July to attract investments from NRIs in the sector.

Real estate will offer diminishing returns - Even though the real estate sector is at an all time high in the country and is apparently showing no signs of slowing down, total returns or operating profit from the sector is likely to moderate in the future in comparison with those of past 3 years. The sector is unlikely to be able to fulfill the increasing housing demands of the country especially of the middle and lower income groups.

Bengal seeks partners for housing complexes - The West Bengal Govt plans to enter into JV partnership with private real estate developers to promote LIG and MIG housing complexes in New Town Rajarhat. The JV companies needed to invest 50% of the total project cost in the MIG and LIG houses.

Take over for MIG homes - After its foray into IT through a couple of tech parks in Sector V and proposed retail entry into partnership with the RPG Group, the Godrej Group has announced its plans for the residential segment in Calcutta with the acquisition of city - based high-rises.

Ascendas still ready to wait for Rajarhat Land - Singapore based Ascendas is not giving up on the city yet despite a near two year wait for 25 - acres at Rajarhat to develop an IT park.

South City Project eyeing other states - South City Project Ltd is planning to take up real estate and township development projects to establish a pan - India presence.

Seat of the Raj still has its takers - A study conducted by DTZ, a global real estate advisory and consultancy firm, has revealed that even though commercial real estate occupancy costs have shown a marginal increase in areas like Salt Lake and Rajarhat,

occupancy costs of commercial real estate projects in Dalhousie and Esplanade areas have witnessed over 20% growth between the last quarter in 2006 and first quarter in 2007.

Taubman in talks with RIL for India entry - American real estate tycoon, A Alfred Taubman who made billions setting up shopping malls across US, is now eyeing the Indian shores. The Taubman team working in India is exploring opportunities for both developing and managing malls.

To enter real estate business - KK Birla Controlled Texmaco announced major plans to develop its real estate business. It proposes to do so by merging Evershine Merchant Pvt Ltd. with itself and has informed BSE in this light.

Civic rider for realtors - Realtors will need to shell out more - apart from price of land and construction costs - for high-rise projects. That's because they will have to build infrastructure in the area without which the project will not get the go - ahead from KMC.

NHB plans 2 million low cost houses - The ministry of urban development and poverty alleviation along with the NHB is planning to set up atleast 2 million low - cost houses in the next few months. These low - cost houses will come up in metros and other urban areas. The banking sector has also shown a keen interest in funding these projects.

Interest rates set to drop - With growing confidence in Govt that the inflation demand has been tamed, interest rates are expected to drop, providing welcome relief to home loan account holders groaning under high EMI payouts with rates rising steadily over three years from around 7% to a high of 12.5%.

Realtors shift focus to mid - income housing - Private developers in the country have found a new mantra - mid - income housing. With high - end residential options reaching a saturation point, most real estate developers are planning to foray into housing for the middle classes in a big way.

State to get Rs 100 cr kick off PPP core projects - The Centre has promised to provide states with an Rs 100 cr corpus to assist them in preparing PPP projects for the infrastructure sector. The fund would be a revolving fund and would get replenished from successfully bid projects.

Builder claims Dubai tower tallest - Burj Dubai, a tower under construction in the UAE's trade hub, became the tallest building in the world. Emmar Properties which is developing the Dubai tower wants it to be completed next year.

Retailers in a spot as property price rise - Spiraling property rentals appear to have landed retail majors planning to scale up their business in a spot. High rentals have taken a toll on per sq feet realization, especially on specialty stores, thereby putting intense pressure on the profitability of these outlets.

Real estate giant plans chain of city stores - Home buyers' quest for reliable property agents in the neighborhood will end by Diwali. Bangalore based - REBI plans to launch 2 property stores in Bhownaipore & Saltlake. Properties sold through REBI shops will be certified.

Real estate sector to have a regulator - The state will soon have a regulatory body to govern the real estate sector and set standards for the industry which presently runs more or less on the whims of developers and promoters.

Singapore morphs into realty hub - Ascendas, the property management company, announced the pricing for the first listing in Singapore of a fund investing in India Property, underlining Singapore's growing clout as a centre for Asian real estate financing. A flow of listings of Indian real estate investment trusts will help Singapore develop as the port of call for developers across the region.

Ascendas raises S \$500 million from market - Ascendas has raised S\$ 500 million from the Singapore market. JP Morgan was the sole financial advisor for the offering and CitiGroup and DBS were joint underwriters.

Course for builders - City developers have moved to groom the second generation developers in a more scientific and structured manner. Credai, Bengal, the umbrella body of city developers, has now tied up with St. Xavier's College for a 6 - month certificate course in real estate. The curriculum will cover issues like land use and real estate development, throwing lights on areas where conflicts could arise, human habitat and the legal and statutory aspects of real estate development and the likes.
