



Real Analysis

A COMPLETE ANALYSIS OF REAL ESTATE MARKET IN EAST INDIA



Residential



Commercial



Retail



Land



Warehouse

FROM THE RESEARCH DESK

Financial year 2012-2013 has been a truly topsy turvy year in many ways than one. However it is true, that for every dark cloud there is always a silver lining.

According to a report in "The Hindu" the latest study by a top international consultancy firm, India has been ranked 20th in the list of world's top real estate investment markets with investment volume of \$3.4 billion in 2012. The report also stated that the global property investment market grew by 6 per cent in 2012 to \$929 billion and was expected to cross \$1 trillion mark in 2013, the first time since 2007.

The market was fairly good in 2012 across both premium and affordable category in residential segment. Nevertheless, demand for commercial property was lackluster as there are no major industrial developments in West Bengal. In contrast the demand for Mid-Segment level flats promises to be very strong and the number of projects coming up all over Kolkata and its suburbs is a clear pointer to that effect.

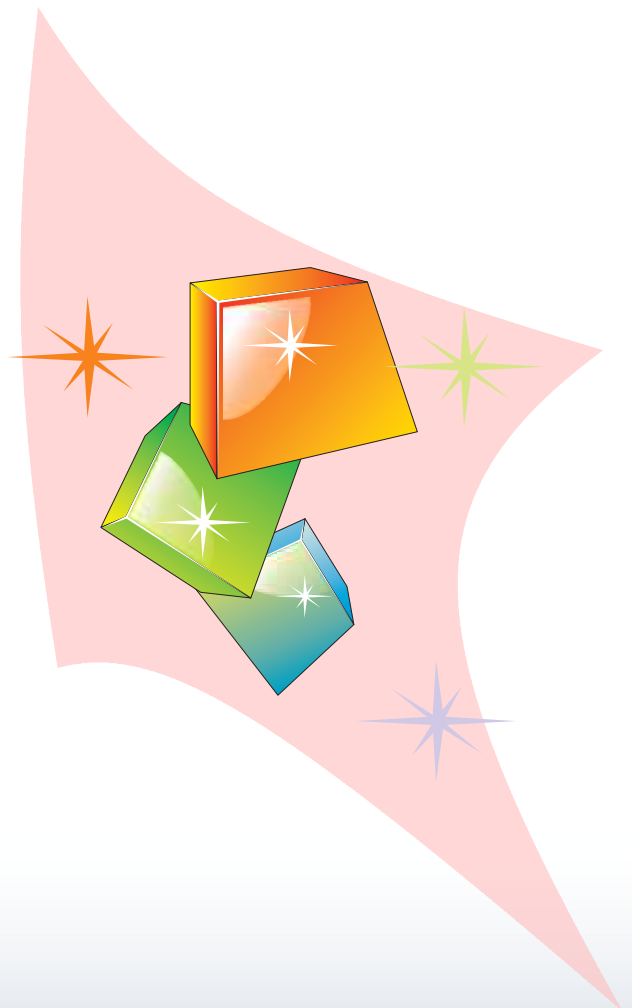
It is hoped that in 2013 an encouraging trigger for an upswing will come in the form of the cheaper home loan rates, the income tax benefit in the current year's budget and the Real Estate Regulation & Development bill that is likely to be introduced in this fiscal year. However, it is getting increasingly difficult to secure government approvals for new projects. Moreover, the rising cost of labour & building materials remain a concern for developers.

Our entire team has worked very hard to collect and collate data and we hope the results published here will be of use to you.

TEAM NKR



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Macro Economic Overview

MACRO ECONOMIC SCENARIO: EASTERN INDIA

Though the GDP growth rate is only 5.5% (only 0.7% lower than last FY), India Govt was able to reduce Inflation rate (6.62%) by 1.18% in comparison to the last 43 years' average (7.8%).

On the other hand in 2013 RBI has reduced the Repo rate (RR) thrice by total of 0.75% & reduced the CRR by 0.25%. This helps the banks to keep more money with them and increases the lending capacity of Banks. As a result of reduction in RR & CRR, better availability of finance may help to reduce interest rates.

In the Union budget 2013-14, the finance minister announced that for income tax benefit, 3.5 Lakhs (1 Lakh principal + 2.5 Lakhs interest) for home loan repayment is deductible from gross salary.

All these above mentioned facts are stimulating demand for property as controlled inflation tends to bring stability in property prices.

GDP growth rate	5.5%
Repo Rate	7.7%
Cash Reserve Ratio	4.0%
Inflation	6.62%

RESIDENTIAL MARKET OVERVIEW

Real Estate Industry of India is presently a 87 thousand crore Industry with 30% CAGR. The factors behind this are IT/ITES companies, FDI, Globalization of Indian Corporate & rapidly increasing consumer class.

RESIDENTIAL SEGMENT:

The Indian real estate sector has traditionally been dominated by a number of small regional players with relatively low levels of expertise and/or financial resources. Historically, the sector has not benefitted from institutional capital; instead, it has traditionally tapped high net-worth individuals and other informal sources of financing, which has led to low levels of transparency. With India's increasing integration with the global economy this scenario underwent a change in line with the sector's growth, and as of today, the real estate industry's dynamics reflect consumers' expectations of higher quality.

Residential real estate industry has witnessed stupendous growth in the past few years owing to the following reasons:

1. Rapid Urbanization: Urban Population expected to touch 40 crore million by 2015
2. Low per capita housing stock
3. Rising disposable income
4. Easy availability of finance
5. Increasing working age population (Almost 64% in 16-64 age group)
6. Increasing income levels: Average salary levels increased by 11.9% in 2012

MARKET STRUCTURE

Demand for housing increased considerably in recent years whilst supply of houses could not keep pace with demand, thereby leading to a steep rise in residential capital values especially in urban areas. The present market structure is :

- It was highly fragmented and unorganized, but now the organized players are emerging, supported by Govt. laws & policies.
- Regional players are expanding to achieve a Pan-India presence.

MARKET SCENARIO :

Falling inflation, interest rates and above all the recent fiscal stimulus announced by the government, will give indirect push to construction and housing activities across the country. Kolkata, the City of Joy and its surrounding areas also face the same. In fact a major portion of eastern India has caught the attention of big real estate developers, both national and international. With plans of new flats coming up almost every day this region is fast shedding its older image and becoming a place of skyscraping buildings.

Real estate in Kolkata is undergoing commercial and residential developments in order to come up to the trends in other metro cities. Real estate developers are raising modern style buildings and offering a host of modern amenities in large size projects.

Kolkata-Residential

CATEGORIES OF RESIDENTIAL SEGMENTS

A+ :Very luxurious apartments costing > Rs. 4 Cr. Most purchasers are end user & the supply is just based on demand.

A :Moderately luxurious apartments costing between Rs. 1.5 Cr. to Rs. 4 Cr. Mostly purchased by end users.

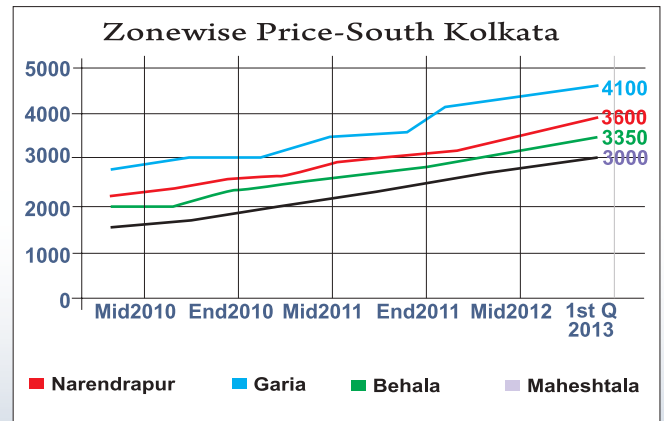
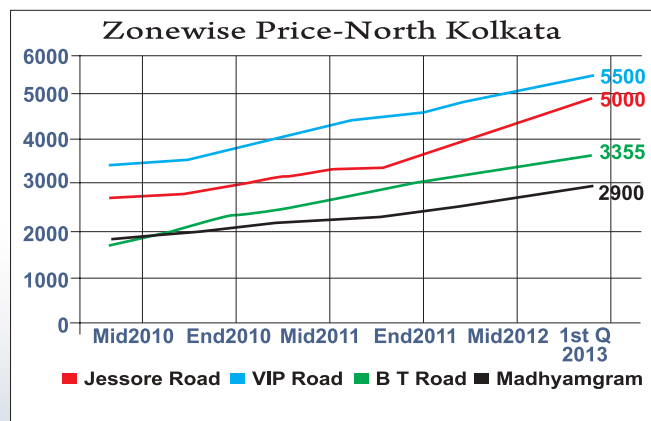
B+ :Residential apartments for upper middle income group. The price range of this segment varies from 70 lacs to near about 1.5 Cr. Mainly purchased for end use. Only 25% of sale is for investment purpose.

B : Residential apartments for middle income group. The price range of this segment varies from Rs. 40 lacs to Rs. 70 lacs. Mainly purchased for end use, 2nd home & investment. 25 % of sale is for investment purpose.

C :Residential apartments for the middle & lower middle income group. The range of this segment varies from Rs. 20 lacs to Rs. 40 lacs. Mainly purchased for end use, home & investment. 30% of sale is for investment purpose.

SOME GOOD ONGOING RESIDENTIAL PROJECTS IN LAST 1 YEAR :	
Ideal Grand	G+16 Towers near Avani Riverside Mall. No bricks used in this construction
Urbana	G+40 & G+45 Towers,near Ruby. One of Kolkata's Tallest residential Projects
Emami City	G+13 Towers, on Jessore Road. 1.5 Acres of natural Lake.
Greentech City	A unique combination of Boat Homes,Golf Villas & Duplex Homes in Rajarhat. Spread over 750 acres land
Devaloke De-Casa	G+4 Towers,Total 9 Blocks at Narendrapur. 284 Flats with all modern facilities.

A+	Ballygunge, Alipore, EM Bypass near Science City, Theatre Rd, New Alipore, Southern Avenue, Bhowanipore, Central South.	Rs.4Cr & Above	Supply is just based on Demand
A	Ballygunj, Gariahat, Bhowanipore, New Alipore, EM Bypass Beliaghata, kankurgachi, Tollygunj, Jodhpur Park, Topsia	Rs.1.5 Cr - 4Cr	Supply > Demand
B+	Tangra, VIP Road, Park Circus, Tollygunj, Bhowanipore, Garia, EM Bypass, Kasba, Picnic Garden.	Rs.75 Lakhs - 1.5 cr	Supply > Demand
B	EM Bypass, Narendrapur, Naktala, Jessore Road, New Town Rajarhat, Jadavpur, Garfa, Howrah, B.T.Road.	Rs.40 - 70 Lakhs	Demand meeting Supply
C	Garia, Sonarpur, Baguihati, Chinarpark, Teghoria, Rajarhat Madhyamgram, Barasat.	Rs.20 - 40 Lakhs	Demand is very High Supply catching up steadily.

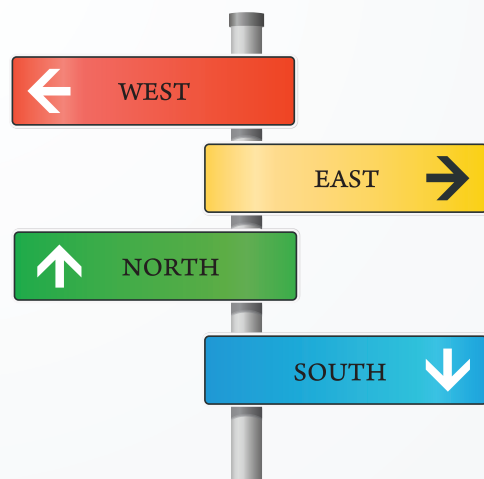


Kolkata-Residential

SOUTH KOLKATA	RATE/SQFT(Rs)
Tollygunge	5000 - 7000
Garia	3700 - 5040
Naktala	4200 - 5500
Boral	2575 - 2725
Bansdroni	4500 - 5500
Narendrapur	2825 - 3500
Sonarpur	2500 - 3000
Raj pur	2390 - 3000
Behala	3000 - 3750
DH Road	3600 - 4500
Jagaddal	2400 - 2900
Maheshtala	2200 - 3000
Picnic Garden	4300 - 4800
Joka	2600 - 3000
Baruipur	1600 - 1800

NORTH KOLKATA	RATE/SQFT(Rs)
Shyambazar	6500 - 7500
Laketown	4700 - 6000
VIP (Near Haldiram) Road	5500 - 6500
Jessore Road	4500 - 5500
Sealdah	6000 - 7500
BT Road	3000 - 3500
Barasat	1800 - 2500
Keshtopur	3150 - 4200
Madhyamgram	2400 - 2750
Kaikhali	3100 - 3200
Dunlop	3000 - 3200
Birati	2600 - 3000
Dumdum	4000 - 4200
Baguiati	2600 - 3000
Bidhannagar	3500 - 5000

CENTRAL KOLKATA	RATE/SQFT(Rs)
Christopher Road	5500 - 8500
Park Circus	8000 - 10000
Beliaghata	6500 - 7500
EAST KOLKATA	RATE/SQFT(Rs)
Rajarhat	2500 - 4300
New Town	4200 - 8000
HOWRAH & HOOGHLY	RATE/SQFT(Rs)
Howrah	2450 - 6100
Hooghly	2850 - 3600



There are primarily two most important changes that are likely to affect a large part of Kolkata and its suburbs. One is the expansion of the east-west metro railway, which will bring two ends of the city to be covered in about an hour. While the second being the extension of the EM Bypass which will make it possible for someone to travel from say

the south right through into Diamond Harbor, into the deepest parts of the district a reality. Many stretches of the proposed extension of the bye-pass is currently underway and a lot of new projects are already beginning to take shape. This clearly means better accessibility for people to travel with greater ease to various parts and allow realty business to flourish.

RETAIL MARKET OVERVIEW

Kolkata has become one of the highest revenue generating markets nationally for Big Bazaar, Spencer's, KFC and Pantaloons among others over the past one year. Spencer's Retail, Pantaloons and Future Group's Home Town have their top-selling outlets in Kolkata, and it's the top-performing market for American chicken fries-and-burger chain KFC despite Delhi and Mumbai having doubled the number of outlets.

As per Mr. Kishor Biyani, CEO, Future Group "Kolkata has been one of the best kept secrets in modern retailing" he also says "Consumption in Kolkata is much more stable than in other metros where it goes through ups and downs, and there is high level of festival-linked purchases throughout the year".



The main causes behind this retail market booming situation are:

1. Growth in employment in sectors like BPO, IT and services sector.
2. The consumer's rising aspirations.

The adoption of modern trade in Kolkata is rising at par with the fast pace across India. It has grown by 21% over last year. The share of modern trade in FMCG sales is 12.5% in Kolkata against national average of 9.2%.

From above mentioned facts it is clear that presently Kolkata is one of the favorite destinations for retailers from all over. So the demand for Retail space is also growing in Kolkata.

Places like **Barasat, Behala, Dunlop, Joka, Barrackpore, Baruipur, Garia, Narendrapur** etc are coming up as new retail destinations in Kolkata.

The present status is that in Kolkata supply of retail is less than demand and some of the reasons are.

- Developers in WB opt for low risk projects so they avoid large projects with high valued investment which need huge bank finance.
- Scarcity of clear land due to various land policy.
- Profit recovery is slow due to high land and construction cost.
- Anti FDI policy in our state is preventing new Investment.

AFTERMATH OF THIS SUPPLY CRISIS

- Lease rates are rising due to low retail space supply.
- Due to low supply of organized retail space brands are shifting to high street stores.

In fact the demand for retail space is not something which is concentrated within Kolkata only. In recent past it has also spread over in the outskirts of Kolkata in the form of neighborhood centers in places like Kalyani, Kanchrapara, Sreerampore, Chandannagore, Uttarpara, Rishra etc.

The main reasons behind the expansion of Retail destination in suburbs/ outskirts of Kolkata are :

- Scarcity of open land in heart of the city.
- Logistical advantage due to decent transportable system.
- Available lands are less expensive in suburbs.
- Increasing purchasing power in suburbs.
- Increasing brand awareness in suburbs.
- Lack of organized retail in suburbs.

NAME OF SOME OF THE MALLS WHICH WILL BECOME OPERATIONAL WITHIN NEXT 2 YEARS:

MALL NAME	LOCATION
Acropolis	Kasba
Spencers Galleria	Park Circus
Forum Rangoli	Belur
Genexx Square	D.H.Road
Lake Mall	R.B.Avenue
Globe Mall	Lindsay Street
Barasat Mall	Champadally, Barasat

CURRENT RANGE OF RENTAL FOR MALLS:

LOCATION	LEASE RATE IN MALLS
South kolkata	Rs.250 - 450 / sqft
East Kolkata	Rs.200 - 450 / sqft
New Town/Rajarhat	Rs.175 - 250 / sqft
Central Kolkata	Rs.350 - 450 / sqft
Barasat	Rs.125 - 150 / sqft
Narendrapur	Rs. 50 - 80 / sqft
Garia	Rs.90 - 110 / sqft
Howrah	Rs.150 - 250 / sqft

*Rates vary highly with location of Mall.



HIGH STREET LEASE RATES IN VARIOUS LOCATIONS OF KOLKATA & SUBURBS

LOCATION	LEASE RATES IN HIGH STREET
Park Street	Rs.300- 500 /sqft
Camac Street	Rs.250- 550 /sqft
Elgin Road	Rs.250- 320 /sqft
Theatre Road	Rs.180- 250 /sqft
A.J.C.Bose Road	Rs.170- 220 /sqft
Rajdanga Road	Rs.150 -170 /sqft
Rashbehari Avenue	Rs.180 -250 /sqft
Sonarpur	Rs. 50 -70 /sqft
Narendrapur	Rs. 50 -70 /sqft
Howrah	Rs.100 -150/ sqft

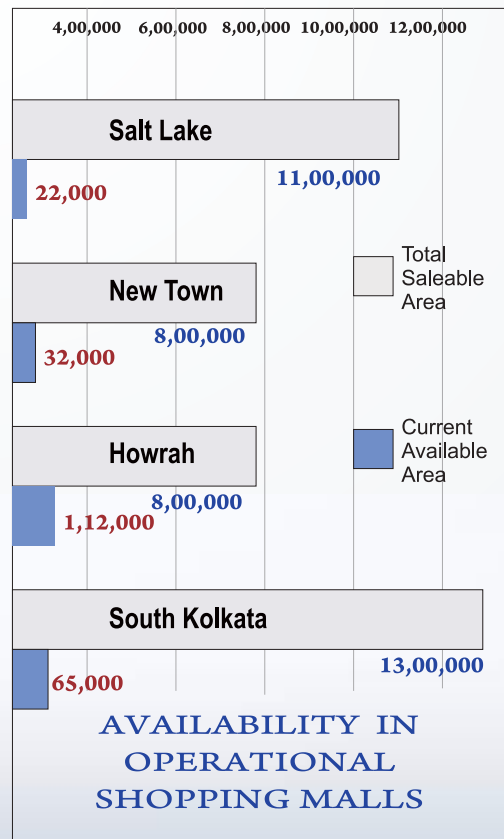
Presently in Kolkata & suburbs the supply of retail space in terms of high street is much higher than mall. Proper space availability is the main constraint for new mall construction. In view of high demand for retail space developers are coming with large number of High Street projects.

Presently in Kolkata & suburbs approx. supply for HS is as follows:

ZONE	AVAILABILITY OF HIGH STREET SPACE
South Kolkata & Suburbs	2,13,500 sqft
Central Kolkata	2,85,000 sqft
North Kolkata & Suburbs	1,28,000 sqft
Salt Lake	90,000 sqft

Currently there is a demand for large format shopping malls in the places like :

- 1) BT Road.
- 2) DH Road.



Kolkata-Commercial

COMMERCIAL

When commercial office space is concerned, Kolkata has not seen very prosperous growth in recent past. Several reasons are there for which Kolkata is facing a stagnant trend in the commercial market segment.

Hurdles in land acquisition, low growth rate coupled with lack of economic reforms has stifled the industrial growth of West Bengal.

Slow economic growth in India as well as in West Bengal has resulted in a sluggish commercial market. Compared to last year in the 1st quarter of this year, the rate of investment was lower.

IT/ITES companies has been the main industrial growth in Kolkata for last few years. In the recent one year it is experiencing a sluggish growth, resulting in reduced demand for commercial spaces in sector-5 and New Town.



CATEGORY	LOCATION	LEASE RATE	PRICE
CBD	Dalhousie, Park St., Camac St., Elgin Road, Minto park, Chowringhee, AJC Bose Road	Rs.80 - 150	Rs.14K-22K
	Park Circus	Rs.65 - 85	Rs. 7k - 10K
	Mallick Bazar	Rs.65 - 75	Rs. 9K
	Theatre Road	Rs.90 - 100	Rs. 15K-20k
SBD	Topsia	Rs.80 - 90	Rs. 8K-11K
SBD	Ruby	Rs.65 - 70	Rs. 8K-10K
	Kasba	Rs.85 - 95	Rs. 9K-10K
	Gariahat	Rs.85 - 100	Rs. 8K-12K
	Harish Mukherjee Road	Rs.70 - 80	Rs. 7K-15K
BUSINESS PARK	Saltlake Sector 5	Rs.42 - 52	Rs. 4.5K-5.5k
BUSINESS PARK	New Town, Rajarhat	Rs.32 - 45	Rs. 4K-6k



The main reasons behind the variation of rates are:

- ◆ Years of construction: Rates are inversely proportionate with the age of construction.
- ◆ Amenities are another factor which affect the prices. Between 2 buildings with same construction year, price varies with available facilities.
- ◆ Location: If the building is located on the main road the rate will be high and if the location is little bit away from the main road then the rate can be lower.

DEMAND SUPPLY SCENARIO

The CBD and extended CBD areas of Kolkata are facing good demand and it is meeting the supply. The SBD area is also getting good response and supply more or less matching the demand. For new business area the scenario is not so good. Presently the supply is higher than demand in sector-5 and new town area. The eastern region council of NASSCOM the premier trade body and the chamber of commerce of the IT-BPO industries in India is situated in Kolkata. From the late 90's with the emergence of IT sector in Kolkata, Salt lake Sector V area had started to grow.

From late 90's to 2004-05 IT sector was growing rapidly. In view of this rapid growth construction of office space also became very fast. Moreover availability of land at cheap rate & because of Govt. policies construction cost was cheaper in Sector V & Rajarhat area.



All these factors stimulated more construction in Sector V & Rajarhat areas. As a result many projects were taken up in those areas & after 2008-09 recession the growth in IT/ITES companies was hampered. This resulted in a huge supply of office spaces & with a low demand there was an inevitable fall in prices of properties.

However since the inauguration of the Financial Hub by the state government, end 2012 it is expected that this hub will create not just a beehive of activity but will mean the influx of more people and companies in the area. Further, improvement in the quality of roads and increased flow of buses through this part of the city has meant that easy access from and through the region will create the right reason for people to want to buy houses and offices here.

Another benevolent force to the improvement of the real estate business here would be the Metro Railway connection availability in the not so distant future. The spacious planning of roads and other civic amenities and utilities will eventually be a top draw for people from proper Kolkata city who have grown tired of the tightly packed concrete jungle like atmosphere and feel the overwhelming need for space.

SOME ONGOING PROJECTS

PROJECT NAME	LOCATION	LAND AREA	FLOORS	OFFICE SIZE(SQFT)	POSSESSION
23	23 Circus Avenue	25 cottahs	B+G+11	1500-6500	Dec 14
Bengal Eco Intelligent Park	Sector -5	3.5 acres	B+G+15(2)	2500 onwards	Dec 15
ERGO	Sector -5	35 cottahs	B+G+18	1000 onwards	Dec 15
Ekta Point	116A, S.P Mukherjee Road	11.5 cottahs	G+5	4500	Ready
Ideal Unique Centre	Science City	3 acres	G+27	7000 onwards	Mar 13
Mani Casadona	Action Area-2, New Town.	13 acres	B+G+16(2)	3500 onwards	Dec 14
Tirumala	22 East Topsia Road	39 cottahs	B+G+11	3000 onwards	Dec 13
PS Srijan Corporate Park	Sector -5	2.77 acres	G+12 G+24	Comm. 11000 and for IT 40000	Dec 14
PS Peninsula	Topsia	22 cottahs	B+G+11	1000 onwards	Dec 14
Diamond Heritage	8, Strand Road	1.7 acres	B+G+14	369 onwards	Sept13
Unitech Chambers	On RB connector, Kasba	1.405 acres	Commercial: G+8 Retail:G+2	2000 onwards	Ready
Aurora Water Front	Salt Lake, Sec V	1 acres	2B+G+19	505 onwards	Dec 15
Sai Plaza (Entally)	Entally	11.5 cottahs	G+7	2500 onwards	Dec 14

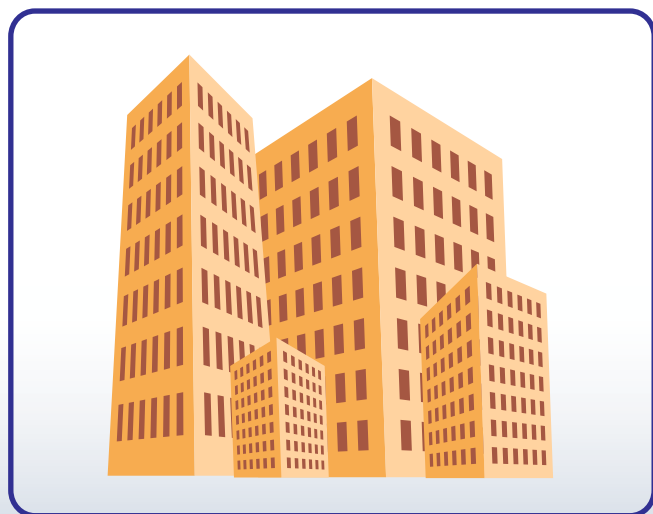
LAND

The Main driver behind land demand in Kolkata & suburb is the demand for residential projects. In past 2-3 years the demand for affordable residential project has increased sharply. This kind of projects can not be constructed in the heart of the city as land prices of these areas are very high. This is the reason why these projects are spread across North, South & South West suburbs of Kolkata, which has resulted in a hike in land prices of those areas.

Now in Kolkata because of Govt. land policy there is no land demand for Industrial purpose. The main demand comes from residential construction. As mentioned above the demand for affordable apartments has increased demand in places like **Garia, Narendrapur, Baruipur, Sonarpur, Joka, Amtala, Pailan, Mahestala** etc.

Basically in CBD area availability is very poor with a very high rate prevailing. In the heart of the city only high end standalone projects are taking place. The price of these areas are :

LOCATION	RATE/COTTAH(Rs)
VIP Road	25 - 50 Lakhs
Salt Lake	45 - 55 Lakhs
Jodhpur Park	60 - 80 Lakhs
Jadavpur	40 - 60 Lakhs
Tollygunj	25 - 40 Lakhs



OTHER AREAS (MAINLY SUBURBS OF KOLKATA)

LOCATION	RATE/COTTAH (Rs)
Behala	20-45 Lakhs
Garia	15-25 Lakhs
Narendrapur	10-18 Lakhs
Rajpur / Harinavi	5-10 Lakhs
Sonarpur	2-12 Lakhs
Thakurpukur	18-25 Lakhs
Joka	10-18 Lakhs
Pailan	4 - 8 Lakhs
DH Road After IIM	4-15 Lakhs
Kona	7-12 Lakhs
Jessore Road	12-20 Lakhs
BT Road	15-30 Lakhs
Madhyamgram	8-15 Lakhs
Rajarhat & Newtown	8-25 Lakhs
Baruipur	3-12 Lakhs
Boral	3-5 Lakhs

WAREHOUSE

Due to increase in retail, automobile, food, telecom and power sector in last few years warehouse industry has also experienced increase in demand. Major warehousing clusters are located in NH6, NH2, Taratala Hide Road, Budge Budge Trunk Road, BT Road, etc . In view of rising demand for warehouses some new ventures are taken by developers like Anmol south City Infrastructures Ltd, Srijan Realty. Traditional warehouses are undergoing a transitional phase with changes in facilities provided.

LOCATION	LEASE RATE/SQFT
NH 6	Rs.14 - 20
Taratala Hide Road	Rs.18 - 27
BT Road	Rs.18 - 20
Barasat/Madhyamgram	Rs.14 - 15

Upcoming project at Raghudevpur called South City Infra Park on a 26 Acre plot by Anmol South City Infra Ltd.

Burdwan

BURDWAN - A BACKGROUND

Burdwan Town is the district headquarter with a population of 3.5 Lakhs. It is about 100 K.M from Kolkata. The hinterland is agro based & it has over 200 rice mills.

Burdwan town is also growing now with an increasing number of people opting for better residential spaces and higher living standards.

The Govt. of West Bengal is trying to bring in many new projects to facilitate the growth of Burdwan Township. Two large developments on a Public Private Partnership are coming up on the NH 2 connecting Kolkata and Delhi, on which Burdwan town lies. One of these is a Bus Terminus, with retail and other hospitality services. The other is a mini township at Goda, Burdwan which is also on the highway. This 250+ acres mini township is being developed by Bengal Shrachi Housing Dev. Ltd. It will revolutionize the way people see residential units in Burdwan. The Burdwan Development Authority is also playing a big role in these PPP projects.

RESIDENTIAL PROJECT:

Shrachi Renaissance is a mega township project created by Shrachi Burdwan Developers Pvt Ltd in association with Burdwan Development Authority. This mega township is being developed on 254 acres of land.

The entire township would have around 1200 bungalows and 1200 residential flats with various size and price options available.

ZONE-WISE RESIDENTIAL RATES:	
Ullhas More - East Zone	Rs. 2,800-2,900
Tikorhat - Central Zone	Rs. 2,300-2,500
Radhanagar - Central Zone	Rs. 2,700-2,900
Policeline More - East Zone	Rs. 2,500-2,700
Renaissance - North Zone	Rs. 2,150-2,300

DEMAND SUPPLY SCENARIO:

The demand for residential bungalows are quite high compared to residential apartments. Overall demand for properties in the residential segment is there.

LAND

Burdwan still is a town maintaining old Bengali tradition. In this town the demand for residential house is still high that is why the demand for open land is also there.

The land rates are as follows:

LOCATION	PRICE/COTTHA
Besides NH 2 Medical College	Rs.5 lakhs
Station Area	Rs.7 - 8 Lakhs
Kanchannagar	Rs.3 Lakhs

OFFICE

Burdwan is an agriculture based town, & the demand for commercial office space is not very high. The availability is also not very high.

LOCATION	PRICE/SQFT
Burdwan Town	Rs.26 - 28

RETAIL

In recent past like Kolkata other parts of Bengal is also experiencing new entrance of large brands. This is what is generating demand for large retail space.

RATE OF RETAIL SPACE

LOCATION	PRICE/SQFT
Burdwan Town	Rs.45 - 50

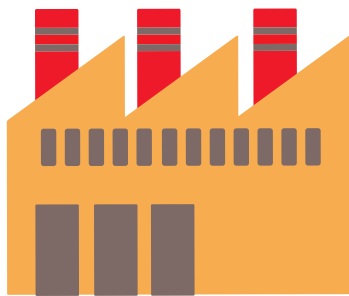
ASANSOL - A BACKGROUND

This is the town comprising of some public sector giants like the Eastern Coalfields Ltd, Indian Iron and Steel Company Ltd (IISCO) and Chittaranjan Locomotive Works.

Some other companies like Hindustan Cables Ltd., Dishergarh Power Supply, Damodar Valley Corporation, Burn Standard, Reckitt and Coleman, Burnpur Cement also operate over here.

Asansol is the 2nd urban agglomeration in West Bengal after Kolkata as per Wikipedia. This town is experiencing a very rapid urbanization & it is among the 11 Indian cities in the list of 100 fastest growing cities in the world with a rank of 42.

With urbanization projects in residential segment has started growing & presently big developers like Sugam Homes have launched their projects in collaboration with ADDA.



ZONE-WISE RESIDENTIAL RATES IN ASANSOL

ZONE	RATE/SQFT
Dhadka Road	Rs.1,745-1775/-
G.T.Road, Kumarpur	Rs.2,000-2,150/-
Senrleigh Road	Rs.2,200-2,300/-
Apcar Garden	Rs.2,200-2,300/-
Garai Road	Rs.2000-2100/-

After IISCO being re-operational, in the last 3 years the residential market of Asansol is on a boom. Most of the new upcoming projects are facing high demand & presently it is a situation where supply is just meeting the demand.



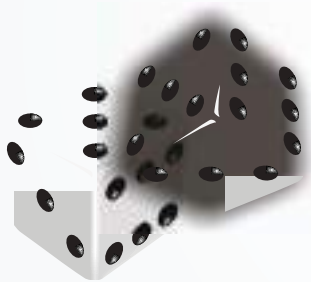
RETAIL

Asansol, has been known as the mining metropolis of West Bengal and scores over many other tier II cities in terms of available infrastructure, economic growth and development activities. In the wake of spectacular development in the past few years it is preparing to release its untapped potential as a modern retail destination as well.

Recently 2 malls were opened in Asansol as follows

GALAXY MALL & CENTRUM MALL

LOCATION	LEASE RATES/SQFT
Centrum Mall	Rs.50 - 80
Galaxy Mall	Rs.40 - 80



COMMERCIAL

With its mineral rich resources, heavy industrial development and a growing population, Asansol always had the potential of becoming one of the very important towns of the country.

Unlike other budding towns, Asansol's industrial history is not new. It has been the hub of industrial activities right from the British era. The two largest industrial players which contribute towards the region's economic livelihood are Eastern Coalfields, a subsidiary of Coal India Ltd, and IISCO steel plant from Steel Authority of India Ltd, other important centre's being the Chittaranjan Locomotive Works, Hindustan Cables, Damodar Valley Corporation, Burn Standard, Reckitt & Coleman, Burnpur Cement, Asansol Cement etc.

Now, with IISCO planning major expansion in the region and corporate houses such as Jindal and Videocon willing to invest, Asansol is certainly hogging the limelight like never before. It is not hard to imagine what the future holds for this city in Bengal.

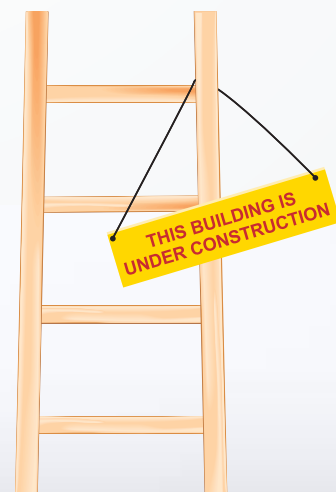
With this kind of prospect it is not hard to see the future possibilities in respect to commercial real estate business in Asansol.

Further, since the Asansol Urban Agglomeration (read: Asansol city) has been selected as a 'Mission City' under the Jawaharlal Nehru National Urban Renewal Mission project, the urbanisation process is all set to get a leg up. Meanwhile, IIT-Kharagpur has been engaged in preparing a Perspective Plan 2025 for development of the Asansol-Durgapur area.

LEASE RATES OF COMMERCIAL OFFICE SPACE

LOCATION	RATE/SQFT
GT Road Nr Gopalpur	Rs.16/-
GT Road, Murgasol	Rs.30/-
Rambandhu Talab	Rs.90/-

*Rates vary highly with age of construction, facilities available, facing & location.



DURGAPUR - A BACKGROUND

Durgapur is an industrial hub with large scale industries like DVC, DPL, and DSP (SAIL), ASP, PCBL, Balaji Industries, Alstom, DCL, Graphite etc. It is a town 168 km away from Kolkata, 5.7 Lakhs people with good purchasing power & very developed infrastructure.

Bengal Aerotropolis is India's first Airport City located 15 km from Durgapur in West Bengal, India. It is being developed on 1800 acres of land in association with Singapore's Changi Airports International and constructed by Bengal Aerotropolis Project Ltd. As per the Ministry of West Bengal the airport will be operational in 2013. This airport city is constructed around an old airfield near Andal, Burdwan. It is a township along with IT & logistics hub.

Because of all these factors Durgapur is now a good destination for Real Estate developers. Presently large township projects are being constructed here. Most of the projects are coming under PPP model with ADDA.



AREA-WISE RESIDENTIAL RATES:	
AREA	RATE/SQFT
City Centre	Rs. 3,200
Bidhan Nagar	Rs. 2,650
Durgapur Station	Rs. 2,000
Bamunara	Rs. 1,450 -2,000
Link Road	Rs. 2,200 -2,300
Sobhapur	Rs. 2,700
Muchipara	Rs. 2,195

All the projects in Durgapur are priced more or less similar. So categorization of properties in terms of price is not much applicable in Durgapur. This real estate market has moderately good demand & the supply is just meeting it.

RETAIL :

The main driving factors to attract organized retail in Durgapur are:

- It is an industrial hub with large scale industries based here.
- It has a population with high purchasing power.

As a result large brands are there since a long time. Previously only High street retails were available where Benachity was the main retail market. Presently some new shopping malls came into picture like:

TOWN	PRESENT MALL	UPCOMING
Durgapur	Junction Mall Suhatta Mall Bengal Shristi	Acropolis Eco Recon

LOCATION	LEASE RATE IN MALLS
Durgapur	Rs. 60 - 120/ sqft
LOCATION	LEASE RATE IN HS
Benachity	Rs. 50 -70/ sqft

*Rates vary highly with location of mall

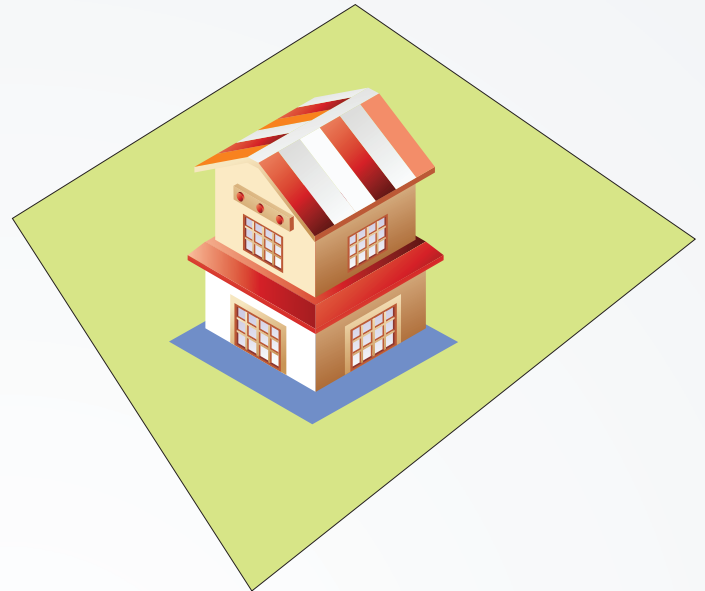
The retail fever has caught on with small towns in West Bengal, and the local market is open to shopping malls, with retailers going for commercial spaces in Durgapur. While Bengal Shrichi Housing Development is constructing a shopping mall in Durgapur, Pantaloons is exploring property options to launch their stores. The Panoramic group, is also supposed to develop a 150-room hotel on 2.5 acres of land in Durgapur.

Durgapur's Software Technology Park was set up in 2005 in Bidhannagar, as part of the West Bengal Government's policy of making the state an IT hub.

COMMERCIAL

Durgapur is part of a number of locations in this district which is controlled by ADDA- Asansol Durgapur Development Authority. To explain more clearly ADDA is the controlling body for Asansol-Durgapur-Raniganj-Jamuraia & Kult.

The rapid modernization and industrialization that is taking place in one is bound to affect others within the same region. The almost dramatic expansion that is descending on the area is bound to result in a huge expansion of activities and would mean a boom in the not to distant future for the process of commercialization of Durgapur.



LAND :

MAIN OFFICE AREA OF DURGAPUR	
LOCATION	LEASE RATE
City Centre	Rs.32 - 40 sqft

The land rate of Durgapur is increasing with recent development in residential segment. Large residential & retail projects are coming into picture by large developers in recent past which has resulted in an increase in land rate.

Not just that, the industrial township of Durgapur, on the banks of Damodar River, is gradually re-emerging as a bustling hub with a large workforce, moderate per capita income, good connectivity and a large number of housing, commercial and educational establishments. With this increase it is but natural that price of land and its gradual unavailability will lead to hike in prices as well.

Present land value of different areas of Durgapur :

AREA	RATE/COTTHA
Suburb of Bidhan Nagar	Rs.2.5 - 5 Lakhs
Bidhan Nagar	Rs. 9 - 10 Lakhs
City Centre (Nr Big Bazar)	Rs.13 - 18 Lakhs
City Centre (Nr Junction Mall)	Rs.13 - 18 Lakhs
Andal, Airport City	Rs.3.5 Lakhs



GUWAHATI - A BACKGROUND

- ★ Guwahati is the capital of Assam with 9.6 Lakhs population.
- ★ All states in the North East are connected to the rest of the country through Guwahati.
- ★ It is the commercial centre of North East with all major companies having regional offices. Guwahati is the biggest centre of education in North East.

★As per a survey done by Morgan Stanley in Feb, 2011)



- ★ Quarterly average household income of Guwahati is around Rs. 70,000 which is more than the country's average household income of Rs. 50,000.
- ★ This survey also classified Guwahati as a city with 'low vibrancy, but high income.'
- ★ In terms of financial penetration, Guwahati has been ranked 41st, which is however above Mumbai and Kolkata.
- ★ Guwahati ranks 18th on consumption index and 29th on job openings.
- ★ Rate of urbanization is comparatively low but it has witnessed growth in household income.
- ★ The real estate market of Guwahati is facing moderately good demand & it is more or less matching the supply.

RESIDENTIAL MARKET OVERVIEW

Zoo Road, G S Road are the main residential areas. These are the places where stand alone apartments are available like Ideal Hill View, Subham Buildwell etc.

The suburbs are developing & many new housing projects like Shine 7 Sisters, Shine Heaven, Apurva Housing Projects, Swarna Villa, Eureka Heights are launching in suburbs like Kufri, Punjabari, Kahikuchi, Hatiagaon, Silpukhuri, etc.

AREAWISE RATES IN GUWAHATI

AREA	RATE/SQFT
Zoo Road(Luxury Apmnt)	Rs. 3,400- 4,350
G.S.Road,Dispur	Rs.3,000-4000
Kufri	Rs.3,500-4,300
Kahikuchi,Airport	Rs.2,000-2,400
Punjabari Bus Stand	Rs.2,400-2,700
Silpukhuri	Rs.3,500-4,000
Hatigaon	Rs.2,700-3,200
Near Hocket Stadium(Villa)	Rs.2,500-2,700



Kamkhya Temple the famous landmark of Guwahati

Guwahati

RETAIL

Guwahati has been one of the major fashion conscious city of Eastern region. That is why it is a very attractive destination for large International brands, which resulted into higher level of demand for retail space. But the demand for high Street is greater than demand for shopping Mall. Recently Bharti Wal-Mart announced to open their 1st outlet at Guwahati in the North East.

Main retail destination in Guwahati : G S Road followed by Zoo Road & Paltan Bazar.

Present lease rates for retail in Guwahati are:

HIGH STREET	LEASE RATE/SQFT
G.S.Road	Rs.100 - 200
Zoo Road	Rs. 80 - 100
Paltan Bazar	Rs. 80 - 100

Dona Planet & Dona Plaza are 2 small shopping malls there, Brahmaputra Developers is also coming up with a mall on G.S.Road.

COMMERCIAL

LOCATION	LEASE RATE/SQFT
GS Road	Rs.30 - 36
Zoo Road	Rs.30 - 36

There is a huge demand & prices of the properties are shooting up. People are taking space for both residential and commercial purpose. Guwahati has the advantage of being the hub of commercial activities and the gateway to the Northeastern part of India. A very robust demand for malls as well as demand for showroom space has given a big boost to the sector.

PREVAILING LAND RATES

AREA	RATE/COTTHA
Zoo Road	Rs.6.5 -7.5 Lakhs
G,S.Road	Rs.1 Cr - 2 Cr.



BHUBANESWAR - A BACKGROUND

- ★ This is the 2nd planned city of India after Chandigarh.
- ★ The city was planned by the famous French architect Mr. Le Corbusier.
- ★ As per 2011 census, population is 8.37 Lakhs.
- ★ Bhubaneswar has emerged as a fast-growing, important trading and commercial hub in eastern India.
- ★ Tourism has been and is one of the major industries in Bhubaneswar, with the city attracting about 1.5 million tourists in 2011.
- ★ Bhubaneswar was meant to house the state's machinery and hence was designed to be a largely residential city with outlying industrial areas.
- ★ In 2011-12, Odisha had a growth rate of 17% in terms of software exports. According to a survey in 2012, among the tier-II cities in India, Bhubaneswar has been chosen as the most preferred place for conducting IT/ITES business.
- ★ Bhubaneswar had the highest rate of employment growth among 17 Tier-II cities in India.
- ★ In a recent AC Nielsen-Org-Marg Quality of Life 2012 survey, Bhubaneswar came up as no.3 in tier-II cities.
- ★ In 2012, Bhubaneswar was ranked third among Indian cities, in terms of starting and conducting a business by the World Bank.
- ★ Quarterly average household income of Bhubaneswar is around Rs. 65,000 which is more than the country's average household income of Rs. 50,000.

BHUBANESWAR AN OVERVIEW

The above mentioned points clearly indicate the availability of consumers with good purchasing power. This is the factor which attracts real estate developers towards Bhubaneswar.

Big developers like Tata Housing have launched their projects there. Some other big developers like Utkal Builders, DN Homes, Panda Infrastructure etc have also launched their projects.

In its starting phase i.e. in 2008 the demand was at its peak. Because of the high demand & availability of land many new projects were launched & all were sold out. It was a booming phase experienced by the developers till 2011.

The developers misread the Bhubaneswar market as being one of the most lucrative without judging the actual demand. Due to this wrong estimation of the market, a huge inflow of large projects happened. This unbalanced market economy created an automatic self correction and demand started falling from late 2011.

Now this is a market where supply is greater than demand & none of the developers are able to get enough buyers. This implies stagnation of rates. Some developers are also giving discount on quoted rates.

The future seems very promising with work on INFOCITY slated to start soon, as well as work at the steel plant going on at full speed. With improved infrastructure the real estate scenario of Bhubaneswar holds the promise of an ascent in the near future.



The famous Lingaraja Temple of Bhubaneswar

RESIDENTIAL SEGMENT

SOME IMPORTANT PROJECTS UNDERWAY

Present projects are: Tata Ariyana, DN Oxypark, Lake Ville, Land Mark, Harspriya Retreat, Biswanath Enclave, Nageshwar Residency, Panda Residency, Gatikrushna Green, Krishna Plaza.

PREVAILING RATES :

LOCATION	RATE/SQFT(Rs)
NH-5, Nr Iskcon Temple	5,200-5,500
Patia	2,900-3,400
Ranga Bazar	2,200-2,800
Jatni Road close to Lingaraj	1,800-2,100
Rasulgarh	2,200-2,800
Dumduma	3,000-3,400
Satyabhamapur ,Tankapani Road	1,800-2,000

COMMERCIAL

With the economic liberalization policy adopted by the Government of India in the 1990s, Bhubaneswar received investment in telecommunications, information technology (IT) and higher education.

According to a survey on office occupiers in India conducted by DTZ Bhubaneswar is one of the favorite destination for IT /ITES companies.

So the demand for office space is also high in Bhubaneswar.

PRESENT OFFICE LEASE RATES IN BHUBANESHWAR ARE :

LOCATION	RATE/SQFT
Shahid nagar	Rs.28 - 35
VIP Colony	Rs.25 - 27
Khandagiri	Rs.28 - 30
Nayapalli	Rs.37 - 40
Baramunda	Rs.35 - 60
Kharvel Nagar	Rs.33 - 36
Jaidev Vihar	Rs.30 - 50

RETAIL

Sahid Nagar, Satya Nagar, Jaidev Vihar, Patiya, these are the main retail market areas. All these areas are situated on Janpath road. Due to good purchasing power of residents almost all large foreign & domestic brands presently have their outlets in Bhubaneswar.

Shopping mall is not a very popular concept in Bhubaneswar. Mainly high street retail space is available. Existing 2 malls are Forum Mart at Kharvel Nagar and Pearl Height in Jaidev Vihar.

PREVAILING RETAIL RATES :

LOCATION	LEASE RATES ON HS
Janpath	Rs.130 - 150 / sqft
LOCATION	LEASE RATES IN MALL
Pearl Heights at Jaidev Vihar	Rs. 90 - 110 / sqft





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