

# HIGHLIGHTS FOR OCTOBER 2007

## BENGAL SHRACHI HOUSING DEVELOPMENT LIMITED

### DIRECT NEWS

#### SHRACHI - INFINTE PARTNERSHIP

Coverage appeared in host of publications and electronic channels

#### Profiling - Greenwood Series:

Coverage appeared in:

- The Hindustan Times

#### Participation in industry articles

Coverage appeared in:

- The Hindu Business Line &
- Times of India

### SNAPSHOTS

With festivity round the corner, banks & financiers are offering discounts in home loan interest rates. As a result, people planning to buy homes are making a beeline to take advantage. A good number of banks have already lowered interest rates by 0.50 - 0.75% points for the festive season. With the fear of global warming setting in and it becoming fashionable to be environment friendly , Green Buildings are definitely the 'in - thing'. The trend started in Hyderabad and since then it has only grown.

**Garage norm gets stringer** - Each new flat in city will come with at least one garage. And if the flat is larger than 2,000 sq ft in area, it must have two garages or more. The CMC has made it mandatory for residential buildings above 10,000 sq ft area to have garages in a city facing a parking space crisis. The norms, in effect from mid - September, have also been made more stringent for commercial buildings.

**Ansal forays into wind power** - APIL has informed the BSE that in line with the terms of the amendments in its objects clause and with the approval of the shareholders, the

company has successfully diversified into the new business of power by establishing and commissioning windmills.

***Malleria past million marks*** - The mall mania in town just grew bigger and moved north. A million sq feet of shopping space with a 13 - screen complex and built in amusement park, topped by a star hotel - is all coming up in Jessore Road. Being developed by the city- based Fort Group; the 1.1 million sq ft destination mall could stack against biggies like Unitech's Great India Place in Noida.

***DLF plans new Bangalore to invest up to Rs 60,000 cr*** - DLF plans to develop a huge integrated township spread across over an area of 9,178 acres on the outskirts of Bangalore at an estimated investment of up to Rs 60,000 cr over the next 7 years.

***Realty's fast growth real nightmare for developers*** - The scorching pace of India's infrastructure and real estate growth has triggered a sudden spurt in project costs, forcing many developers to rework their contracts. This could slow the pace of mega construction projects.

***Lifestyle, sport, film and Mozart-*** A giant shop-watch-munch-play destination will be unveiled in New Town Rajarhat by Puja 2008. Axis developed by Peerless Housing Development Company Limited will boast of the largest diamond mall in ton, big brands like Adidas and Nike, a Reliance Hypermarket, a six screen multiplex, a tennis academy by Mahesh Bhupati, a Mozart Gallery and more.

***Rising realty prices in Bengal hits hotel sector*** - Rising real estate prices in West Bengal have prevented development of budget hotels in the State, especially in Kolkata. There is an immediate need of 3,000 budget rooms in WB. However, rising prices have not helped in development of budget hotels in the State.

***Riverside luxury in reborn township*** - A Holiday Inn Resort is set to come up inside Calcutta Riverside, a part of the Rs 1,400 - cr Batanagar rejuvenation project. The 200 - room property, with 50 serviced apartments along with a 9 - hole golf course, will be the first of the chain in the state, located on the Hooghly.

***Spreading their wings wide*** - From telecom to healthcare to education, real estate developers are foraying into unrelated fields. The reasons range from easy cash flow in the real estate sector to the astuteness on the part of the realty doyens not to put all their eggs in one basket.

***DLF on talks with AT&T for mobile services*** - Real estate major DLF Ltd is talking to US technologies giant AT&T as a strategic partner to roll out pan - India mobile services. It has also applied for a pan - India license on its own and without a foreign partner.

***Online property deals gain ground*** - Online real estate transaction are rapidly gaining momentum in the country, with those in the 25-0 age group now contributing to 80% of business.

***Building big dream in concrete*** - A three - hour long workshop, Design Knowledge Series, organized by Tata Tiscon at Taj Bengal made a packed auditorium sit and listen to **Hafeez Contractor** till the end. Architect **Karan Grover** made some informative presentations about popular contemporary commercial structures. The objective of the workshop was to create knowledge - sharing platform for architects and structural engineers.

***Developers told to define carpet area clearly*** - Real estate developers will now have to define carpet area when making commercial deals after the Monopolies & restrictive Trade Practices Commission came down heavily on realty major DLF for suppressing norms while fixing the actual covered area.

## COMPETITORS IN NEWS

### **DLF INDIA LIMITED**

***DLF plans new Bangalore to invest up to Rs 60,000 cr*** - DLF plans to develop a huge integrated township spread across over an area of 9,178 acres on the outskirts of Bangalore at an estimated investment of up to Rs 60,000 cr over the next 7 years.

***DLF plans expansion in tier - II, III cities with Rs 2,500 cr investments*** - Real estate major DLF is all set to extend its retail footprint to tier - II & III cities. A whopping 30

million sq ft of retail space of what DLF plans to develop over the next 36 months, spread across 30 - 35 cities.

***DLF on talks with AT&T for mobile services*** - Real estate major DLF Ltd is talking to US technologies giant AT&T as a strategic partner to roll out pan - India mobile services. It has also applied for a pan - India license on its own and without a foreign partner.

***DLF Ltd to replace Dr. Reddy's in BSE Sensex*** - The Index Committee of the BSE on Sunday decided to replace Dr. Reddy's Laboratories Ltd with the scrip of realty major DLF Ltd in the 30 - share sensitive index.

***DLF to Don Armani, Arvind to Sport Polo*** - DLF is learnt to be close to signing a licensing deal with Italian luxury brand, Giorgio Armani. As per the deal DLF will have the rights to retail and market the brand in the Indian sub - continent.

***DLF plans to pump into Asian realty majors with \$1.5 bn borrowed funds***- DLF Ltd, India's largest developer by value, plans to borrow as much as \$1.5 billion overseas to fund construction and acquisition, tapping soaring demand for Asian real estate companies.

***DLF to invest 16,000 cr to build 20 big malls*** - DLF plans to invest Rs 16,000 cr over four years to develop about 20 large shopping malls across the country.

***DLF to invest Rs 16,000 cr*** - Real estate company DLF plans to invest Rs 16,000 cr over the next 3-4 years to develop up to 18 malls across the country. The investment will flow into mall projects in cities across India.

***DLF did not define carpet area: MRTPC*** - MRTPC has held that real estate company DLF Universal Ltd indulged in an unfair trade practice by not disclosing to a complainant the basis of carpet area calculations, thus prejudicing the interest of consumers.

**UNITECH INDIA LIMITED**

**Unitech to raise Rs 1000 cr via debt** - Unitech will shortly raise Rs 1,600 cr as debt. Of this, Rs 500 cr will be raised as a short debt programme and the rest as a long term debt programme.

## **EMMAR MGF**

**Emmar MGF form JV with Fortis Healthcare** - Close on the heels of DLF and Ansal API, realty major Emaar MGF has also jumped onto the healthcare bandwagon by entering into a MoU to form a JV with Fortis Healthcare to develop hospitals in Tier I, and II cities.

**Emaar - MGF to use IPO proceeds to clear debt** - Emaar MGF proposes to become debt free by retiring loans including those from HSBC and ABN AMRO, using proceeds from its public offer that is expected to mop up about Rs 6,000 cr.

**Emaar - MGF partners Marriot for luxury hotels** - Emaar - MGF has signed up with the US - based Marriot Group as its partners for the foray in the luxury and business hotel segments.

## **ANSAL PROPERTIES INDIA LIMITED**

**Ansal forays into wind power** - APIL has informed the BSE that in line with the terms of the amendments in its objects clause and with the approval of the shareholders, the company has successfully diversified into the new business of power by establishing and commissioning windmills.

**Ansal Housing sets up office in NY** - Ansal Housing has set up a sales office in NY aiming to tap the Indian Americans wanting to invest in India's booming \$15 - billion real estate sector.

## **PARSVNATH DEVELOPERS**

**Parsvnath Dehradun SEZ** - Parsvnath Developers has received the final notification from the Central Govt for setting up an IT/ ITES - SEZ at Dehradun.

**Parsvnath to launch Rs 800 cr project** - Parsvnath Developers announced that it will launch a residential township in Indore at an investment of Rs 800 cr over the next three years.

***Parsvnath to build two luxury hotels in Jodhpur*** - Parsvnath Developers will construct two luxury hotels in its 110.4 - Acre Township in Jodhpur. The company has proposed to construct two luxury hotels, a 5 - star and a three star consisting of about 250 and 225 rooms respectively.

***Parsvnath mobile plan hits roadblock at DoT*** - Parsvnath Developer's quest for a mobile license seems to have hit a roadblock at the DoT. Parsvnath which is one of the seven realty firms in the fray for mobile licenses hasn't mentioned the business of telecommunications in its MoA.

## **SOBHA DEVELOPERS**

***Sobha Developers joins hands with QVC Realty for Gurgaon project*** - Sobha Developers Ltd announced its joint development with QVC Realty and Chintels India Ltd, to develop a 192 - acre integrated township on Gurgaon.

## **OTHERS**

***Malleria past million marks*** - The mall mania in town just grew bigger and moved north. A million sq feet of shopping space with a 13 - screen complex and built in amusement park, topped by a star hotel - is all coming up in Jessore Road. Being developed by the city- based Fort Group; the 1.1 million sq ft destination mall could stack against biggies like Unitech's Great India Place in Noida.

***Building goes green for a cause*** - Technopolis, India's first internationally certified 'green' IT complex, is earning over Rs 50 lakh by selling carbon credits every year. This comes across as a trend more and more commercial properties got the green way, not wanting to burn a hole, either in their pockets or on the ozone layer.

***Lifestyle, sport, film and Mozart-*** A giant shop-watch-munch-play destination will be unveiled in New Town Rajarhat by Puja 2008. Axis developed by Peerless Housing Development Company Limited will boast of the largest diamond mall in ton, big brands like Adidas and Nike, a Reliance Hypermarket, a six screen multiplex, a tennis academy by Mahesh Bhupati, a Mozart Gallery and more.

***Riverside luxury in reborn township*** - A Holiday Inn Resort is set to come up inside Calcutta Riverside, a part of the Rs 1,400 - cr Batanagar rejuvenation project. The 200 - room property, with 50 serviced apartments along with a 9 - hole golf course, will be the first of the chain in the state, located on the Hooghly.

## INDUSTRY NEWS

***Real estate market to touch \$90 bn in 8 years: Study*** - The base of Indian real estate market, growing at 30% is likely to touch \$90 billion by 2015 from the current level of \$14 billion. This will help the economy to grow between 9 and 10%. Organized retail alone has made the real estate most lucrative providing returns ranging from 20 to 30%.

***Garage norm gets stringer*** - Each new flat in city will come with at least one garage. And if the flat is larger than 2,000 sq ft in area, it must have two garages or more. The CMC has made it mandatory for residential buildings above 10,000 sq ft area to have garages in a city facing a parking space crisis. The norms, in effect from mid - September, have also been made more stringent for commercial buildings.

***Malls to go WI - Fi to make you hang around*** - Malls across Bangalore, Mumbai and Ahmedabad have gone WI - Fi to ensure executives and students spend more time in the mall. If earlier malls went innovative and introduced play zones for children to attract families, they are now providing a perfect work ambience for executives who can continue with their business while their families shop.

***Realty buildup for I-T coffers*** - Rising real estate prices are doing well for the Government's coffers as the income tax department's collections from real estate companies has risen by 277.27% in the first half of the current fiscal. Increased focus on the sector, especially by the investigation wing of the IT department, besides the rise in prices, were some of the factors that led to steep rise in tax collections from the sector.

***Foreign funds raise \$30 b for Indian real estate investment*** - Foreign funds and institutions have, till date, raised approximately \$30 billion to be invested in Indian real estate with an estimate of \$3 billion that has been committed. While a majority of the investment still remained either at the portfolio and SPV - level partnership, at 40% and

36% respectively, the number of entity - level partnerships formed 26% of the total investment in the sector.

***Going to town*** - Its' raining townships all over Indian and consumers aren't complaining. Every major town has its hubs coming up with modern, planned townships that offer consumers' apartments and lifestyles to match their 21<sup>st</sup> century needs. Where earlier the focus was on the suburbs, the development between 1995 - 2006 has ensured that suburbs are today preferred locations with values in many cases matching with city values.

***Carlyle eyes realty sector in India*** - Global private equity major Carlyle is eyeing a large share of the booming realty business in India. The fund, one of the largest private - equity funds in the world with more than \$75.6 billion of assets under management, is looking to make entity level investments in real estate companies in India.

***Realty's fast growth real nightmare for developers*** - The scorching pace of India's infrastructure and real estate growth has triggered a sudden spurt in project costs, forcing many developers to rework their contracts. This could slow the pace of mega construction projects.

***Spreading their wings wide*** - From telecom to healthcare to education, real estate developers are foraying into unrelated fields. The reasons range from easy cash flow in the real estate sector to the astuteness on the part of the realty doyens not to put all their eggs in one basket.

***Hedge funds make a beeline for real estate sector*** - Global hedge funds, which are on the look-out for multi - fold returns on their investments, are slowly entering the booming real estate sector. Though they do not have India - dedicated funds, they invest in the Indian market from their global or the Asia pacific funds.

***Banks slash rates as home loan offtake dips*** -The slowdown in retail asset growth and competitive pressure have forced banks to reduce rates on retail loans. After HDFC reducing floating home loan rates by 50 basis points, it is now turn of Axis Bank, which has reduced its floating home loan rates by 50 basis points to 10.50% for existing and new customers.

***Additional tax sops likely for SEZ developers*** - Developers and units in SEZs may be in for some additional service tax exemptions. The Centre is looking at the possibility of extending service tax exemption for authorized operations for services rendered both within and outside SEZs.

***Nagpur, Kochi lead tier III cities' realty revolution*** - Witnessing a robust real estate development across all sectors, Nagpur and Kochi lead the IT/ITES commercial space revolution among the tier III cities in India today.

***IL&FS to float second realty fund*** - IL&FS Investment Managers Ltd is planning to launch its second realty fund. The second fund will be 'one - and - a - half times the size of the first fund'. The fund managers expect to raise about Rs 500 cr. There is a green-shoe option to raise another Rs 500 cr.

***Realty majors go into discount drive*** - If you are contemplating buying your dream home, this is the right to make the deal. Come Friday, Developers will start offering a discount of 2 - 2-% for the festive period that will stretch up to Diwali.

***Online property deals gain ground*** - Online real estate transaction are rapidly gaining momentum in the country, with those in the 25-0 age group now contributing to 80% of business.

***Global real estate funds build hope on India Market-*** In the past nine months, overseas funds have raised around \$2.4 billion towards investment in real estate projects, and if the estimates are to be believed another \$1.1 billion will flow in before the end of this year- taking the grand total to a whopping \$3.5 billion.

***Indian realtors bite in to the global pie*** - Indian real estate developers are trying to find a foothold on foreign soil. Developers like DLF, Ansal, Puravankara and Hiranandani's are vying for projects abroad. Clearly, Indian realtors are making a name for themselves in the international market.

***Building big dream in concrete*** - A three - hour long workshop, Design Knowledge Series, organized by Tata Tiscon at Taj Bengal made a packed auditorium sit and listen to **Hafeez Contractor** till the end. Architect **Karan Grover** made some informative presentations

about popular contemporary commercial structures. The objective of the workshop was to create knowledge - sharing platform for architects and structural engineers.

***Realty players' jump on service apartment bandwagon*** - With a stupendous rise in business and tourist travel, the service apartment segment appears to be carving out a niche for itself within the hospitality sector.

***Posh township set for a Sec V - style makeover*** - Salt Lake is set to acquire a new look with its municipality appointing a top ad agency, to embark on a beautification drive in the VIP township with an emphasis on improved streetlights and better bus shelters.

***Real estate accounting under lens*** - The Sebi has asked the ICAI to clarify the accounting standards that real estate companies have to follow. The capital market regulator noticed that different real estate firms have been using various methods for accounting revenues.

***Rising realty prices in Bengal hits hotel sector*** - Rising real estate prices in West Bengal have prevented development of budget hotels in the State, especially in Kolkata. There is an immediate need of 3,000 budget rooms in WB. However, rising prices have not helped in development of budget hotels in the State.

***SEZ developers call for fair pricing formula from states*** - Leading SEZ Developers want a fair pricing formula from state Govt for buying land for their proposed projects from land owners. The move comes in wake of the new rehabilitation and resettlement policy which says the state Govt will acquire 30% of the requisite land, provided the SEZ developer has acquired a majority 70% from landowners.

***Developers told to define carpet area clearly*** - Real estate developers will now have to define carpet area when making commercial deals after the Monopolies & restrictive Trade Practices Commission came down heavily on realty major DLF for suppressing norms while fixing the actual covered area.

***Godrej arm eyes city projects*** - Godrej Properties, the realty arm of Godrej group, which plans to establish a pan - India presence over the years, is also looking at Kolkata to boost its real estate activities.

***RBI suggests more curbs on VC finds, FDI in real estate*** - The RBI has recommended to the finance ministry a series of measures to cur investment flows from venture funds and into real estate. These measures are expected to help check part of the huge inflows of foreign capital, particularly since the last week of July, and plug loopholes in foreign investment norms.

***Small airport project plans may boost realty prices in Bengal*** - The West Bengal Govt's plan to develop small airports across the State is likely to have a positive impact on real estate prices in places where they have been proposed.

***NRI's fuelling property demand*** - India has a housing shortfall of 26 million units with the bulk of demand coming mostly from NRIs, making it a rich property market for developers to tap.

***IT zones in Bengal cleared*** - The BoA for SEZs gave formal approvals to TCS and Bengal Shrishti for IT zones in Bengal. The IT project of Bengal Shrishti will be near Asansol in over 10 hectares, while TCS plans to build its IT zone in over 16 hectares at New Town, Rajarhat.

***LIC's turning builder buys land for commercial development*** - LIC is aggressively getting into the booming real estate market. The insurance major is in fact, outbidding some leading private real estate players to acquire huge tracts of land all over the country. LIC proposes to develop these properties and turn them into new age commercial office complexes and subsequently lease them.

***Mantri sees Hyderabad, Chennai driving realty boom*** - The built - up area in Chennai and Hyderabad under construction is much larger than Bangalore. And this is only set to grow in the coming years. The reasons for this are that costs are lower in these two cities, and the fact that not many new projects are available in Bangalore.

***Now venture capitalists eye the real pie*** - In order to invest in definitive and planned projects, largely with established developers a number of real estate private equity funds, of late, have been setting up shops in the country.

***Realty's top draw for Indians' investing abroad-*** Indians investing overseas prefer real estate to other exotic products. With their eyes firmly fixed on the India growth story, most investors are not looking at other options abroad. With rupee stronger than ever was in the past 10 years, this idea is a gaining ground.

***Realty web site makaan.com launched*** - The People Group's consumer Internet Division. People Interactive, now offers a real estate service online at Makaan.com. The web site will help users make decisions related to buying, selling, renting and leasing of properties, in India and key global geographies.

***LIC open to building townships*** - LIC if India set itself a target of Rs 52,000 cr for first premium income for the current year, compared with Rs 39, 541 cr in 2006-2007. The company is open to building townships also.

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