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₹ Fall Pushes Delhi-NCR Luxe Unit Sale

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DESPITE the falling rupee and because of a freeze in real estate prices for around six months, the luxury unit's sales in Delhi-NCR have gone up by around 25 percent in the current fiscal. Both the NRIs and domestic consumers have played their respective roles in this sales escalation.

RK Arora, CMD, Supertech said, "Luxury projects are designed to cater to a very specific target group and affluent segment of the society, who can afford the exclusive offerings of the segment and are always seeking something better. India has the fastest growing number of high net worth individuals in the world and real estate comprises approximately 40 percent of their investment portfolio."

Arora went on to add that the fall of the rupee by around 20 percent in the last six months has opened a window of opportunity for NRIs to buy a unit back home. "Falling rupees has given NRIs a right opportunity to invest in the Indian real estate market. NRIs will be

the rise in India, not only in Delhi, Gurgaon and Noida but also in other cities like Panipat, Karnal, Meerut, Ghaziabad." However, he was optimistic for the luxury unit's sales to scale further in the Dwarka Expressway, New Gurgaon, Greater Noida, Yamuna Expressway, etc, the major pockets of the luxury apartments being made in Delhi-NCR.

Elaborating on the expected good returns for the domestic real estate investors in the luxury units, Ajay Aggarwal, MD, Microtek Infrastructure said, "The current economic scenario has seen FIIs fleeing the country. But once things stabilize, the return of FIIs is imminent as India remains a lucrative investment destination. The new RBI Governor has shown his intent and exuded confidence in both the Indian market and global investors with his plan of action. However, his plans and implementation roadmap will be a thing to watch out later this month when he presents his first credit policy." The Microtech MD went on to add, "Our domestic consumers tend



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keen in doing advance payments while the rupee is still weak. At the moment any NRI buying a property in India can save around 20-30 percent on its property value," Arora said.

Mohit Goel, CEO, Omaxe said, "Increasing rate of HNIs, rapid urbanization and spurt in the NRI/PIO community has accelerated demand for luxury housing. The fall in rupee has only made property cheaper for NRIs looking to invest in India."

Goel said that queries for luxury units in Gurgaon and Noida have shot up but the current economic scenario has opened a window of opportunity for the luxury unit's business in other major cities also. "There has been a rise in NRI queries and off take in the luxury segment and more so with some drift in preference towards the non-metro markets of Lucknow, New Chandigarh, Indore, Bahadurgarh, Sonapat, Bhiwadi, Ludhiana, Faridabad, etc."

On the role of the domestic buyers, Ravi Saund, COO, CHD Developers said, "Rise in demand for luxury housing is mainly guided by location of the project and the facilities on offer. The upper-middle class is beginning to graduate to luxury living in western-styled homes with ultra-modern facilities. And this segment is on

to invest more when prices are under pressure." He said that NRIs have their role in sales escalation but domestic consumers of the type mentioned above have a major role in this rise of luxury unit sales.

KK Goel, chairman, KDP Infrastructures said, "Coupled with the spurt in NRI investments, the elite segment is also looking for luxury options as for them it's more like becoming a 'life statement' - the way they live. They don't mind spending money on comfort and luxury living. So, the demand is scaling in the high end - innovative luxury/theme projects. They are shifting their needs to live in societies with all sorts of comforts and security. This is a new phenomena the real industry is sensing."

He was of the view that for domestic consumers, the changing lifestyle, growing exposure to overseas living and attraction of handsome return are major factors in the growing sales of luxury flats. And, for NRIs, a luxury flat in India is equal to normal living for them. They buy luxury flats for diverse needs - from having a place for stay in India during yearly visit to have a permanent address here in case they decide to come back, so on and so forth.

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