

HIGHLIGHTS FOR JANUARY 2008

~SHRACHI GROUP~

DIRECT NEWS

Bengal NRI Complex Ltd. - A press brief was organised in December at Mayor's Room to commemorate the cheque giving ceremony of Rs 1 crore as an advance to its proposed total amount of Rs 6 cr. A remaining coverage appeared in The Statesman in the month of January titled, '**KMC Road to get pvt touch**'.

Rosedale - Architecture Design, a magazine on real estate & architecture was pitched for Rosedale; the coverage appeared in the December issue of the magazine.

PARTICIPATION IN INDUSTRY ARTICLES

Coverage appeared in:

- The Economic Times
- E-xpress (A special supplement from The Economic Times)

SNAPSHOTS

For the last couple of years we are experiencing a zooming boom in real estate prices. Keeping in view the reports coming in the media, it seems that the trend will never stop at least in the near future or at least in the next 10 years. But the big question is whether the current trend can be sustained or is it just bubble? After seeing the outcome of the reckless investments in East Asia and now the sub prime crisis in the US, the time has come to figure out if we are really in need of more and more residential units & the possibility of a crisis emerging in the sector.

With the government likely to lift the 5,000 hectare cap on mega special economic zones realtors are an upbeat lot these days. The market is keenly watching the scenario and evaluating what the after effects will be on real estate sector a social environment if the cap is actually lifted.

DLF Hilton plan first branded residential hotel in Goa- Residential hotels are all set to debut in India. Such hotels combine the flexibility of a vacation home with the service of a hotel. Real-estate developer DLF will soon come up with India's first branded residential hotel with the Hilton Group in Goa.

Unitech among top ten pvt cos - Unitech joined the club of country's top ten most valued private companies, following a 6% surge in its share price.

Parsvnath close to signing pact with Marriott, ITC, others - Parsvnath Developers is close to tying with JW Marriott, Starwood Intercontinental and ITC for several hotels it plans to build. Parsvnath to build 17 hotels involving an investment of Rs 2,000 crore by 2011. All these projects are at different stage of implementation.

Parsvnath lines up Rs 60K cr investment - Parsvnath developers has announced an investment of Rs 60,000 cr in next 5 years in diversified areas such as SEZs, airports, express ways and retail business.

Emaar MGF showcases model of lifestyle villa - Emaar MGF showcased the model of its ambitious integrated township project, Mohali Hills, is being constructed at 3000 acres. Carrying price tag of over Rs99 lakh per unit, these villas are a part of the residential project of the Dubai-based company. The villas are not just a blend of style and form but it also promises to be the epitome of fine living by offering the best from Andalusian, Mediterranean and Spanish structure.

Mass Housing Needs a Policy Change- At the ETIG Knowledge Forum on 'Budget with The Economic Times on Real Estate' in association with Asipac, a host of industry experts like Amit Bagaria, Rajnikant Ajmera, Nainesh Shah, Irfan Razack, Kuldip Chawla, Angshuman Magazine, Sanjay Verma & Ransiman came together to discuss the challenges that exist in providing mass and affordable housing in India and the necessary policy changes that the government needs to consider.

COMPETITORS IN NEWS

DLF

DLF may bring Swedish giant Ikea to India - DLF is in talks with the world's largest home furnishing retailers, Ikea, in a bid to bring the Swedish brand into India.

DLF Hilton plan first branded residential hotel in Goa- Residential hotels are all set to debut in India. Such hotels combine the flexibility of a vacation home with the service of a hotel. Real-estate developer DLF will soon come up with India's first branded residential hotel with the Hilton Group in Goa.

DLF- Real estate firm DLF today entered the elite club of companies with a market valuation of over Rs 2 lakh crore. The other members of this elite group are Reliance Industries, ONGC and NTPC.

DLF joins hands with Gayatri Projects - DLF inked a MoU with infrastructure firm Gayatri Projects Ltd (GPL) to develop road and highway projects across India. The 50:50 alliance plans to bid for large infrastructure projects -Rs 2,000 - 4,000 crore.

DLF sells stake in Kenneth Builders to Indiabulls - DLF sold its stake in Kenneth Builders and Developers to its equal partner in the venture, Indiabulls Real Estate.

DLF net rises 6% on higher realizations from projects - DLF posted a third quarter consolidated net profit of Rs 2,139 cr. About 6% higher compared to the 2nd quarter of FY08, as the company saw a growing demand for houses and offices and booked higher realizations from execution.

UNITECH

Unitech among top ten pvt cos - Unitech joined the club of country's top ten most valued private companies, following a 6%surge in its share price.

Unitech takes a hot on mega fund raising plans - The real estate companies hunger for funds never seems to get over. There is buzz in the market that Unitech is planning to

raise a massive \$ 1.5 billion or Rs 5,850 crore through a QIP issue to fund its expansion plans.

Unitech to list office trust unit in Singapore - Unitech Ltd said that it has received a green signal from the Singapore Exchange for the Initial Public Offering of 'Unitech Office Trust', in the island nation.

Unitech plans - Unitech Ltd will raise up to \$ 1.5 billion through qualified institutional placement (QIP) to fund new and existing projects.

Unitech to sell 10-15% stake to telecom partner - Unitech will sell 10-15% stake to a foreign company in its telecom services operations.

PARSVNATH DEVELOPERS LTD.

Parsvnath close to signing pact with Marriott, ITC, others - Parsvnath Developers is close to tying with JW Marriot, Starwood Intercontinental and ITC for several hotels it plans to build. Parsvnath to build 17 hotels involving an investment of Rs 2,000 crore by 2011. All these projects are at different stage of implementation.

Parvnath's IT park in Gurgaon - Parsvnath has bagged an order to develop an IT park in Gurgaon, that is expected to generate Rs 650 crore within two financial years.

Parsvnath to build pharma SWZ in Nanded - Parsvnath Developers will set up a pharmaceutical SEZ in Nanded, Maharashtra. The company will hold 74% equity in the project.

Parsvnath contract - Parsvnath Developers Ltd has bagged the construction contract for the Sai Ashram at Shirdi. The contract value is Rs 90 crore and the company will construct dormitories blocks, residential blocks, an open air theatre restaurant blocks security rooms in the ashram spread over a built-up areas of approximately 10 lakh sqft.

Parsvnath lines up Rs 60K cr investment - Parsvnath developers has announced an investment of Rs 60,000 cr in next 5 years in diversified areas such as SEZs, airports, express ways and retail business.

Parsvnath in talks for hotel tie-ups - Parsvnath Developers is learnt to be in talks with one Indian company and two international players for its hotel projects. ITC Ltd is among the forerunners with which Parsvnath is likely to tie up.

PS GROUP

PS group mulls IPO in June - PS Group plans to hot the capital market with a Rs 800 crore capital issue in June.

EMAAR MGF

Emaar MGF showcases model of lifestyle villa - Emaar MGF showcased the model of its ambitious integrated township project, Mohali Hills, is being constructed at 3000 acres. Carrying price tag of over Rs99 lakh per unit, these villas are a part of the residential project of the Dubai-based company. The villas are nit just a blend of style and form but it also promises to be the epitome of fine living by offering the best from Andalusian, Mediterranean and Spanish structure.

Emaar MGF to raise \$1.79 bn from IPO - Emaar MGF said that it will enter the, market to mop up anywhere between \$1.58-1.79 billion through issue of 10.25 crore equity shares in the price band between Rs 610-690.

Emaar MGF to add 5k rooms in five & four-star hotels in 5 years - Emaar MGF Land Ltd, a JV between Emaar Properties PJSC of Dubai and MGF Development of India, is set to add 5,000 rooms in he five & four star category hotels in the next five years as part of its pan-Indian plan of developing 30,000 rooms by 2015.

Emaar township near city - Emaar MGF Land Ltd is planning to set up its first integrated township in the eastern region on a 30 acre plot near Kona Expressway on the outskirts of the city.

OTHERS

Future Group Join hands for housing projects- Kishore biyani's Future Group has entered into a joint venture (JV) with realtor Sumit Dabriwala of Highland Group to develop fully furnished and air conditioned branded residential apartments across India. This will be the Future Group's first foray into organized real estate residential segment.

Walton, Shriram Jv may go beyond city- The partnership between the US based Walton Street Capital and Shriram Properties, the real estate arm of Shriram Group may go beyond Kolkata. A Walton Street senior executive said the company would like to fund township development in Chennai, Hyderabad and Bangalore in association with Shriram Properties.

AIGGIG to roll out real estate fund via PMS route- AIG Global Investment group(AIGGIG) which already has some exposure into the Indian real estate market, rolling out India focused real estate fund through the portfolio management service (PMS) platform within a few weeks.

CHD Developers to invest Rs 1,000 cr on expansion- Real estate firm CHD developers Ltd plans to invest Rs 1,000 crore in the next four years to develop its ongoing projects and for expanding business at new centres such as Bangalore and Udaipur.

Sobha developers Q3 profits rises 33% - Sobha Developers has posted 33.69% higher profits of Rs 61.10 cr for the 3rd quarter ended December 31'07.

INDUSTRY NEWS

Realty firms rule IPO mart in 2007 - Real estate companies mopped up the most amount through initial public offers (IPO) on the stock exchanges during 007, according industry body Assocham.

Property title insurance in the offing - Property transactions in India will soon have an insurance cover to fall back in case something goes wrong in the deal. The country's two large private sector insurers, ICICI Lombard General Insurance and Bajaj Allianz General, are planning to launch title insurance covers this year.

Home, consumer loan rates nay decline - Interest rates on home and consumer loans could decline from the second quarter onward.

57 formally approved SEZs to get ministry's wake-up call - The commerce ministry will shortly send a second set of notices to 57 formally approved SEZ that have land in their possession but are yet to be notified.

Mall developers seek new hotspots outside metros to avoid stagnation - The year 2008 will see mall developers in India eyeing new destinations to meet the growing demand for shopping and entertainment. In the 2nd quarter DLF Retail's Townsquare is being launched in Sector-18, Noida, whereas, Today Home's mall will come up in Chandigarh during the same period.

Mid segment hotels grow in tier II and tier III cities - Spiraling real estate prices in urban areas, shortage of spaces in big metros and rising demand for affordable holiday experience among middle-income domestic tourists are leading to a growth in the mid-segment hotels in tier II and III cities.

Brigade to invest Rs 1,000 cr in six hospitality projects - Brigade Hospitality Services is planning to invest Rs 1,000 over the next three years in six hospitality projects. These include a 135 room service-apartment in partnership with Accor in Bangalore that is expected to be operational in a year.

Goa scraps existing SEZ policy - Bowing to public pressure, the Goa government on Monday formally announced it was scrapping the SEZ policy for the state.

ITC to expand Rs 4K for hotel expansion - ITC Welcome Group, the hospitality arm of the \$5 billion tobacco giant ITC Ltd, is setting the stage for a massive pan-India roll across all its brand offerings. Leading the pack on the investment front will be its super luxury offerings for which Rs 4,000 crore has been earmarked till 2010. The select cities are - Goa, Ahmedabad, Hyderabad, Bangalore and a city in Kerala.

Indian retailers, design firms scouting for talent from Europe - Design is longer only about fashion designing. With the retail sector set to grow big time in India, the role of retail and product design has become vital. With heightened awareness and sensitivity to good design, adequate skilled manpower is the need of the hour.

Retailers getting health and beauty conscious - Last year, saw a major action in the organised health and beauty (H&B) retail market as several big players like Dabur and Reliance Retail announced their foray into the segment. Pantaloon retail is planning to launch a H&B format soon.

Reliance Retail inks Rs 140 cr land deal for Trends stores - Reliance retail has recently entered into a Rs 140 crore land deal in Bandra, Mumbai to set up its first 'Reliance Trends' premium apparel retail store of 24,000 sqft.

Low-cost interiors for home buyers - The Calcutta chapter of Indian Interior Designers (IIID) has rolled out a four-pronged initiative, working in tandem with Credai, to help LIG and MIG flat-owners make an informed and cost effective choice with their apartment interiors.

Buzz over new mega mall - With some of the biggest brands under its belt, the South City Mall, coming up at Prince Anwar Shah Road, is poised to break all records with footfall estimated to touch 50,000 on weekdays and 70,000 on weekends.

Now bust your lifestyle stress at concept homes - 'Stress free' home is the new buzzword in the \$12-bn Indian Real estate market. Busting stress with a spa, swimming pool, a party room, a sports room and a gym at home could be your next fancy.

Non-apparel retailing next stop for Megamart - Arvind-mill promoted retail chain Megamart is expected to venture into non-apparel retailing by adding new categories such as luggage, footwear and lifestyle electronics at its larger format stores under 'Megamart' outlet centres.

Kolkata firm enters new business model - The Mani Group of Kolkata which is setting up a 710,000 sqft mall in the EM Bypass at an estimated investment of Rs 125 crore, has initiated a new business model with retailers who have taken up space in the mall. Instead of paying any rentals, the retailers have to share a portion of their sales proceeds with the promoters of the mall, with a minimum guaranteed amount thrown in.

LIC Housing readies reverse mortgage product - LICHFL has readied its reverse mortgage product which can be launched 'any moment'.

Hampshire Hotels starts India foray with rs 5k cr - New York based hotelier and chairman and CEO of Hampshire Hotels and Resorts Sant Singh Chatwal announced an investment of around Rs 5,000 crore across India to develop 25 hotels over 4 years. Chatwal wants to pump in a major amount of investment in Punjab.

Realty boom lands Gurgaon farmers in land of millionaires - More than 85% lands of Ullawas village in Gurgaon, are sold to the private developers for SEZ, IT, commercial and residential projects.

Facelift plan for Howrah station - The Howrah Station complex will go under a major overhaul. Apart from a multiplex and shopping mall; it may also have an office block and classy multi-storey apartment blocks overlooking the Hooghly as well as a star hotel.

Mayor vows to save pond from the realtor - Mani Group's bid to take possession of pond in front of the Purbasha Housing Estate, off the EM Bypass, for a project turned into a standoff with the residents and nearby slum dwellers.

Real estate sector seeks special residential zones - The real estate industry sought introduction of special residential zones (on the lines of Special Economic Zones), to ensure affordable housing in the country. Mr. Kumar Gera, Chairman of CREDAI (Confederation of Real Estate Developers' association of India) expressed in a press conference in New Delhi.

Pantaloon retail to expand Future Money outlets pan India - PRIL, the flagship company of the future group is planning to expand Future Money outlets from the existing 95 to 400 in about 40 cities across India by 2010.

ICICI Home Fin sees credit growth falling in FY08 - ICICI Home Finance expects its growth to decline by almost half this fiscal after higher interest rates forced people to deter purchase of houses.

Banks face rising defaults from retail loan borrowers - Non-performing assets (NPAs) from retail loans of commercial banks are set to rise, according to a recent report by rating

British retailers point to slowing economy - Consumers have been tightening their belts after a string of interest rate rises slowed a once booming housing market.

LIC Housing to raise Rs400 cr via bonds - LIC housing Finance, a part of India's largest insurer Life Insurance Corporation, is looking to raise Rs 400 crore in bond sale next week.

Yes Bank eyes MF, retail broking - Yes Bank plans to enter the asset management and retail broking businesses in 2008-09.

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REIT: Boost For Property Sector-The introduction of real estate Investments Trusts will lead to an increase in construction activities which ultimately benefits the end user.

Real estate developers fear Mumbai property rates may shoot through the roof soon- Real estate developers fear 30% to 50% increase in prices as well as demand for property in Mumbai, Pune, Nasik, Chennai and Bangalore, compared with ongoing steady demand and prices in Delhi and the NCR region from March 2008 onwards.

NEWS IN BRIEF- NATCON 2008 HIGHLIGHTS " REAL ESTATE" FOR ALL-KAMAL NATH, minister of commerce & industry and Kumari Selja minister of state,(IC), housing and poverty alleviation emphasized the need for affordable housing, while addressing Natcon 2008, CREDAI's 7th National real estate convention in the capital.

Future on eastern sojourn - Kishore Biyani's Future Group is ramping up its retail presence in the eastern region. The group has been silently signing up properties in Howrah, Siliguri, Bardhaman, Dhanbad, Ranchi, Darjeeling and Asansol to open stores and occupy approximately 14 lakh sq ft of eastern India's retail space by March 2008.

South City Mall may open today - Spread over one Million sq ft, the mall on Prince Anwar Shah Road is part of the 31.14 acre new generation residential-cum commercial project. The total investment outlay on the mall alone has been pegged at Rs 650 crore.

IL & FS co to buy 50% in realty firm - IL & FS controlled real estate firm QVC Realty is investing Rs 300 crore for 50% stake in an integrated township project being developed by Delhi-based real estate developer Uppal group. The JV between Uppal Housing and Bangalore based QVC, called Uppal QVC realty, will develop the 150 acre project in sector 99 of Gurgaon near Delhi.

LIC Housing Finance Q3 net rises 38% - Spurred in by higher net interest income, LIC Housing Finance Ltd reported a 38% increase in Q3 net profit at Rs 106.02 crore, against Rs 76.61 crore in the corresponding quarter of the previous year.

LIC to ramp up realty portfolio - LIC announced that it plans to consolidate its real estate portfolio across the country. LIC forayed into real estate in 2005 in an attempt to get more returns from its properties.

Royal Orchid Hotels India property - Royal Orchid Hotels Ltd. opened its 10th property in Pune called Royal Orchid Central. The group has announced to increase its footprints to cover all metros by 2010.

Tax sops planned for 'green' rated buildings - Centre is looking at offering tax sops, including possibly property tax breaks, for developers of energy-efficient buildings, which are to be graded for a 'greenness' certification ranging from one to five stars.

Taj Hotels launching property in Bhutan - The Taj Group of Hotels would be launching a new property named "Taj Tashi" under its leisure portfolio in Thimpu, Bhutan on January 23.

Royal Orchid to take signature restaurants pubs across hotel brands - ROHL will take its various hotel formats and is set to unveil a new pub that will first be set up at Pune before being launched in its properties elsewhere.

Future Group to sell apartments thru retail formats - The Future Group is expected to sell its 'walk-in apartments' through its various retail formats beginning with its Big Bazaar outlets.

Good news for homebuyers, 10-15% drop in rates likely - According to property pundits, rates in the residential sector in the suburbs of the metropolitan cities like Gurgaon are expected to decrease further by 10-15% in 2008. The drop will be visible in the high-end resident sector, primarily owing to oversupply.

Realty, Oil& Gas, Bankex lead Sensex fall - Realty index, Oil & gas index and Bankex led the sharp fall in stock process in the last five days, which was the Bombay Stock Exchange's Sensex suffer its sharpest ever continuous drop.

Retail investors pay for high leveraged positions - It was a zero-sum game for the retail investors who took leveraged positions in the derivatives segment. Retail turnover clocked anywhere between 60-67% in the last five months.

Red Fort Cap to invest Rs 2,700 cr in realty - Private Equity firm Red Fort Capital plans to invest about Ts 2,700 crore in real estate by 2009, including acquisition of 2,500 acres of land in over 20 cities across the country.

Retail investors left out of market rally - Market have crushed and bounced back too, but the retail investors were once again left out. Due to the index circuit filters and margin limits, the retail investors face difficulties.

Tanishq embarks on retail expansion to double sales - Tanishq is embarking on a retail expansion with an aim to increase sales by 50 % to touch a turnover of Rs 3,000 crore in 2008-09.

Big Bazaar plans expansion - Big Bazaar, the hypermarket of the over Rs 4,000 crore Future Group said that it will invest Rs 3,000 cr for expansion un next 2 years.

Essar plans new co for realty operations - Diversified business conglomerate Essar Group is venturing into India's growing real estate market by floating a new company - Essar Realty Holdings - to carry out all its real estate operations.

Reliance Retail plans tie-ups with global biggies - Reliance retail is in negotiations to seal similar deals in the current year. The retail major is in talks with three to four global players for exclusive tie-ups in specialty retail space.

Subprime borrowing in real estate - Subprime lending refers to the practice of extending credit to those who do not qualify for regular loans at the prevalent market rates because of their poor credit history.

Walton bets big on Calcutta real estate - Real estate private equity firm Walton Street Capital is planning to enter Calcutta's realty market.

Heritage house to turn into a hotel - Kolkata is all set to have its first heritage building converted into a hotel and the one none other than Lady Rani Mookherjee's house on Ho Chi Minh Sarani. The news, confirmed by the city mayor, has created ripples as a Singapore-based Wellside Infrastructure Private Ltd headed by Mr. Aditya Poddar has planned a 150-room multi-storied hotel at the rear of the building.

Realty cos cry for rate cut to boost sales - The housing market in India is witnessing a fall in sales & price correction, as exorbitant prices and higher interest rates have cut into demand in the past several months.

Government forms panel for affordable housing for all - The government has constituted a high-level task force to look into the various aspects of providing affordable housing for all, and sought the participation of the private sector in reutilizing its goal.

High rates hit home loans growth - Rising interest rates have hit banks' consumer finance business, particularly the housing loan segment.

Home loan rates to fall - Home loan rates are set to head south. The RBI's credit policy is expected to cut the rates at which it lends money to banks, which in turn will pass on the benefit to those who have taken home or personal loans.

Retail stop in alternative IT hub - Bantala, billed as an alternative IT hub to Sector V and Jagdishpur, will welcome its first dedicated retail address in less than three years.

Reddy nudges banks to take cut call - Home loan seekers and corporate borrowers fishing lower interest rates may bank on some tough talk by RBI governor YV Reddy.

Experts to probe problems posed by mega mall - A week after local residents staged a roadblock in front of South City, alleging that the mega mall had been causing huge traffic jam in the area; the state government has decided to send a high-level team to look into various complaints against the high-rise cluster.

Real estate czars in a rush for development of Railway land - Railway land has emerged as hot property with real estate majors such as DLF, Emaar MGF and Unitech lining up to commercially exploit the land on offer: Over 20 real estate companies have bid for developing each of the 10 locations for which Rail Land Development Authority (RLDA) had recently invited technical qualification bids.

Landmark Group set for \$10b retail acquisition - The Dubai based Landmark Group is all set for two major retail acquisitions, one each in US and the UK, at a total investment of about \$10 billion.

Bharti raises the bar for Rajarhat prime plot - Bharti Airtel is about to redefine the land pricing matrix for technology ventures in the Rajarhat IT zone, Kolkata.

Mass Housing Needs a Policy Change- At the ETIG Knowledge Forum on 'Budget with The Economic Times on Real Estate' in association with Asipac, a host of industry experts like Amit Bagaria, Rajnikant Ajmera, Nainesh Shah Irfan Razack, Kuldip Chawla, Angshuman Magazine, Sanjay Verma & Ransiman came together to discuss the challenges that exists in providing mass and affordable housing in India and the necessary policy changes that the government needs to consider.

House that? - As the Indian economy grows, there is rapid urbanization in tier -I, II & III cities and real estate is at the forefront of this transformation. At the Economic Times Budget Forum on real estate eminent panelists highlighted how real estate is emerging as a driver of urbanization and an engine of economic growth in India.
