

Real Estate Development

Members of CREDAI for 2011 - 2013 share their perspectives on 'Igniting Change in Indian Realty' will impact the industry



"Igniting Change in India Realty" is indeed much needed but should be implemented with utmost care. We should keep in mind that any change in the existing system should not be sporadic. It has to be gradual if it needs to be successful. Besides the incurring of technological advancement in any industry one cannot ignore the pocket of the perspective buyer. The city of Jabalpur has a population of 1.5 million i.e. it is a 2 tier city. A per the Mckinsey Global institute's assessment we require 350 million square meter of construction activity in another 20 years. The question, which becomes most pertinent, is that who the purchaser of this activity is. In my opinion, the major portion, i.e. nearly amounting to the tune of 70% of this activity, shall be purchased by the people living in tier 2 and 3 tier cities. What I want to stress at is that I can talk of the most advanced technology in construction initiated by countries like Japan, China, USA, etc., but looking to the economic condition of 70% of the perspective purchasers, viability of this advancement in technology adoption becomes the primary factor. In tier 2 cities the local bodies are giving sanction to high rise buildings without themselves being equipped with the necessary equipment for calamities such as earthquake, fire, etc. The developer cannot provide the equipment for such calamities because of the cost effectiveness of the project as it would not economically viable and would perhaps not sell. But still these are being sanctioned. Let me say it is high time. Japan tragedy is a burning example. We cannot avoid such errors of judgement. I propose that local bodies shall organize and equip themselves for life safety of the people simultaneously."

-Jaspal Oberoi, Vice President, CREDAI

Ensuring Affordable Housing will be a key factor and for that we require availability of approved land with FSI. Land is plenty; if a small country like Dubai can create supply, why not India? The government needs to focus on aspects like zoning, creating basic infrastructure, etc. Land without infrastructure has no meaning. This is the most important issue that the authorities need to look into, creating roads, transportation facilities, schools, etc. They need to keep developing infrastructure so that over a period of time, housing supply can be increased.



The second aspect essential for affordable housing is leadership. There is a need for someone who can do the efforts required to make affordable housing happen. Today we have housing for the upper end and lower end. You don't have the wide range required to meet the needs of different segments of the people. For instance, in vehicles you have a wide spectrum of options, the same needs to be provided in housing also. However, there is lack of leadership and direction for such an undertaking. If the government is not giving permissions, FSI, infrastructure, how can the builders be expected to provide a wide range of housing options on their own?"

-Niranjan Hiranandani, Chairman, Advisory Council, CREDAI



The Indian realty market is developing in line with International standards. More than 100 skyscrapers are coming up in Mumbai; most of which are of 50 storeys and above. At the same time, 20-30 storey skyscrapers are rapidly coming up across Tier II cities. Already many innovations like 2-1/2, 3-1/2 BHK flats, luxury homes with swimming pools on the top floor, podium landscaping, are visible in the residential segment. In the office segment, IT and corporate buildings with huge floor plates are designed to be as impressive and energy efficient as those abroad. Innovation has also started in terms of construction technologies. Concepts like multi-level parking are being increasingly implemented. The methods of marketing projects have also evolved with exhibition displays becoming more technology driven."

-Sunil Mantri, Member, Executive Committee, CREDAI

Change is a continuous process. For one to change, he has to keep gaining from every opportunity. When we align to an opportunity like NATCON, we get ignited or inspired, which naturally leads to a change over a period of time. The key aspects where we will see the change taking place will be technology, speed, systems and processes. Indian Real Estate Industry could rise to international standards through igniting change in every aspect of our operations."

-A Balakrishna Hegde, Member, Executive Committee, CREDAI

