



NATIONAL
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14TH NAR-INDIA ANNUAL CONVENTION AT BANGALORE PALACE - AUGUST 6 AND 7

Indian Realtors Display Intense Unity and Massive Strength

The Most Awaited
**Real Estate
Convention**

14TH NAR India
Annual
Convention

In a show of solidarity with the real estate sector's stalwarts and key industry speakers, NAR-India team has amply demonstrated that they are here to play a key role for the sector's all-round development, reports V Nagarajan.

The 14th NAR-India annual convention held at Bengaluru Palace drew over 2,000 realtors across the country to interact and learn from the industry experts on the current market scenario, emerging trends and network with fellow realtors. The event was organised by convention chairman Pradeep Joe. The convention was also attended by international delegates from other countries.

NAR-India President Samir Arora, inviting the delegates and international delegates who have specially flown to attend the occasion, said that real estate is the second largest employment generator and contributor to GDP. "The knowledge partner, IIM-Bengaluru, has been extremely happy to be associated with NAR-India," said Samir Arora.

It has been estimated that by 2030, real estate market is expected to reach US\$1 trillion market size. Retail, hospital and commercial real estate are growing significantly providing much needed infrastructure for India's growing needs. The central and state governments



have taken several initiatives to encourage development of real estate sector on which realtors depend on. The development of 100 smart cities is a huge opportunity for realtors.

Credai National President, Harsh Vardhan Patodia, expressed gratitude to realtors for overcoming the Covid-19 pandemic challenges. "We are looking at revival in sectors like residential, commercial, warehousing, retail and other sectors. Nowadays, people prefer larger homes. The sector is witnessing figures crossing pre-Covid levels across micro markets, a clear indication of the very high growth set for the next 2-3 decades. Real estate market size will touch US\$1 trillion by 2030 contributing to 15% of the GDP and 250 industries are dependent on the sector both directly and indirectly," said Patodia.

According to Patodia, real estate sector has become organised, transparent, generated trust and confidence among all stakeholders and customers. "There is a major change in the business model and it is now mainly customer driven. There are challenges like hike in input costs, interest rates but it may be a short-term blip. First, the industry has to be more sustainable. Second, the use of technology in all aspects of business and need for continuous product improvement, community development approach, safety and security of all residents," said Patodia.

NAR-India chairman Ravi Varma thanked title sponsor Prestige group and all other sponsors for supporting the convention. He was proud to see a world class event organised at short notice. "NAR-India has membership with all professional indus-

tries and organisations like FICCI, CII, etc. The association has represented at most levels in the government and delegation is already happening and I am sure we will march into the future," said Ravi Varma.

The 2-day event saw panel discussions on a wide range of topics including new era of investments in real estate, strengthening the developer-realtor bond, residential market dynamics post-pandemic, future of real estate 360 degree, Indo-US partnership for growth, legacies and commercial real estate-future of workspaces. This is apart from breakaway sessions covering a wide range of topics including differentiate or die, real women realtors, mindset of high achieving entrepreneurs, data assimilation, innovations in the realty space, social media, how to sell to introvert personalities and quiet customers, RICS, financial speaking - macro to micro, power of first impressions, 360 degree marketing and self branding, Oops moment in business-key learning from the veterans, how to scale up your business, hacks in business panel session, digital strategies practically and growing beyond boundaries.

A significant highlight of the event is the depiction of meteoric rise of a school dropout auto driver and amazing entrepreneur Annadurai who has revolutionised customer interaction in the 21st century. He has displayed his verve and vitality while establishing ingenious ways of driving customers to his fold and creating a lasting impression among customers. In a straightforward narration of his arduous journey, the delegates at the auditorium were spellbound and gave Annadurai a well deserved and thunderous standing ovation for his entrepreneurial journey.

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Indian Realtors Display Intense Unity and Massive Strength

Continued from page 1

It is not an exaggeration to say that he has made customers wait for him unlike his peers who are waiting for customers for business.

Significantly, knowledge partner, IIM-Bangalore and RERI provided an informative and exhaustive review of the various steps taken to educate and conduct exhaustive research to supplement government's efforts in formulating appropriate policies and measures needed to revitalise real estate sector.

There was fun filled events, entertainment extravaganza and motivational talks to rejuvenate the realtors. There is no dearth of hospitality as the organisers took every effort to sustain momentum of the convention from beginning to end.

The convention would not have seen the light of the day but for the timely and active support and cooperation of the sponsors of the event. The title sponsor is Prestige group and platinum sponsor is Vaishnavi group. The gold sponsors include Godrej Properties, Brigade group, Bagmane, Cornerstone Properties, BREN, SJR Privcorp and Ubercorp. The silver sponsors include Adarsh group, Puravankara and Elegance Infra. The associate sponsors include DN Homes, Bhartiya City, ABHEE, Century, Vaswani, Konzept Ambience, Fortius Infra, HM group, OneToBeam and Phoenix. There were lucky draws at periodical inter-

vals to enthuse the delegates.

While Sumanth Reddy, Vice-Chairman, NAR-India, has complimented the organisers for having done a wonderful job, President-elect C R Shivakumar commended the CREA team's efforts for a stellar performance. The architect of the convention, Pradeep Joe attributed the success to the team's collective efforts and assured that the association is looking forward for a repeat of the convention doubling the size of the event.



SESSION 1

The Most Awaited
**Real Estate
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**New Era of
Investments in
Real Estate**

Speakers: 1. Major Madhukar Katragadda (Retd), Vice-Chairman of All India Resort Development Association.
2. Sudarshan Lodha, Co-founder, Strata Prop.
3. Amit Hanurakar, Investment banker & REIT Specialist.
4. Sriram Chitlur, Partner, Hosachigaru
5. Adarsh Narahari, MD, Primus Senior Living.
Moderator: Amit Porwal

Farmlands do not have any hassles while managing it, said Sriram. "From the business point of view, 51 per cent of investment is in real estate and the balance in general. Financial companies are moving to where people have access to data," said Sudarshan Lodha. "REITS can be an investment opportunity

and in all the three REITS, most of the investment is by PE investors. The promoters' assets are of high quality and they want to ensure that the investors can be given returns on their assets. After a lapse of 2.5 years, there is a big change whether work will be of hybrid model or return to office," said Amit Hannurkar. Vacancy level has moved from 5 to 15 per cent. The extension of existing ten-

ant is having an impact due to WFH concept. Second is hike in lending rate, he adds. There are need based investments, greed based investments and aspirational based investments and in the first category, the risk is less. Out of 100 people in India, only 40 per cent with family and the rest is without family. The cost of construction funding may go upto 15-16 per cent," said Sriram.



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SESSION 2

The Most Awaited
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**Strengthening the
Builder-Realtor
Bond**

Keynote Speaker :

Irfan Razack,
Chairman & MD, Prestige group,

Speakers: Kamal Sagar,
Founder and Chairman, Total Environment,
Ravindra Pai, MD, Century Real Estate,
Pavitra Shankar,
Executive Director, Brigade group,
T N Bhaskar, Joint MD, Habitat Ventures.

Moderator: Samir Arora

Whatever we do, we should do well. It has to be architecturally and aesthetically nice," said Irfan Razack. Recalling the days when there was no technology and access to market data, and the need to make periodical visits to realtors offices to compile data on market trends, Irfan said there has

and sharing of data required for a project by a realtor will enable a developer to appropriately design and price a product. It will make a huge difference," said Kamal.

According to Ravindra Pai, collation of data and printing in the form of a report is necessary. There are 47 associations and they can contribute effectively. "Our industry is complex and every project is like starting a new factory. There are 15 approvals needed and we need to interconnect with various departments at multiple levels of bureaucracy. Obviously it is a painstaking effort. RERA is two years old. Realtors should think what role he can play and what value he can add to the developers. They can, as channel partners, enlighten and encourage customers," said Pai.

On the vexatious issue of referrals, Pavitra Shankar said that whoever has logged into system first for a customer will be given priority. "Unlike earlier, today's customer is smart and he is trying to make sure that he gets the best price in the deal. We will put it on the system and retain for a period of 45 days if any referrals are received. It is necessary to build a healthy relationship, said Pavitra.



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SESSION 3

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Residential Market Dynamics, Post-pandemic

Speakers: Pramod Bisht, CEO, South Zone, Godrej Properties, Swaroop Anish, Executive Director, Prestige group, Ashwinder Singh, CEO, Bhartiya City, Mehirr Nath Chopra, VP of Sales & Marketing, Svasa Homes.

Moderator:
Maninder Chhabra

When we were coming out of the first lockdown during August 2021, there was labour shortage and the first quarter washed away but the industry was resilient. The developers, realtors and channel partners have all come to the new normal way of working and we have also resorted to new ways of selling through digitisation by Q3, 2021. The industry then started bouncing back. Earlier, people were looking at real estate as an investment decision and now they have started realising the importance of owning a home plus other factors. During FY 2021-22, we have not only reached the fastest sales numbers but surpassed the pre-pandemic level from Rs 35,000 crore to Rs 45,000 crore including plot sales. Market indicators are positive for the industry. Residential sector is poised for a turnaround in development," said Pramod Bisht.

The global economy and the changing geopolitical scenario will increasingly necessitate entry of manufacturing units into India. It is going to result in sustainable growth if you are able to manage the prices. However, there are other deterrents as well like hike in input costs and lending rates going high. After the pandemic, we have noticed that the requirement of a home has become very important aspect and there was a segment of younger generation which was dependent on sharing homes started buying homes. Despite increase in home loan lending rates and rising inflation, there is a need for first time homebuyers to invest and it is very important to focus on this segment," said Ashwinder Singh.

According toMehirr, within the luxury segment, we have noticed stock from pre and post-Covid levels. There are a number of families with network of Rs50 crore-Rs 100 crore and they have lived in modern homes. "Post pandemic, the perception has changed. The primary home needs to be more lavish with a



number of amenities, community development, security, WFH options etc." said Mehirr.

"Assetwise, Prestige group has focused on Rs 1 crore market. I believe that is the price point which has done well. It has kept the volume growing as we move up to Rs 1.5 crore – Rs 2 crore markets shrinking considerably. In a related development, 5% or less than 5% involving price segment of Rs 2 crore – Rs 2.5 crore is another option. Today, consumers are ready to pay for a brand product. For 10% of the homebuyers, home loan is not a constraint at all and they are able to pay a larger portion for larger homes. Homes in the mid-range and plotted development projects are doing well. Villas in the price range of Rs 3 crore – Rs 5 crore are sought after. Demand for apartments in the price range of Rs 1 crore – Rs 1.5 crore continues to evoke response," said Anish Swaroop. The definition of affordability has changed and India will continue to remain as a price sensitive market, he adds.

According to Pramod, repo rates have been increased. Input costs have cost have gone up. Earlier, millennials were postponing of buying

homes in their 30s and now they are thinking of owning homes much earlier. Suburban areas are thriving and there is a lot of traction in sales. WFH and hybrid model will continue to play a key role in the office space segment. There is an increase in demand for larger homes. There is also a strong market preference for tier 1 developers and that is where developers' consolidation is happening now, said Pramod.

"We have noticed a perceptible difference in the last two years in residential property market. The luxury segment customer is willing to pay more and lending rate hike does not affect this segment. Even they are planning to invest in second home as well," said Pramod.

"There is a huge contribution from realtors in the real estate sector. If they wish to remain focused, then they need to be geographically focused. Companies are also willing to come and train the channel partners. Realtors should not merely focus on transaction and they should be advisors which will take them to the transaction and, once completed, the ultimate objective has been achieved," said Anish Swaroop.

SESSION 4

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Future of Real Estate 360 Degree

Keynote Speaker:
Prof. Rishikesha T Krishnan,
IIM, Bengaluru.

Speakers:
Gautam Chatterjee
(Ex MahaRERA),
Srikanth Vishwanathan
(Janagraha) and
Mahesh Somani (TBD),
J C Sharma, Ex-VC & MD,
Sobha Ltd.

Moderator:
Prof. Venkatesh
Panchapagesan,
IIM, Bengaluru.

IIM Bengaluru is one of the 20 Indian institutes of management set up 49 years ago. "We have been focusing on management and research is a very important part of what we do. Real estate research initiative is happening only at IIM, Bengaluru which focuses on the real estate sector. That is why we have partnered with CREA," said Prof. Rishikesha T Krishnan.

RERI is the only research initiative in a management institute in India. "We have been involved in the policy formulation connected with the real estate sector. That is right from setting up RERA to design policies to affordable housing development involving developers and consumers. One of our main approaches is to help the government on the policy formulation and education side. We are doing a very important programme with CREA where more than 160 owners and managers have gone through executive education programme in IIM, Bengaluru. We have contributed to the development of the sector. IIM-B has created a unique portal for consumers where they can search on a property which will also show infrastructure facilities like storm water drain etc.

NAR-India President, Samir Arora said that the association is happy to collaborate with IIM-B and conveyed that voluminous data compiled at all India level would be of immense value to the institute. He requested to consider collaboration in generating all India report on real estate sector.

According to Gautam Chatterjee, ExMahaRERA, in terms of contribution to GDP, 250 industries are dependent on this sector. "With the growing urbanisation, may be by 2050, with majority of the population staying in the country in urban areas, in 30 odd cities, most of the sector will only keep growing. Any one moving to urban area needs space to live and work. Real estate sector will continue to remain important. RERA has been a game changer and completed five years of implementation and it has brought a paradigm shift in the way the industry will function henceforth. Three key parameters are needed viz. transparency, trust building and timely completion which are talked about in many of the 92 sections of RERA. You are at the cutting edge technology while dealing with consumers so that you should have minimum level of competency and ensure in not sullying the image of the sector. There is also a need to adopt modern dispute mechanism resolution. Though studies are going on how many projects have been registered and how many completed, there is also a need to work on how many projects have not been completed beyond the



timeline," said Gautam Chatterjee.

"What we see today is one of the most powerful and resilient economy which despite inflation, high interest rates and non-availability of liquidity to MSMEs, has started seeing clear signs of growth. Since 2006, we have been going through all sorts of challenges. If I look at developers, those who have survived the pandemic they are doing well. If I look at customers, they appear more reassured. It is necessary to look at end-to-end solution to the developers as well as customers so that there is a reasonable growth which this industry is capable of achieving. India is going to be rebuilt and this will be done by current appropriate leaders in all spheres," said J C Sharma, ex VC and MD, Sobha Developers Ltd.

According to Sharma, title related challenges and approval process are the twin challenges which the sector is facing now. If one looks at the cash flow and sales numbers, the sector has generated 15-25 per cent CAGR with all the challenges. There will be more number of projects coming up and the idea is to figure out a solution where we can collaborate with the government and resolve land and approval issues. Ideally the future will be far better from 10 years now that what it was 10-20 years ago, said Sharma.

According to Srikanth Vishwanathan, CEO of Janagraha, the cities' population may double in less than 30 years with the level of migration happening now. "The scale of the challenge and the opportunities real estate will play out across the existing 4,700 cities need special attention. That is the scale of opportunity available for real estate. Citizens will become more demanding, socially responsible and therefore we should have new parameters to engage. Financial education is still in its infant stage," said Vishwanathan. There is a huge opportunity for the real estate sector to engage more actively with the government. The government alone will not serve the requirement of infrastructure. A partnership between gov-

ernment, industry and citizens would be necessary. There is a huge opportunity for civil engineers and design skills in the sector to take it to the next level, he adds.

According to Mahesh Somani, without trust the transaction cannot happen. "More than 10 years, we have had very little technology. The role of realtor is crucial in terms of trust, imparting knowledge, information to explore in a proper way so that they do not get cheated in the market. In the next 10 years, real estate sector's contribution to the GDP will be 14-15 per cent. With the kind of opportunities and the role played by real estate developers, we will be having much more task after the RERA regime. All realtors need to be much more organised, much more structured because there will be times where consumers will have to be introduced to builders. Realtors need to undergo training programmes. Today, consumer is king. In the last five years, more and more verticals have opened up. Right now, leaving rental housing, multiple options are getting created. The opportunities are huge and India has a shortage of 5 lakh apartments as of now. There is a need for right kind of research and planning on what kind of inventories are created and whether the research is done by the real estate developers or not. We need to be more responsible in highlighting all these issues," said Somani.

"Out of 50 lakh brokers in India, only 5 per cent is organised in the market. Even among developer segment, hardly 5-10 per cent developers are organised which are into developing big buildings in India. There are 80-90 per cent of the unorganised sector developers in the market. We are trying to make them organised. As realtors, you can create a scenario on what is positive change you could bring out in your neighbourhood," said Somani. The sector will continue to grow and there will be huge opportunity which in turn will bring along with challenges. As a realtor, there is a need to provide valued added services, he adds.



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SESSION 5

The Most Awaited
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14TH NAR India Annual Convention

Indo-US Partnership for Growth

Welcoming the panellists, Tarun Bhatia, former president of NAR-India, said that international investors have invested \$59 billion in the American residential market during April 2021-March 2022, indicating 9% growth per annum. "The average investment size has been estimated at \$600,000 for a house, which is an all time high in the US. Nationals representing countries like China, India, Canada, Mexico and others have invested \$3.6 billion in the American residential market. NRIs living in the US have invested \$13.1 billion in the Indian real estate market," said Bhatia.

According to Harsha Shukla, US real estate market is highly organised over the years. "As it is a free market economy, they have entered into MoU with about 80 countries of the world. The purpose of creating joint partnership is to enhance mutual business for both India and US. They have designated different ambassadors for different countries. I have been serving for three years with those who are interested in developing bilateral relationship. There is an ambassadors association. They are also helping us in research," said Shukla.

"We are seeing improved sales predominantly in the price point of \$500,000 and above and below \$500,000 there has been an increase in interest level. Sales depends on where you are as some degree of migration from west, north-east, and Midwest and certain regions have witnessed price



increase of 44%. This year we are seeing lot of changes taking place in sales. Overall, real estate market is strong and inventory is low," said Shukla.

According to Nancy Suvarnamani, the market in Chiang Mai in Thailand in 2021 was very good. "This year interest rates are going up from 3.5 per cent to 5.2 per cent. Last year we had good sales and that too at good prices. The Covid has adversely impacted the business. We have affordable segment when compared with states like Boston and Los Angeles. We have the largest diplomatic community and association with 85 countries around the world. The most important

thing is education. We have institutes for students and Institute of Technology. The University of Chiang Mai is one of the top ten in the world. This is one reason for the surge in foreign buyers in that area," said Nancy.

According to Leslie Williams, there are licensing regulations in US. "After completing the requirements, one is able to join their association. Once they join the local association and National Association of Realtors, then they will utilise the designation as realtor and able to operate. There are regional and state associations. International real estate members, which is NAR-India, can apply to US membership and they benefit will get benefit with 109 real estate associations all over the country. There is a realtor convention planned in Orlando during 11-13 November this year which is an ideal opportunity to participate and network with fellow realtors," said Leslie. There is a need to visit the site www.realty.com which can be used for business. The referral business alone in US is a big opportunity for realtors, said Leslie.

According to Pradeep Shukla, an estimated Rs 1,00,000 crore has been invested in India by way of FDI from US. "The US real estate market works in a transparent way. The prospective buyers across US wants guidance till the time of closing a deal. As regards rental properties, we could manage the properties on their behalf," said Shukla.

"The realtor association in the US is the first point of contact for other members. Once you become a member of state or national association, your realtor membership is taken into consideration," said Michele Xiong.

Speakers: Pradeep Shukla, NAR Global Ambassador – USA,

Harsha P Shukla – Director, Association of South Asian RE Professionals,

Nancy Suvarnamani – NAR Global Ambassador – Thailand,

Shirin Marvi – Director, MORE,

Leslie Williams – President, Raleigh Regional Association,

Lewis Grubbs – Past President, Raleigh Regional Association,

Bhailal M Patel, Representative Main Street Organisation,

Michele Xiong – Director, Diversity & Inclusion RRAR

Moderator: Tarun Bhatia

SESSION 6

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Legacies – A New Chapter

The adoption of good governance practices is beneficial to listed companies and family-owned enterprises. How today scion of the industry is contributing to the growth of family business with their education and managerial skills? An insight into ways of managing business and their shift in roles.

"I only work with family business. I have had the opportunity of observing my father's ways of managing the business and could observe the nuances while dealing with landowners, bankers and other officials," said Aditya Virwani.

"Involvement in a new area has helped me to learn and then you realise you can adopt yourself better in any new environment provided the right kind of attitude is there. I was able to implement lot of HR practices in the company," said Nirupa Shankar.

Whether accessibility is going to be an issue? Not at all, said the scions of the industry for

which it is not the status but the bandwidth and the time that is an issue. "It is the value added service to the company that is of prime importance to gaining respect and confidence of peers in an organisation. If there is a perceptible shift in trend due to your initiative, then they will start respecting you and accepting your role in the organisation," said Nirupa.

"Though I am allowed to take decisions, for major decisions, there is a board and committee where there will be in-depth discussion. We are all bullish on real estate growth and overall we are quite selective with the decision," said Aditi.

"Initial decision making power was limited after which there is a level of hierarchy. Once you start delivering on something there was a leverage to take decision. But on a larger project level especially when it comes to the land acquisition stage, that is where lot of business growth, land acquisition, product-mix issues are involved, chairman M R Jaishankar is very much involved.

According to Zayd Noaman, when it comes to large scale transactions, there is a committee and the entire family gets involved. "All of us sit down and take a decision jointly. We have a board and we go by consensus as there is no

difficulty involved," said Zayd.

"We look at realtor as an extension of sales team called channel partner. It is a very important extension of what we do. 90 per cent of the commercial transactions happen through IPC. It is a very important partnership. If you want transaction to go through, you need to strengthen the relationship," said Zayd.

"In the realty sector, a number of people have experience of over 30-40 years. There has been a lot of disruption in the business. In fact, developers involve realtors at each and every stage before launching a project in the market," said Aditi. Over the last six years, disruption comes from outside. You need to have an idea on what kind of disruption in technology is happening. Technology is a big game changer today," he adds.

"On the vertical integration front, we have invested in precast technology. We are always on the lookout for areas which will add value to the overall business. Once we have had the right idea and bandwidth to proceed professionally, we will initiate requisite measures and take it to the next level," said Zayd. It is necessary to keep changing specifications and doing better day after day, he adds.

Keynote Speaker: Avinash Ananda

Speakers: Aditya Virwani, COO, Embassy group,

Aditya Bagmane, Director, Bagmane group,

Zayed Noaman, Executive Director, Prestige group,

Nirupa Shankar, Executive Director, Brigade group

Moderator: Ashley Rocque



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SESSION 7

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Commercial Real Estate – Future of Workspaces



Speakers: Prena Daga, Senior Vice-President, Prestige group, Sumeet Chawla, Vice-President, Divyasree group, Lovish Tekwani, Vice-President, Bhartiya City, Mahesh Khaitan, Director, Sattva group
Moderator: Anuj Nautiyal

While inviting the speakers to the session, Anuj Nautiyal said that the entire team of panelists have extensive experience in office space which is not just limited to Bengaluru but to other cities like Hyderabad and Pune.

According to Lovish Tekwani, there will be pressure on the organisation as well as sales due to lending rate hike. However, if requirements and demand will go down, it may not be. We are hearing a number of companies holding on to their decisions on recruitment for the next two quarters. In the short-term we do not see any impact on what comes out of this scenario," said Tekwani.

On the question of suggestions for strengthening the leasing team of realtors, Prena Daga said that most of the major office transactions are done by IPCs. "A number of local players are also doing lot of work today. One key difference is that IPC's support team does all the strategy enabling clients to take informed decision. Most of the travels at all levels and strategic information obviously involves lot of work to do and realtors do not have the complete infrastructure built in India in their organisations," said Prena.

According to Mahesh Khaitan, more number of IPCs are coming on the investment and banking side. "Right now there is a good opportunity in commercial realty and they would like to invest. Unlike earlier, investors are coming forward for residential sector as well. It is a great opportunity and some of the banks are aggressively working for residential sector but for commercial, they are always aggressive," said Khaitan.

On the IPC's dominating the commercial space leasing, Sumeet Chawla said IPCs have collaborated and created a global front. They are spread across 20 cities and there is expertise available in all 20 cities if they collaborate and provide services there is business opportunity.

On the issue of level of collaboration among developers to discuss the project size, even RFD, etc with a realtor, Mahesh Khaitan said that in Bengaluru they do not have competition and they always support each other. "Definitely we compete on good quality and quantity. In the last 4-5 years, there is a big pressure on the Whitefield side. Today, they get the benchmark of three digits for the good product. There is a need for Bengaluru developers to start and work together," said Khaitan.

"On common issues we take them together like for instance all of us are fighting for the infrastructure development in the city. There is enough business to be done," said Sumeet.

"Out of experience working in the US and in Indian market, the level of cooperation is there. We all work together to understand, share our problems and we are trying to find a solution for the problem and on how best to service the clients. If there is an RFD on the table, we are competing for the same business and it is the same situation everywhere globally," said Prena.

On the work space front in Bengaluru, hybrid model is in place. "How the Covid-19 pandemic has changed the scenario into WFH and subsequently companies moving towards flexible working space environment. Where do you see the future from today?", asked Anuj Nautiyal.

The hybrid model is here to stay. Most companies want their employees back to work. A number of Indian companies have made it mandatory for employees to come back. MNCs have made it upto 20-25 per cent. The efficiency is between 25-45 per cent capacity on a daily basis and nothing more than that. What is needed is that the companies need to create more collaborative work spaces and they need to work on providing lot of amenities. All companies are striving to achieve that. It has impacted their business in a big way. With the need for growing urban amenities we are covering all this to be inbuilt as part of our service under one roof," said Prena.

According to Sumeet, things are changing frequently. "In the US, the power has already shifted from employee to employer and it is only a matter of time to see the trend coming back to India as well. In the short to medium-term, hybrid model will be there because of the culture and collaborative aspect. Companies which are in product development and R&D need to work together and be together as a team and it is only a matter of time," said Sumeet.

According to Mahesh Khaitan, due to Covid most of the companies sought WFH option and 40-60 per cent strength has come but the remaining 30-40 per cent are in hybrid model. In the last two years alone, the attrition level in IT/ITES has been estimated at 35-40 per cent. There is a huge demand if the companies start insisting on the time and still the companies are not forcing them to come back to office. Now they have started insisting them to come back to office. In some sectors like BFSI today, there is a reach of 80-90 per cent. There is a

demand in tier 2 cities because of which they have started to work from home. They have started extension services in 400-500 cities and there is a tremendous demand especially in tier 2 and 3 cities like Indore, Jaipur, Lucknow, Kolkata etc," said Khaitan.

"On the impact of changing social and economic scenario, urban amenities have become a very important infrastructure where wellness has become an inclusive part of the building. The demand has gone up and most of the developers have resorted to this option. Whether old estate or new estate, requirements and kind of sophistication and environmental friendly buildings have become a key factor for all the buildings," said Prena.

The competition for office buildings with ESG compliance has come here to stay, said Sumeet.

According to Mahesh Khaitan, when we submit the plans to development authorities, viz. BDA or HUDA, super to carpet area shows same calculation. When the plan is submitted they look at different parameters. If we were to build security room, that is not counted by the BDA and we want to recover some money. All the productive areas have become common areas. There is always a difference with the authorities out of FAR in common areas. We are now in a situation to providing amenities within the building and we have to recover the cost. With sports activities and swimming pool, we are exploring the model to come to our park, lounge and all of these involve cost and have to be added to the areas. Definitely we give the customers the best on the sanction but we have to put it in the common area, said Khaitan.

WOMEN'S CELL

The Most Awaited
Real Estate Convention

14TH NAR India
Annual
Convention

Women Realtors on the Rise



A panel discussion was held on "Real Women Realtors" during 14th NAR-India convention held at Bangalore on August 6 and 7

The chairperson of women's cell, NAR-India, Kirti Bhosale from Pune, Ambassador, women's cell Pradya Sabnis from Mumbai, Ambassador, Central Zone Ekta Rajan from Bhopal, Priya Sridhar from Chennai and Varsha Porwal from Bangalore were panellists for the discussion.

Priya Sridhar moderated the panel discussion on Real Women Realtors. All the panellists have started their realtor journey after getting some experience in various fields like banking, training, sales job in various corporate industries. They all chose this career after getting some initial experience in sales and then willingly decided to quit their existing jobs and started their journey as realtors.

Each one shared her inspiring stories as to how they decided to take this career option. Priya asked Pradya about positives of being a woman and how it helped her being a realtor. Pradya replied that women are more patient, considerate, understand the need of clients better which helps them shortlist the properties as per clients' requirements. Few more

qualities of women like honesty, being transparent, being more presentable also helps build trust of a client which definitely helps women realtors in increasing the client base.

Ekta spoke about encouraging more women realtors being part of NAR-India and also having representation of women realtors in leadership team of local associations as well as NAR-India.

Kirti spoke about the challenges they faced as being women realtor in balancing personal and professional life. Time management, prioritising tasks are some of the solutions according to her. Women are good at handling multiple tasks and it definitely helps them to manage the balancing part.

Varsha being the youngest panellist also expressed her views on her experience as a woman realtor.

felt that they are already being empowered and can do equally good as men. They don't see men as their competitors but wish to collaborate with men and progress together. A few of them felt that women need some more encouragement and push to enter this business of being a realtor. And with such encouragement the number of women realtors can be increased in India similar to countries like US where around 50 to 60 % of total numbers are women realtors. A perceptible change in the mindset and increase in confidence among women to choose this profession is the need of the hour.

They also discussed about changes they want in the industry. They suggested that some common issues like One Nation, one RERA license, need for more rules and regulations in the industry, absence

Panellists had different views on empowerment of women as a few of them

of proper degree courses for real estate, need to be given proper attention and with proper liaisoning with the government, changes will be possible. In this regard, NAR-India can play an important role. Collaboration with RICS is a step in the right direction. IIRE under the leadership of Sumanth Reddy is expected to bring lot of useful education courses in the real estate sector in the coming years.

Kirti spoke about sole selling concept in primary market which she specialises in. Priya spoke about benefits of mandate in resale and renting market to safeguard the business and brokerage. Few attendees asked some interesting questions to the panellist. Our past NAR-India Secretary Swapnil Patil, Vinod Thakker, Darshan Shah attended the session and expressed a view that women are better as realtors due to their inbuilt qualities and they always encourage and respect fellow women realtors.

Priya summarised the whole panel discussion very well and thanked all the panellist and attendees for their active participation.



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CHENNAI

Chennai to get Second International Airport in Parandur

After a prolonged delay, Chennai is poised to get a bigger and better international airport at Parandur which will also significantly contribute to the growth of western region of the city, reports V Nagarajan.

Chennai is getting a facelift with the announcement of second international airport at Parandur by the Tamil Nadu chief minister M K Stalin. The site is 70 km away from the existing airport but it was chosen due to its proximity to 262-km six-lane Bengaluru-Chennai expressway, according to official sources.

While the ongoing metro connectivity is likely to be extended to Sriperumbudur, it will be further extended to Parandur. The project is likely to take 10 years for full fledged operation.

The existing airport at Meenambakkam has been handling 2.2 crore passengers every year. Due to ongoing expansion of the airport, Chennai airport may have to handle 3.5 crore passengers in the coming seven years. As a result of growing traffic and cargo movement in and out of the airport, the government undertook a study on the impact and the possibility of expansion at a new site and entrusted to TIDCO.

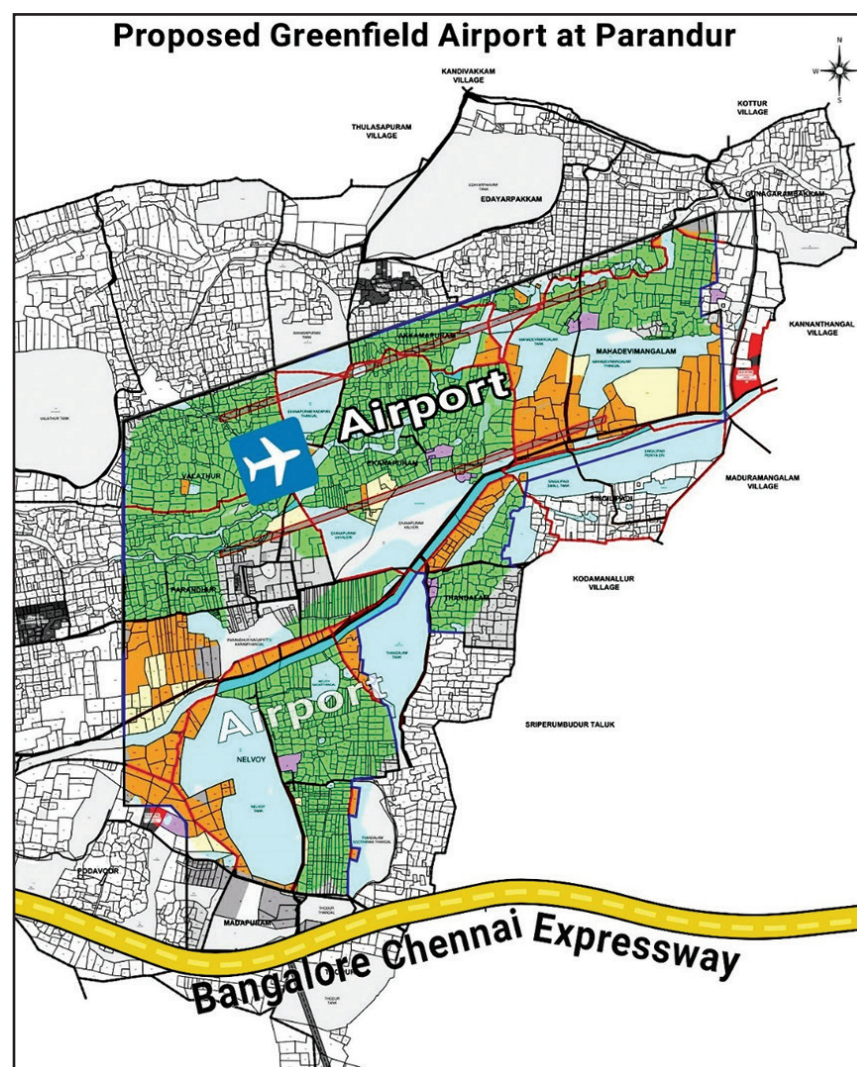
The study shortlisted four locations and referred to airport authority of India (AAI) which in turn has selected two locations. It was finally decided by the state government to opt for Parandur location. The existing airport and the proposed airport will

both function simultaneously.

The new airport will be capable of handling 10 crore passengers with comprehensive plans to build two runways, terminal buildings, taxiways, Apron, cargo handling centre, and aircraft maintenance facilities.

While final estimate for the establishment of the Greenfield airport will only be known after a detailed study on the cost implications, it has been currently estimated to cost Rs 20,000 to build the Greenfield international airport at Parandur. The state government will soon forward the recommendations to the central government for site clearance. Once in-principle clearance of the site has been obtained, the state government will swing into action to make arrangements for the acquisition of the requisite land. Subsequently, the central government's in-principle approval and permission to operate the airport will be sought to take it forward.

The proposed Greenfield airport at Parandur will be a milestone towards state government's determination to achieve \$1 trillion of the state's economy of, said M K Stalin, chief minister of Tamil Nadu.



KOLKATA

Emerging East has Huge Potential for Realty Investment



By Anup Dalmia

The biggest city in east India is Kolkata also known as the city of joy. Since last couple of years the city witnessed some of the big investments in real estate in Kolkata. Within two decades the price of the property has zoomed by 4-5 times. For example, in Ballygunge in the year 2000 price of a certain property was ₹ 2500 per sqft and now the price of the same property has been quoted at 150000-200000 per sqft. There has been a spurt in demand in areas like New Town/ Garia/Howrah/B.T Road/Behala/ Joka where big projects/complexes have come into existence.

Property developers like Merlin/ P.S Group/Mani/Orbit/Primac/ Salarpuria Group are considered occupying the centre stage in the sector in the city.

The city's skyline has changed over the years. 'The 42' is one of

the tallest buildings in India. Another project is Atmosphere which has the world's first residential floating sky sculpture named as 'Diya'. The city of Kolkata has east India's first biophilic corporate Green Park.

In east there are developing metropolitan cities that need special focus and specific mention like Guwahati, Bhubaneswar, Patna, Siliguri, Ranchi etc.

Guwahati has seen a rapid real-estate growth with the construction of New Saraighat over Brahmaputra river which connects the main city to its new satellite city in New Guwahati.

Bhubaneswar has also observed major growth in real estate sector as major residential and commercial projects will be constructed soon. This is because there are many industrial towns and cities in Odisha like Angul, Balasore, Rourkela, and Sambalpur which have provided maximum industrial growth in

Orissa. This in turn has greatly benefitted the state to improve their economy and hence creating more demand for residential and commercial projects in Bhubaneswar, which is also considered as the smart city in Odisha with proper urban planning.

Siliguri, as we all know, is a gateway to North East India and Siliguri connects India to various neighbouring countries like Nepal, Bhutan & Bangladesh. Demand for logistics parks, commercial plaza and residential flats is increasing at a fast pace.

Ranchi is also known as city of waterfalls. The city has got its best residential areas situated in Kanke Road and also in Ashok Nagar (Kadru). There has always been a good demand for the high-end residential property in these areas.

Mr Anup Dalmia
is Vice-President,
NAR-India.



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Gross Absorption in Industrial and Warehousing Facilities up 7% YoY

Activity in Grade A industrial and warehousing facilities continues to be resilient, with gross absorption during H1 2022 in the top 5 cities at 10.8 million sq feet, a 7% increase YoY. Delhi-NCR accounted for the highest activity at 28% share, followed by Pune with 24% share in demand. However, on the supply side, vacancy declined by 24% YoY to 11.8 million sq feet in H1 2022. Developers postponed fresh supply in light of high input costs and are completing projects after seeking pre-commitments from occupiers.

About 55% of the gross absorption was led by third-party logistics players, followed by the Engineering and Automobile sectors with a share of 12% each.

"The first half of this year has seen several large deals with average deal size up 27% YoY. Grade A supply in preferred micro markets across key markets in India continues to remain muted owing to construction slowdown on account of raise in construction costs. This has led to short-term rent increases. Third-Party Logistics players continue to dominate demand in the first half of this year and the trend is expected to continue in the next few quarters as well. We are also witnessing more Tier II city enquiries as key players are strengthening their last-mile delivery supply chain to be proximate to customers," said Shyam Arumugam, Managing Director, Industrial and Logistics Services, Colliers India.

Deals above 100,000 sqft accounted for 75% of the total leasing followed by larger deals by third-party logistics players and FMCG companies, according to Colliers survey.

TRENDS IN GRADE A GROSS ABSORPTION			
City	H1 2022 (mn sq ft)	H1 2021 (mn sq ft)	% change
Bengaluru	1.4	2.0	-29%
Chennai	1.7	2.0	-16%
Delhi NCR	3.0	3.0	0%
Mumbai	2.1	0.7	199%
Pune	2.6	2.4	7%
TOTAL	10.8	10.1	7%

Source: Colliers

TRENDS IN GRADE A SUPPLY			
City	H1 2022 (mn sq ft)	H1 2021 (mn sq ft)	% change
Bengaluru	1.2	0.7	73%
Chennai	2.2	2.0	11%
Delhi NCR	5.1	9.5	-47%
Mumbai	1.8	2.3	-21%
Pune	1.5	1.1	42%
TOTAL	11.8	15.6	-24%

Source: Colliers

Supply declines as developers await pre-commitments

Overall, grade A supply declined 24% YoY across the top five cities to about 11.8 million sq feet in the first half of 2022. Despite low supply and steady leasing, vacancy level rose during the quarter. Grade A vacancy levels rose to 11.1% at the end of Q2 2022, from 9.8% in Q1 2022. This was largely led

by strong leasing activity in Delhi-NCR, Chennai, and Pune. The rise in vacancy was led by Delhi-NCR wherein vacancy levels saw an increase during the quarter.

However, Delhi-NCR dominated leasing activity in the first half of 2022 with a share of 28%. This demand was led by large deals that accounted for about 77% of the total leasing. Deals by third-party logistics players led most of the activity through large deals. Majority of

the activity was in the Tauru Road location. Pune accounted for 24% of the leasing in H1 2022. Automobile sector continued to lead the demand with a notable share of 40% in total leasing of the city, followed by Third-party logistics sector at 27% share.

Large deals account for 75% of the leasing

Deals above 100,000 sq feet accounted for 75% of the total leasing. This

was led by larger deals by third-party logistics players and fast-moving consumer goods (FMCG) companies.

"Occupiers, especially third-party logistics players and e-commerce players are increasingly taking up larger integrated warehousing space. On the supply side, we may see some limitations over the next few quarters as developers face supply chain constraints and rising input cost materials," says Vimal Nadar, Senior Director, and Head of Research Colliers India.

OFFICE MART

Monthly Aggregate Office Leasing activity up 1.48X Y-o-Y



Leasing activity remains robust with space leased up 1.48X Year-on-Year (Y-o-Y) in June 2022. On a monthly comparison basis, leasing activity is slower by just 5% in June 2022. The top four cities with a cumulative share of 87% in monthly leasing activity for June 2022 are Bengaluru, Chennai, Mumbai, and Delhi NCR in that order.

A significant increase in the number of deals both Y-o-Y and Q-o-Q is indicative of rising occupier activity which is in sync with rising occupancy levels in offices. Mumbai led with the maximum number of deals during June 2022 followed by Chennai and Delhi NCR.

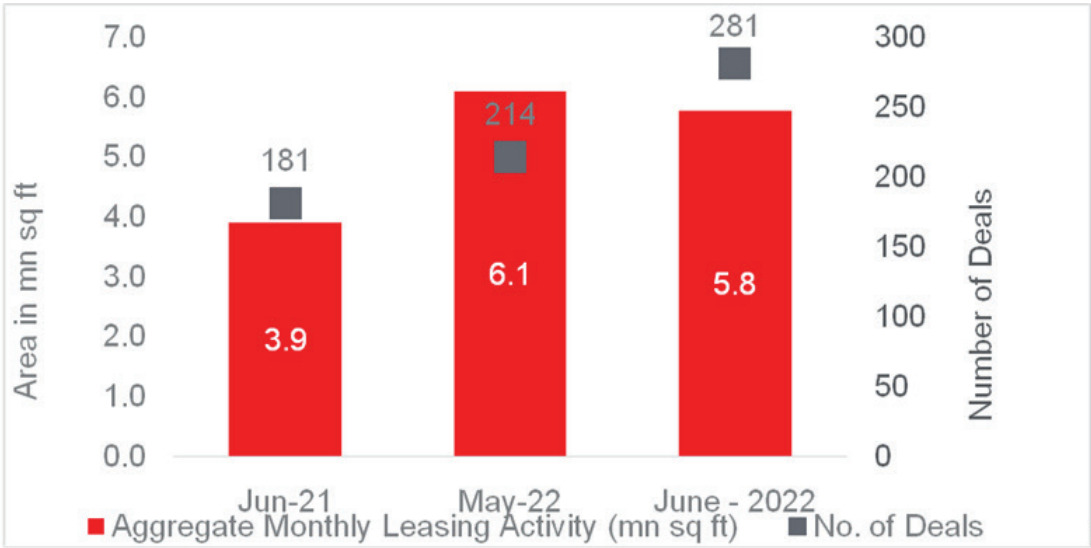
Tech occupiers continue to remain the key drivers of the aggregate market leasing activity in June 2022 with a 35% share. Healthcare occupiers are pushing the share of the composite occupier category of telecom, real estate & construction with BFSI showing a near-doubling of its share month-on-month.

"Market leasing activity showed ro-

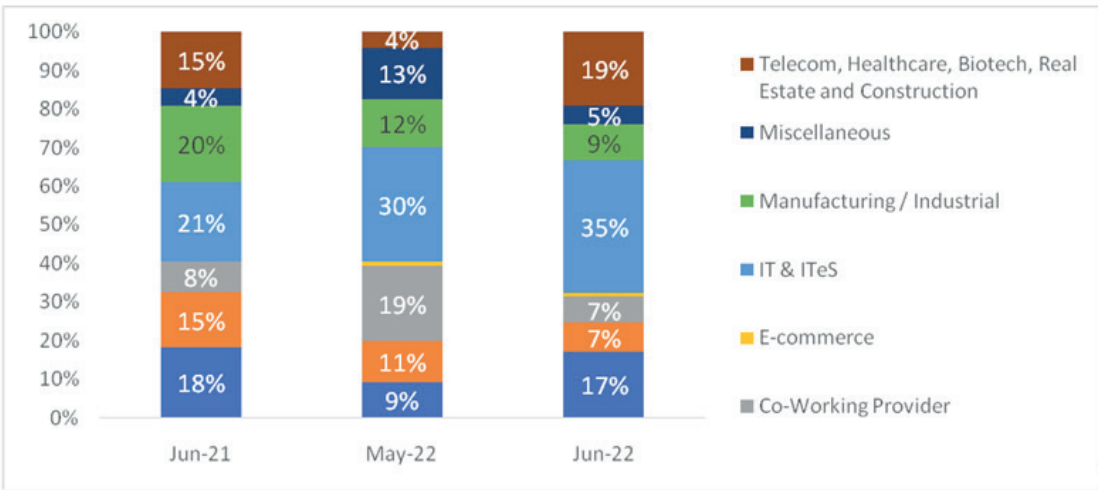
business in June with a 1.48X y-o-y growth and with over 280 deals recorded during the month, indicating that occupier activity has stayed the course with return to work and hybrid workplace strategies supporting an increase in office occupancy levels. On a q-o-q basis, there was a slight decline, a trend on which we will keep a close eye given the global headwinds that may impact market leasing activity as occupiers are likely to be cautiously optimistic about growth-oriented real estate space requirements."Dr. Samantak Das, chief economist, and head research and REIS, India, JLL.

Note: Aggregate market leasing activity refers to lease transactions for all grades in the top 7 cities (Delhi NCR, Mumbai, Bengaluru, Chennai, Hyderabad, Pune and Kolkata) recorded during the period, including confirmed pre-commitments and term renewals. Deals in the discussion stage are not included.

June witnessed a significant jump in the number of transactions, a clear indication of the rising occupier activity in the office mart, says a survey by JLL.



Source: JLL Research



Source: JLL Research

The Growing Need for Student Housing

With the growing enrolment rate, the need for student housing has become all the more significant in the present times. While the majority of students prefer on-campus accommodation, limited availability and sub-standard living conditions compel them to look outside their college/university.

Currently, for over 37 million students, there are just over 6.54 million hostel beds which is merely a little over 17.4%. Besides these, many students also migrate to bigger cities to prepare for a variety of competitive exams, for which there is no substantial data but this segment surely spikes up the requirement for more beds.

Additionally, the gross enrolment ratio (GER), which is the number of students enrolled in a specific level of education expressed as a percentage of the total eligible students in the same level, has increased from 19.4% in 2010-11 to 26.3% in 2018-19, a rise of 6.9%. According to the 12th Plan Document¹⁰, the set GER target for 2020-21 is 30%. To achieve this target, various measures have been taken by the government.

In such a scenario, off-campus accommodation is the only viable option for the students.

Until a few years ago, this demand was primarily met by homeowners who provided a paying guest (PG) facility but this arrangement had its own challenges. These include restrictions on timings, poor quality food, lack of personal space, slow or no internet connection, among others.

Realising the immense potential that the sector holds; a few start-ups have ventured into this space to provide high-quality accommodation for students. Also, as residential and commercial real estate continue to face headwinds, some real estate developers are also considering joining the bandwagon to diversify their portfolios. Not to mention the vast supply-demand gap, that offers a good value proposition to realty stalwarts in terms of returns.

Student Housing Landscape: An Emerging & Promising Alternative Asset Class

As mentioned earlier, student enrolment in the country has been rising at a fast pace. From 32.3 million in 2013-14, it increased to 37.4 million in 2018-19. When Over the last three years, while the number of beds in hostels across the top ten states has recorded a decent growth (6.55%); it has not kept pace with the increase in student enrolments. For instance, in 2015-16, the total enrolment was estimated at 34.6 million, while the hostel intake was 6.1 million. Similarly, in 2017-18, the number of students was about 36.6 million, while the overall hostel intake rose to merely 6.5 million. In 2018-19, the number of enrolments increased to compared to this, the availability of hostel beds in Indian colleges is way below the required mark. Clearly, the growth in hostel bed space has not kept pace with the increase in enrolment rate.

Over the last three years, while the number of beds in hostels across the top ten states has recorded a decent growth (6.55%); it has not kept pace with the increase in student enrolments. For instance, in 2015-16, the total enrolment was estimated at 34.6 million, while the hostel intake was 6.1 million. Similarly, in 2017-18, the number of students was about 36.6 million, while the overall hostel intake rose to merely 6.5 million.

The Rise of Organised Players:

Currently, for over 37 million students, there are just over 6.54 million hostel beds. Out of 85,877 differently-abled students enrolled in higher education, 56% are male, while the remaining 44% are female students. This presents a massive opportunity for private players, says Anarock survey.



Developers Acknowledge the Asset
Realising the potential of student housing, several players have already started their operations in key cities. The majority of these players are targeting metro cities and a few Tier II and III cities. Some of the prominent names include Stanza Living, Oxfordcaps, Placio, and Grexter. Many of these players have also announced expansion plans in terms of beds in existing cities as well as expansion to other cities.

It is important to note that out of the top 10 districts with maximum number of colleges (Bengaluru (Urban), Jaipur, Hyderabad, Pune, Prayagraj, Rangareddy, Nagpur, Mumbai, Guntur, and Bhopal) none of the prominent players are active in some areas. These include Prayagraj in Uttar Pradesh (formerly known as Allahabad), Ranga Reddy in

Telangana, Nagpur in Maharashtra, Guntur in Andhra Pradesh, and Bhopal in Madhya Pradesh.

Student Living Business Models:

Various Models for a Wider Reach
Student housing works on various business models across the globe. Some of the conventional models include:

BOOT: In Build, own, operate, transfer, commonly referred to as BOOT, student housing players collaborate with educational institutions/universities on a long-term lease to build, own, and operate the accommodation.

This model can work in Indian cities as well. Real estate developers can invest capital to build accommodation on land provided by the institution,

while educational institutions can take up the responsibility of getting students. The developer or service provider could manage the accommodation.

Management-only service: In another model, student housing players collaborate with educational institutions or developers to provide only their management services. Currently, many universities and institutions have hostel accommodation, but they lack the quality and facilities that millennials demand. This model can work where the college/institution has large bed spaces.

There is another popular model in which student housing provider builds and manages the properties themselves. Since this requires huge upfront capital expenditure, it is suitable for real estate developers.

Now, let's look at some models that are followed in India.

Lease model: As the name suggests, the student housing operator first acquires property on a long-term lease from the owner. The property is then refurbished in line with their guidelines. The students are charged on a per bed basis, which could either be monthly or annually.

Leading players in the segment like Oxfordcaps, CoHo, Stanza Living, Your Space, and Zolo follow the lease model.

Aggregator model: This model has been a massive success in the residential sale and rental market. Thus, some players are also focusing on this. Here, the operator creates an online marketplace for listing proper-

ties by owners and charge them for every booking. There is no ownership of services in this model as it is purely commission-based. Delhi-based Studentacco and NestAway follow this model.

Over the last two years, many student housing players have attracted private equity investments. ANAROCK's research indicates that since 2017, about US\$ 90 million of capital flowed into the sector. Considering the massive potential that the sector holds, this number is only expected to rise.

According to the All India Survey on Higher Education 2018-19, there are about 85,877 differently-abled students enrolled in higher education. Out of this, about 56% are male, while the remaining 44% are female students. This presents a massive opportunity for private players to offer accommodation facilities for these students and offer enhanced security features for a comfortable stay.

While the potential of residential REITs is still unexplored in India, the government should also start thinking about student housing REITs. Lastly, tax rebates for industry players should also be considered to bridge the supply-demand gap. Globally, student housing is fast evolving into a mature asset class. While in India, it is still in its early stage of development, the potential is huge. Considering the huge demand and supply gap, it is high time that real estate developers, as well as the government, realise the importance of this rapidly evolving alternative asset class.

Hospitality Sector Soars 339.3% YoY in Q2

With exponential growth across all performance indicators in business and leisure destinations, Q2 2022 marks the revival of investor interest and stakeholder profitability in the hotel industry, says JLL survey.

The Indian hospitality sector witnessed strong growth in Q2 (April – June) 2022, primarily driven by demand for weddings and events as well as stellar recovery of corporate travel. The country was amidst the second wave of the pandemic in Q2 2021, which had a significant impact on the performance of the hospitality sector. As a result, Revenue Per Available Room (RevPAR) witnessed an exponential growth of 339.3% year-on-year (YoY) in Q2, 2022 over Q2 2021. Furthermore, the sector witnessed a stellar 44.6% growth at a pan-India level in RevPAR compared to Q1 2022 wherein the sector was still emerging from the third wave of the pandemic, according to JLL's Hotel Momentum India (HMI) Q2, 2022.

The demand across the sector soared during Q2 2022 primarily driven by weddings and Meetings, Incentives, Conferences and Exhibitions (MICE), and Business travel. Furthermore, corporate MICE demand also witnessed a recovery in the form of corporate off-sites, team meetings, training, and so on. Domestic leisure continued to be an important segment during this period driven by the pent-up demand of travelers who had not experienced a summer vacation for the past two years.

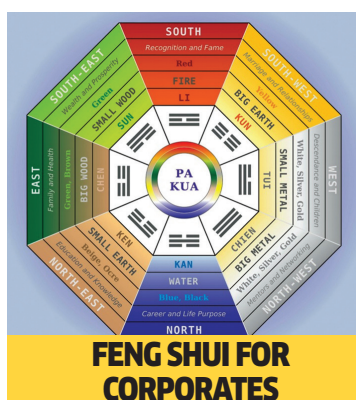
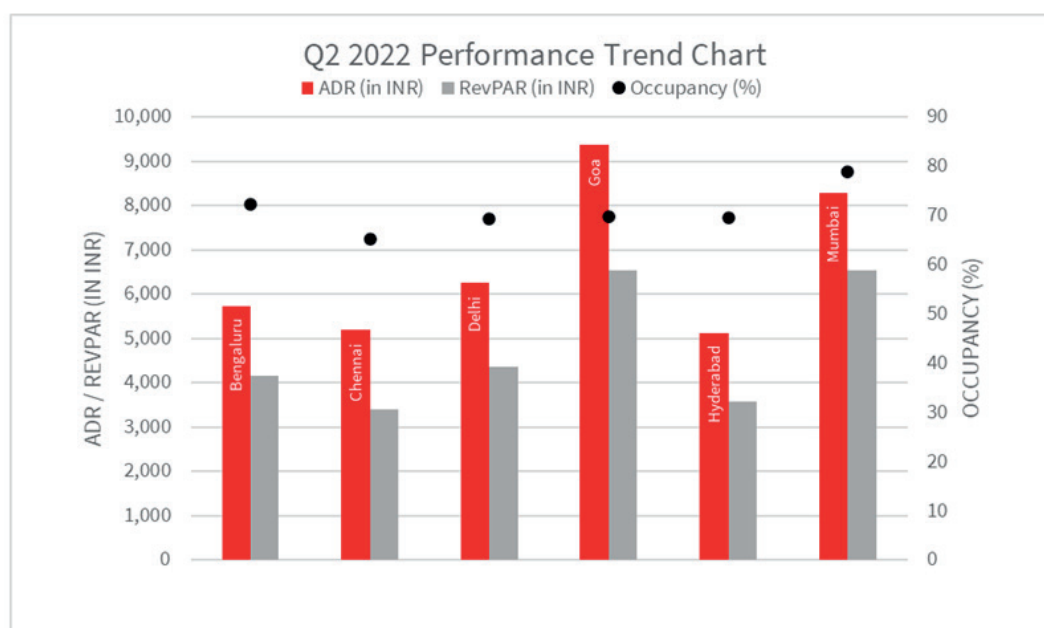
The next two quarters are expected to remain busy on the back of domestic leisure amidst long weekends and festivals. Business travel will continue to grow and will remain the main demand driver for the sector. Whilst wedding and social function demand will continue to be an important driver.

MICE demand is expected to witness an uptick in the coming months with many corporate meetings and large format conferences being planned.

The total number of hotel signings in Q2 2022 stood at 47 hotels with 4,010 keys. The hotel signings witnessed a significant increase of 90.9% as compared to signings in Q2 2021. Domestic operators dominated signings over international operators with a ratio of 52:48 in terms of inventory volume.

All six key markets witnessed exponential growth in RevPAR levels in Q2 2022 as compared to Q2 2021, due to the low base witnessed last year during the second wave of the pandemic coupled with the stellar performance of the sector this year. Bengaluru emerged as the RevPAR growth leader in Q2 2022 registering a growth of 660.1% over Q2 2021, followed by Goa and Hyderabad with y-o-y growth of 564.5% and 326% respectively.

"With exponential growth across all performance indicators in business and leisure destinations, Q2 2022 marks the revival of investor interest and stakeholder profitability in the hotel industry. As business travel and corporate off-sites continued to grow, summer holidays offered a further impetus to the overall demand resulting in a renewed confidence in the sector. We expect this momentum to continue over the next few quarters on the back of long weekends, festivals, weddings, events, and business travel evenly contributing to this growth story" said Jaideep Dang, Managing Director, Hotels and Hospitality Group, South Asia, JLL.



Declutter for Positive Flow of Energy



Decluttering not only increases the positive flow of energy but also makes room for happiness at home, says **SBS Surendran.**

Feng Shui has been followed as a tool to harness happiness and the focus of Feng Shui is to harness the surroundings and the energy around to help us navigate our way to a better life. Feng Shui is all about the technique of energy balancing. It is not magic that will make you spontaneously wealthy and happy. It is a meticulous practice whose techniques take years of practice to perfection.

It is well-known that without effort and hard work it is impossible to achieve success in any of our pursuits. Peace, harmony or achieving personal goals is nothing but success and this is more fulfilling than achieving monetary success alone. Often all our failures are attributed to luck and we blame our failure on luck rather than analysing our own efforts in order to find solutions and ways to overcome the shortcomings.

Feng Shui teaches us that everything is energy, and we are in a constant energy exchange with everything around us. Thus, it is very important to create a Feng Shui home that has a happy and healthy energy.

Feng Shui has a variety of tips for a happy Feng Shui home, all based on

the fact that if you live in a healthy and happy Feng Shui home, your own energy will inevitably become healthy and happy!

- Clutter has a profound impact on your well-being. If you have clutter, then the energy in your home is stagnant. And if you live in stagnant energy, then the energy in your body will start to stagnate as well. When you clean and declutter you not only increase the positive flow of energy, you also make room for happiness to come into your life.
- The element of air will assist in clarifying and uplifting your emotions. Letting wind stream through your home is an excellent way to purify your environment and gain control over your state of mind and pushing out stagnation.
- Humans need sunlight as sunlight plays a vital role in health and well-being. Light also activates and enhances 'chi' hence if there is less sunlight coming into your home, activate bright lights in the corner to shine towards the roof to lift up the spirits.
- Symbols of Dragons are the most representative symbols of the

Chinese enhancers. Feng Shui dragons are also very symbolic and create balance in people's lives and space. Feng Shui dragons represent the 'yang' energy, creativity and strength.

- Dragon and Phoenix is a symbol of marital happiness. This celestial couple is the symbol of everlasting love and they being together are the ultimate symbol of marital happiness. The dragon will bring prosperity, good career luck and success in every area of life for mankind, while the phoenix would bring out the excellent side of the female.
- Infinity (The Figure-8) is Feng Shui's symbol of unlimited happiness. Displaying this symbol attracts positive energy and brings balance to your life, it can be at the south sector to activate fame and relationship or in the north for charging up your career luck.

Mr. Surendran is an accredited master Fengshui consultant, bioenergetician and traditional Vaastu practitioner.



TDS on Sale and Purchase of Immoveable Property by Non-Residents (NRIs)

INTRODUCTION TO THE TDS PROVISIONS:

Owing to an increase in the transactions of purchase and sale of immoveable properties, going unreported and undervalued, the Government felt the need to bring a regulation to improve the reporting of such transactions, with the PAN card number and details of the buyer and seller. The result of the same is Section 194IA. Vide the Union Budget 2013-14, Section 194IA was introduced directing a TDS on Property @ 1% on all Immovable Property Transactions of Rs. 50 Lakhs or more under Section 194IA.

TDS Remittance, TDS Return and PAN No.:

TAN No. to be Obtained

Buyer should obtain a TAN No. first. TAN No. is not required in case the property is purchased from a Resident Indian but is required in case the property is purchased from a Non-Resident Indian. A TAN No. is different from a PAN No. Hence, in addition to PAN, a TAN No. must be obtained by the BUYER.

By Dr. CA ABHISHEK MURALI,
M.Com, FCA, ACMA, CGMA, CIMA(Lon.),
LLB, CISA(USA), DISA(ICAI), D.Litt, ADIT (UK);

Conclusion

Hence, it is evident that TDS on sale of property is a very important provision for Sellers/Buyer of Immovable Properties. It is even more important to

know the nuanced provisions applicable when it is sold by a non-resident. Hence, it is important to plan the taxes and remittance of the same, with the assistance of your professional, before the property is sold.

SUMMARY OF TDS ON SALE OF IMMOVABLE PROPERTY

Particulars	%
Where Seller is a RESIDENT Any immovable property (other than agricultural land) provided consideration is Rs.50 lakhs or more – Sec 194IA	1% of the Sale Consideration
Where Seller is a NON-RESIDENT and certificate of Capital Gains is obtained from ITO (Sec 195) - Any immovable property	20% of Capital Gains
Where Seller is a NON-RESIDENT and no certificate obtained from ITO (Sec 195) - Any immovable property	20% of the Sale Consideration

TDS on Sale of Immovable Property by Non-Residents (Sec 195)

Introduction

The TDS to be deducted on sale of immovable property by a Non-Resident is vastly different from the case of a sale of property by a Resident.

Scope of Taxation on Sale of Immovable Property by Non-Resident

In case of purchase of property from NRI, TDS under Section 195 is required to be deducted on the Capital Gains, if conditions are complied, as below. There is no monetary limit for the purpose of applicability of TDS:

For a resident, TDS is applicable only if the sale value is Rs.50 lakhs or more. However, for a non-resident, there is no monetary limit for the purpose of TDS in case of sale of property. Hence, even if the sale value of the property is Rs.5 lakhs and the property is sold by a non-resident, the TDS of 20% u/s 195 will be applicable.

Hence, this TDS is required to be deducted whenever any payment is made to the NRI for purchase of property. Even if any advance is being paid for purchase of property – TDS is required to be deducted on that advance.

Amount on which TDS is deducted – Sale Consideration or Capital Gains

The initial idea is that the TDS is required to be deducted on the Capital Gains. The perception is that the seller will calculate the amount of Capital Gains arising in their own hands, from sale of this property. Seller shall intimate the same to the buyer, to appropriately deduct the tax on 20% of the amount.

HOWEVER, this computation of Capital Gains cannot be done by the Seller himself and should be done by the Income Tax Officer ONLY. The Income Tax Officer will issue a certificate with the capital gains taxable, which should be provided to the buyer.

Hence, if the certificate is not obtained by the Seller, then TDS should be deducted at 20% of the Sale Consideration.

TDS to be Deposited in 7 Days from end of Month of Sale

The TDS so deducted by the buyer shall be deposited with the Govt within 7 days from the end of the month in which the TDS has been deducted vide Challan No./ ITNS 281.

TDS Return to be Filed

After the deposit of TDS, the buyer is required to furnish a TDS Return. This TDS Return is required to be furnished in Form 27Q and is required to be furnished separately for each quarter in which the TDS has been deducted.

This TDS Return is required to be deposited within 31 days from the end of the quarter in which the TDS has been deducted.

Frequently Asked Questions on TDS on Sale of Property by Non-Resident (FAQs)

1. What details to provide the Tax Officer?

The Officer will go through details like Purchase Price, Date of Purchase, any expenses on Renovation/ Construction etc.

2. What if excess TDS is deducted than actual tax payable?

In such a case, the seller can claim refund of TDS at the time of filing of the Income Tax Return.

3. What certificate should the seller collect from the buyer?

Seller should collect Form 16A from the Buyer when it is available.

4. What if multiple payments are made for the property?

Deduct TDS at the time of each payment and not at the time of Registration of Property

5. What if TDS is Wrongly Deducted or Not Deducted at All?

If the TDS is wrongly deducted or not deducted, the Income Tax Dept will not do anything to the seller but will catch hold of the buyer of property to deposit the TDS. If the buyer forgot to deduct the TDS or deducted less TDS – the Income Tax Dept will recover the TDS from the buyer.

Particulars	Rate (%)
Long Term Capital Gains (i.e. Property held for more than 2 years)	20%
Short Term Capital Gains (i.e. Property held for less than 2 years)	Slab Rate of seller

Particulars	(%)
Where seller is a NON-RESIDENT and certificate of Capital Gains is obtained from ITO (Sec 195) - Any immovable property	20% of Capital Gains
Where Seller is a NON-RESIDENT and no certificate obtained from ITO (Sec 195) - Any immovable property	20% of the Sale Consideration

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Tax Planning through Will

By Sankarsh

Will is defined in the Indian Succession Act to mean the legal declaration of the intention of the testator (the person who has made a Will) with respect to his property which he desired to be carried into effect after his death.

All properties, movable and immovable, of which the testator is the owner and which are transferable can be disposed of by a Will. Wills made by Hindus, Jains, Sikhs, Christians, Jews and Parsis must as a matter of rule be in writing. Muslims are permitted by their personal law to make an oral Will.

There is no particular form of Will prescribed by law. The language should be easily understandable and the wording be such that the intention of the testator can be known therefrom. The person who prepares the Will can change it at any time during his life time. In other words if he changes his mind in favour of some other persons, he is at liberty to do so.

It is not necessary to execute a Will on a stamp paper. It can be made on any plain sheet of paper. It is preferable to have it in typed form as there is bound to be some confusion with regard to legibility of handwriting. The registration of a Will is not compulsory as it is totally optional. But it is always advisable to get it registered with the appropriate authority to have a better evidentiary value. The Will must be attested by two or more witnesses. The selection of the witnesses assumes importance for the reason that the attesting witness may on some future occasion be required to appear as a witness in the court in order to prove the execution of the Will.



After a Will has been executed it may be deposited in safe custody, such as with a solicitor or a banker, including a lawyer. Under the Indian Registration Act, 1908, a registrar also has authority to receive and keep in deposit Wills presented to him for that purpose. A Will is liable to be revoked or altered by the maker of it at any time when he is com-

petent to dispose of his property by Will.

No gift tax is attracted on the properties passing under a Will irrespective of the value. No stamp duty is payable irrespective of the value of the property. Stamp duty is attracted on the transfer of property, but not on the inheritance of property.

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