

'Price in Key NCR Markets Rising'

HAVING an impressive portfolio of contemporary commercial, residential, IT park and retail developments, Gurgaon-based BPTP now claims to be setting new benchmarks in luxury housing with various projects across the NCR. Sanjeev Sinha caught up with Sandeep Bedi, director-systems & strategy, BPTP Ltd, for his views on the realty sector as well as the NCR market. Edited excerpts:

How is the real estate industry doing currently? What are its growth prospects and future outlook?

I am very positive about the growth prospects of the real estate industry. With rapid growth in urbanisation, a large section of population being in the working age group, high savings rate and increasing purchasing power at the hands of the consumer, the real estate industry is bound to get a major fillip and see strong in the coming years.

The market size is expected to touch \$180 billion by 2020 and the real estate sector will continue to provide best returns across all asset classes. As far as this year is concerned, the industry started off on a cautious note given the overall global and macro-economic scenario.

But currently, one can see capital values going up in the residential segment due to increase in input costs. In

Mumbai and Delhi, the residential rates are topping peak levels, but the demand is still high. A slew of new projects across high income and luxury categories have been launched in the NCR in the last few months, reflecting continued demand.

The property market might be in a bad shape for some time now, but prices are still increasing, especially in metro cities. Localities in Delhi-NCR have seen prices appreciate by double digit percentages over the last two years. What is your view on this?

I would not say that the property market is in a bad shape. The sector is going through a challenging phase, but developers with a long-term vision will overcome these challenges. I think the prices in key micro-markets of NCR are increasing due to multiple factors. Rising land costs due to scarcity of land around the existing social infrastructure is one major reason.

The NCR is witnessing an increase in demand for luxury homes and villas. Locations like Noida-Greater Noida Expressway, the Dwarka Expressway & Southern Peripheral Road in Gurgaon, Gurgaon-Faridabad Expressway and have seen many new project launches.

Do you think that after affordable housing, it is now time for the luxury

housing segment to make a comeback and create adequate demand?

We believe that there is a genuine demand for luxury housing. Driven by lifestyle aspirations and matching earning capacities, salaried as well as business class are opting for luxury housing in a big way. The Indian luxury market is growing by 20 percent every year, powered by the 1.5 lakh strong HNI population which is also growing at a fast rate. Almost 40 percent of the investments made by HNIs in India are in real estate. For Delhi-NCR this figure is more than 50 percent.

What is BPTP doing to differentiate its offerings in a sector with hundreds of players? What is your USP and what are the focus areas currently?

Delivering quality products to create predictability in our relationship with the buyer is a key focus area. By the end of this year, we would have offered for possession almost 7,000 units across NCR. This includes some projects which were launched as recently as 2009. Our USP is to offer affordable luxury in each customer segment.

Our Park Grandeura project in Faridabad has set new benchmark in group housing and has brought Faridabad on the real estate map.

How important is NCR for you and

what are your future plans for it?

We are an NCR-focused developer. It is by far the most important market for us and our plan is to further strengthen our position in this market.

Noida will see our marquee mixed-use development 'Capital City'. While our strategy will continue to be primarily focused on the NCR, we believe there is an opportunity to tap investments coming into the NCR real estate market from the nearby states of Punjab, Haryana, Rajasthan and UP. Faridabad continues to be our biggest micro-market with over 1800 acres of



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SANDEEP BEDI
director-systems & strategy, BPTP

licensed land parcel under development. We also have a significant presence in Gurgaon with our two townships, Astaire Gardens and Amstoria, in the upcoming SPR and NPR areas besides the several group housing and commercial projects in the area.

