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Profitable EXPANSION?



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WITH the National Capital Region Planning Board giving a nod to the inclusion of three more districts — two from Haryana (Bhiwani and Mahendragarh) and one from Rajasthan (Bharatpur) to NCR earlier this week, the realty scene is agog with anticipation.

While the NCR tag is nothing less than a 'golden' frame for any area realtors and experts are taking this development with a pinch of salt. Anil Kumar Sharma, President, CREDAI-NCR, says, "Merely adding these areas to NCR will not serve the purpose unless infrastructure is developed in a rapid and planned manner. The decision should be followed up with preparation and implementation of master plan as

soon as possible otherwise builders will start accumulating land, leading to speculative price rise."

Analysts also point out the fact that a lot of vacant land is still available in other areas of NCR such as Noida, Greater Noida, Faridabad, Gurgaon, Manesar, Bhiwadi, Kundli etc. "As of now people are yet to move into these places. A lot of investors have invested in these regions but the actual buyer has not come in. For example some of the newer areas in Gurgaon have a lot of investors and speculation has led to high prices being quoted, and as a result the end user is not coming forth to buy property here. The investors, too, have a limited holding power and this price bubble is sure to burst sometime soon," says Harsh Trehan, CMD, Trehan Home Developers while expressing



fear that the announcement of the inclusion of these three districts might lead to a price bubble there too, which may not be a good sign for the real estate market on the whole. He further adds, "The point is when end-user is not going to the existing areas that have seen some development already, why will they go to newer areas recently added to the NCR map."

"I believe the government should first concentrate on the current NCR areas. A lot of infrastructural development is needed in places such as Bulandshahar, Bhagpat, Bhiwadi, Manesar etc. I would have been happy if the NCRPB had announced some development plans for these regions," says Sumit Berry, MD, BDI Group. Inclusion in the NCR

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As per the latest figures, Delhi-NCR houses 21 million people. In 2025, says the UN State of The World's Cities report, the number will grow to 28.6 million. Further, as per a study, NCR is expected to witness the highest demand across mid and high-end segments at 381,000 units during 2012-2016. With land in short supply, the Government of India with the active support of concerned states has taken a futuristic step to fill in the gap in demand and supply of land in the region for housing and other needs. At the same time, we hope this decision will be followed up with swift implementation.

Ajay Aggarwal, Managing Director, Microtek Infrastructure

means funding for infra projects for these districts at rates as less as 7 to 8 per cent from NCRPB, which should ideally give a boost to development projects. But a look at the infrastructural development in areas like Bulandshahar, Hapur, Bhagpat and even Merrut in spite of being on the NCR map for several years is nothing much to be elated about. Bhiwani and Mahendragarh are not among the developed districts of Haryana and it will be a long haul for these areas to be at par with their glamorous 'cousin' Gurgaon. While the real makeover of these districts is still a distant dream, speculators have already become active here after the announcement of NCRPB four days ago. Bhiwani-based real estate broker Santosh Chaudhary informed that the

Expansion in terms of area
Bhiwani
5,099 sq km.
Useful agriculture land: 411976 lakh hectare
Mahendragarh
1859 sq km
Useful agriculture land: 280380 hectare
Bharatpur
5066 sq km

Areas in NCR before this week's expansion decision
National Capital Territory of Delhi (NCT-Delhi)
Haryana sub-region
Faridabad; Gurgaon; Rohtak; Sonapat; Rewari; Jhajjar; Mewat and Panipat
Rajasthan Sub-region
Alwar district;
Uttar Pradesh sub-region
Meerut; Ghaziabad; Noida & Greater Noida; Bulandshahar; Baghpat and Hapur

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