

You never really Lose until you Quit trying

If you had known that the recession was coming, what is the one major initiative that we would have taken in advance? Rather than render people in the throes of despair or anxiety, it is important to capture what is much more relevant: the daily stoicism of people learning to live with uncertainty. Don't worry this is not an economic discourse about the causes of economic downturns that are sometimes called recessions. Rather, it is an attempt to explain how we can think about these events differently and, when these circumstances surround us, how we can improve our results regardless of what the media tells us.

While regional, national or global level

economic indicators can show that an economy is slowing down, with people losing their jobs and the like, it is believed that for individuals, a recession is little more than a

change in circumstances that one can choose to participate in . . . or not. What does that mean, you ask? Well, quite simply, it means

Cont'd on page 3

INSIDE



Three Cheers Team XLR8
... page 7



City Focus: Tuticorin
... page 8



Life style: Affordable Homes
... page 10

CHAIRMAN'S NOTE

Dear Friends,

Compliments of the Season! Trust you all have enjoyed a blessed festive season. It's the new year and the part I love most about it is not only the fact that it's a new beginning but that it brings with it a renewed hope.

At the onset of this New Year, I feel the need to revel on the economy of India & China versus the west. Though the Indian financial system is not directly exposed to the 'toxic' or 'distressed' assets of the developed world, the indirect impact is felt through trade and capital flows. Yet, India's economy is on the fulcrum of an ever increasing growth curve with positive indicators soon to kick in.

It's getting harder to comprehend the world economy without understanding two of the world's most rapidly growing economic powers - China and India. In fact, perhaps not surprisingly, Asia is leading the global economy out of the deepest downturn in decades. Economic conditions within these countries seem to be playing a major role in setting the economic atmosphere of less well-to-do nations and their economies. Even the New markets are going through successive growth spurts and counter the effects of slowing growth elsewhere. It was suggested that Asia was 'decoupling' from the US and able to grow under its own steam thanks to its two 'Awakening Giants'- China & India.

Ultimately, we need to recognise that the world is more interdependent than ever before. In that level of globalization is the rise of China and India and other parts of Asia. So, all that's left is for us to figure out the role we're going to play.

Warm Regards,

Santosh Shetty

Chairman



TESTIMONIALS



"Till date, I have had a very positive experience with Expat Properties.

As a customer, I am glad to say that the Expat Staff is very helpful and proactively helped me through the entire process of the purchase transaction. Their experience in the realty business guided me through the bank loan process as well. The staff is very courteous and keeps me well informed in advance about the schedule of payments."

Mr. Agnelo Joseph.

Grade Base Contract Engineer,
Centre for Development of Advance
Computing, Pune.

"We are extremely fortunate to have been introduced to Expat Properties in March of 2009. We have had the privilege to meet several of their management as well as marketing and sales team and have found each and every one of them to be truly wonderful people.

We have bought some properties from them close to Lavasa, like Lavarde, and also land in Dakhane and apartments in Genesis.

There are several reasons for our continued relationship:

- It is an absolute pleasure to deal with all the personnel at Expat and I find them

600% honest and we are absolutely certain that our investment will appreciate substantially.

- The handling and management of all the paperwork, transfer and registration is in extremely good hands."

Alfredo Loyola D'Souza

Director- RathGibson Inc,
USA, Middle East & India.

Neomi D'Souza

Country Manager,
Royal Caribbean Cruises,
Bahrain, Qatar and Kuwait.

YOU NEVER REALLY LOSE UNTIL YOU QUIT TRYING

(cont'd from page 1)

that times might be a little tougher and that it might not be as easy as it used to be (or will be again), but so what? Success is possible through a better plan and a bit of persistence. Many people seem to agree to the fact that when things are a little tough, it simply separates out those who are prepared to work harder and more creatively from those who opt to worry and not change their stance. Business as is life, does not promise smooth sailing. Although times continue to be difficult for many companies, there are early signs that the economy globally is starting to improve. However, this recovery will be neither swift nor easy. After more than a year of dismal news - precipitous declines in revenues, plummeting stock prices and scarce capital - businesses are beginning to ask "what's next?" in more optimistic tones. This comes from the ability to learn and translate that learning into action which births the ultimate competitive advantage. It is very hard for a company to be focused if you don't know where you are going. Therefore, a clear perspective is needed for a desired outcome.

Even when budgets start to expand again, companies must seize the initiative to investigate how to best enhance their agility and flexibility in ways that will enable them to seize the opportunities presented by a stronger economy. Taking ownership is about change-making the changes that are necessary to move forward, like changing behaviours that are not working, and dealing with the world as it is and not as you would want it to be. In situations like this, you own the outcome because you are clear about where you want to go, and you take ownership for it. With ownership, you know that if you are not getting your desired results, you can take action and change the outcome. One of our biggest ongoing challenges is to keep feeling that Comfort Zone and continue to push it outwards and be ever expanding. But you see the most basic activities in life have patterns that we become familiar with and even simple things in an unfamiliar

way generate an awkward feeling. After all how does an expert become an expert - by doing something lots of times, with continual improvement, i.e., doing more of what works and less of what does not work.

We often find ourselves saying we feel comfortable about a situation or something in our lives, and sometimes we feel uncomfortable. The difference of course is the things that are inside or outside our comfort zone. It's not about getting outside your comfort zone it's about expanding it. In these current times of uncertainty many people start to take on a form of panic or desperation and these are both negative. If you want your prospects or clients to be enthusiastic you've got to be enthusiastic first! It is one of the most contagious emotions, a fellow writer aptly states that the trouble is a lot of people don't have enthusiasm they have desperation. Two ways of being enthusiastic are to make sure you are passionate about and love what you do! The other is the "Expectation" of a good outcome-which is as important and the two together are amazing. Because, successful people don't get successful by getting it right all the time, they get successful by getting it wrong, doing it again by using a different approach.

Another side of the coin is customers. Whatever you call them and whoever they are, your customers are your personal recession buster - but only if you focus on them more completely, deeply and consistently than ever. It makes sense to build and deepen your relationships with them always, but that is never truer than in times where they are buying less and probably distracted by the economy themselves. Customers are looking for new solutions, they want help. Let them know you care, take the effort to be connected. Ask how you can help them. No strings and no qualifiers. After you know how you can help or what their challenges are, it will be easier to determine the best things to share based on their interests and needs. Focus on



serving not selling. People buy from those they like, trust and respect. And remember, sales will come. Focus on the person, build the relationship and serve them. With all the new technology out in the market, it is a great way to maintain communication with your customers. Electronic newsletters are a great way to stay in touch with your audience. Having someone buy your products and services is as much need as it is timing. The quickest and fastest way to get new business is to ask for it; especially from your existing customers. They know your products and services so pick up the phone, take them out to lunch and ask them if they know anyone who they would introduce you to who could use your products or services.

Potential Pointer:

In conclusion, Market fluctuations can be damaging to you and your business, or they can be a perfect reminder and stimulus to improve your results by deepening and broadening your relationships with your Customers. When you make the right choices and take the right actions in building Customer relationships you will thrive in any economic situation.

BULLETIN BOARD

India Inc. heads for Bandra Kurla Complex again

Source: The Economic Times, December-3-2009

Bandra Kurla Complex, or BKC, is set to witness a second wave of migration, with Indian companies and MNCs looking to take advantage of lower rentals, locational advantage and planned infrastructure offered by Mumbai's swanky business district.

While home-grown financial powerhouse Kotak Mahindra and British bank Standard Chartered will shift their offices to BKC in a few months, companies like Loop Mobile, Unitech Wireless and Edelweiss Capital are in the process of

less than a comparable property at Nariman Point. Also, monthly property tax in South Mumbai is set to go up to Rs 100-120 per feet from April 1 next year, compared with Rs 20-40 in BKC.

Another attraction for companies is that BKC is closer to western suburbs and Navi Mumbai. This will mean quality residential spaces at cheaper prices. As a result, seven out of every 10 companies looking to set up offices in Mumbai prefer locations such as BKC, Andheri and Lower Parel.

The current wave will see pharmaceuticals and telecom firms shifting to a landscape so far dominated by financial companies, said Anuj Puri,

Study gives Navi Mumbai airport green signal

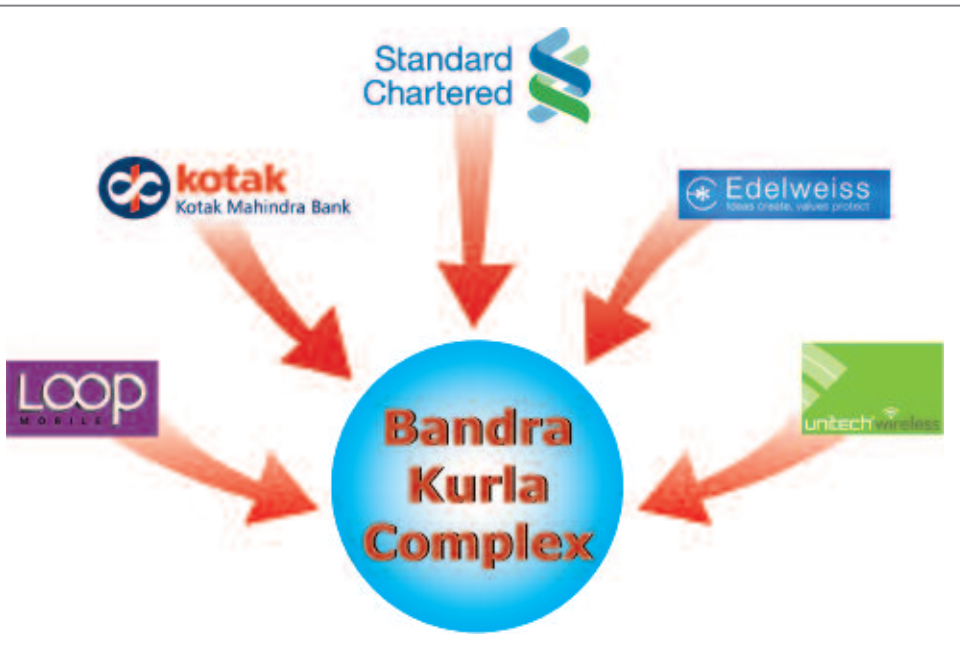
Source: The Times of India, December-15-2009

The crucial Environmental Impact Assessment (EIA) study for the proposed Navi Mumbai airport, sought by the Union ministry of Environment and Forests before it gives the go-ahead to the project, is ready for submission. Though the report has given the thumbs up for a smooth take-off for the project, everything hinges on the Centre's willingness to amend the Coastal Regulation Zone (CRZ) Act.



A major part of the airport's land falls in CRZ categories and the project will require the filling up of a creek, transplanting mangroves, altering the course of the Ulve and Gadhi rivers close to site and the flattening of four to five hillocks to pave the way for two runways. The EIA has reportedly given CIDCO the green light. The study has been conducted by some of the leading institutions in the country - the Indian Institute of Technology (IIT) Bombay, Central Water and Power Research Station, Pune, Groundwater Survey and Development agency (GSDA), and the project consultant Louis Berger.

Sources with Louis Berger, which studied possible impact of emissions and sound pollution due to the airport, said there appears to be "no big shocks in store" and the re-plantation of mangroves and realignment of rivers "could be taken care of without harming the environment".



shifting their corporate offices to the area. Kotak Mahindra will transfer its corporate headquarters to a 2.5-lakh sq ft multi-storied office in BKC in August-September next year while Standard Chartered Bank will move its main office to a 1.5 lakh square feet five-storied building in three months.

For an A grade property at BKC, rentals are at Rs 250-275 per square feet per month, at least Rs 100 per square feet

chairman and country head of international property consultant Jones Lang LaSalle Meghraj.

The list of residential developers is getting longer with the addition of RNA group, Balwa group and Piralma Sunteck. Piralma Sunteck is selling high - end residential space in BKC for Rs 13,000 per square feet. Nearly a million square feet of residential area is expected to be added in and around BKC in next five years.

As per the original deadline, the final selection of a developer should take place by March 2010 so that the final agreement can be signed in May. Sources in the Mantralaya who have read the report also confirmed that the EIA has given its seal of approval.

The state has appealed the Centre to expedite the hearing and clearance process to ensure early development of the airport given that the capacity of the existing Santacruz airport will be saturated in 4 - 5 years as there is no scope for expansion.

Brick by Brick			
	Metro-wise Growth 2009-11	Housing Units	Housing Development (m sq ft)
Chennai	9%	33,000	45.4
Bangalore	10%	38,000	72.1
NCR	25%	92,000	160.1
Hyderabad	15%	53,000	87.2
Kolkata	7%	25,000	31.9
Mumbai	20%	73,000	80.6
Pune	14%	53,000	54.2

Realty rebound on cards with over 3 lakh houses to come up by 2011

Source: The Financial Express, November-27-2009

Leading independent global property consultancy, Knight Frank India, said its latest research on the country's residential market found that 3,67,000 housing units will be available by 2011, across seven Indian cities of which 25% will come up in the National Capital Region (NCR) alone.

The NCR will be the largest contributor with 92,202 housing units equating to 160.16 million sq ft of fresh supply of residential space followed by Mumbai with 72,906 units equating to approximately 80.61 million sq ft by the end of 2011.

With the resurgence witnessed in the global economy, particularly the real estate sector, Knight Frank's report further said 75% of the present and future residential supply will focus on the 2 and 3-BHK housing units being built.

"Our research has shown that during the slump there has been a price correction across several cities from 10% to as much as 40%. Since March 2009, residential property prices have again increased by 10% to 30%, but this phenomenon is limited to cities like Mumbai and Bengaluru. It is not a countrywide phenomenon. Many developers are targeting the mid-income group in key metros with housing units that are priced to suit their needs," said Gulam Zia, national director, research and advisory services, Knight Frank India.

Economy, low interest rates to drive growth

Source: The Economic Times, Mumbai, November-4-2009

Homebuyers who kept away from the market seem to be coming back slowly, going by the September quarter results of realty firms. This is reflected in the 12% quarter-on-quarter sales growth of the top five companies in the sector. However, on a year-on-year basis, net sales are down by 45%.

In the months ahead, home sales are expected to grow as a likely rebound in growth and low interest rates may boost demand. Anticipating this, most builders are launching new projects to cater to higher demand. A shift towards smaller-sized apartments has prompted a lot of builders to focus on the affordable housing segment. This has further helped in cutting down construction costs, as affordable housing implies lower expenditure.

Affordable housing projects are self-financing projects with a shorter turnaround period. This also finds favor with many private equity players who are once again investing in the realty sector on a project-specific basis.

Being volume-driven, companies have managed to take advantage of economies of scale in these projects, resulting in cost savings. Besides working on the operations part of the business, a lot of developers have mounted efforts to cut down on their borrowings. They have managed to do this by restructuring their debt and raising funds through non-core asset sales and selling fresh equity to qualified institutional investors.

Although residential sales continue to improve in the coming quarters; commercial and retail segments are yet to see any major upturn. The fact that IT companies are now starting to report positive growth, will be seen as positive by these companies..



UPDATE ON PROJECTS



With the surge in demand for larger homes, investors can now rest assured that their investment in Genesis is sure to fetch good rental opportunities. In order to keep up with demand, we are pleased to announce that development has seen timely progress. In building A2 3rd floor slab casting is complete & building A3, 4th floor slab casting is now complete. With building A1, the fifth slab is completed and 1st floor brick work is done. Presently, buildings A4, A5, A6 have received all permissions and building A4 started excavation on the 30th of Jan and Building A5 will begin on the 8th of Feb.

THE DOVE

The Dove in Tuticorin is a hot property of the south. Progress on the site has been steady with fencing of the entire project coming to completion. With Registration process set in motion - Road and demarcation work will progress as per the schedule. Estimated Handover date is April 30th 2010.

AVANI

In Lavarde, plot demarcation work is in progress and road formation has been completed for the entire layout. At the moment, the demarcation of 25 plots is complete. Handover is expected around Mid April.

THE SOLITUDE ENCLAVE

In Goa, progress of villas V 1 , V2 ,V3 ,V4 has been substantial, with structure, internal and external plaster and water proofing now complete. These villas are now in the finishing stage and the same are expected to be completed by 30th April 2010.

URAWADE

For township approval preparation of drawings is in progress.

The Gardens

At the Gardens, in Khalapur, road formation and leveling of plots is in progress and Electrical & plumbing designs are awaited from consultants. Handover is estimated as 31st March 2010.

The Solitude Greens

With steady development, the land in Panvel is ready for handover since 15th of Jan 2010. At present, electrical and plumbing work is left to be completed.

ParkHomes

Park Homes in Bangalore, is in the process of receiving approvals. Handover is yet to be announced.

For update on all the products please visit our website:
www.expat-group.com

THREE CHEERS TEAM XLR8

Although soccer is the most popular sport in the world, with over 120 million amateur players worldwide, the fast paced game of Futsal is catching up rather quickly.

The recent Winter Friendship Cup held at the Chevrolet Inpsortz Club in Dubai saw 9 teams compete to win the title Cup but only one walked out the winner. Among the teams that participated were our very own team XLR8, along with other prominent teams like Siemens Dubai, TenSports, Dubai FC, Tough FC, KBZ, GFMM logistics & Key2Win.

In the first game XLR8 played GFMM logistics and took the lead through several wonderful curling shots for a 4-0 win! This was a dream start for XLR8. By the time the second game was over, the momentum had certainly shifted with a 10 - 0 win.

Much to the surprise of everyone, before

XLR8 could let the 'heat' surge, the opposing team chose to cool off with a 'walk-over' in the quarter finals which resulted in a straight win & walk into the semi-finals.

After a 5- 0 win in the semi finals, it was definitely time to push the metal to the pedal and lo and behold, Capt. Jay Anand and his team certainly did that to perfection. With four deciders on play, Team Coach & Manager Taher Khan cheered and waited in anxious-enthusiasm on the sidelines. The last minute and the final whistle brings the exhilarating 3 day Cup tournament to an

end with XLR8 winning the Winter Friendship Cup with a score of 4 - 2. What a team, what a game - What a feeling! I guess the only thing that's left to be said is - the game had absolutely everything!



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CITY FOCUS: TUTICORIN UNCOVERING THE POTENTIAL

Among the many cities of Tamil Nadu, Tuticorin is one city that has always seen trade and progress. Located on the east coast of Tamil Nadu, this city is traditionally known for its pearl fishing and shipbuilding industries.

Developments play a major role in attracting people and businesses to a city. And since a city progresses to a level at which the state progresses, it becomes important for the state to formulate and implement effective policies to bring this progress. The resulting success of the city prompts many more industries to set up shop here.

Favorable government policies form the foundation upon which a state progresses. The government of Tamil Nadu offers the following to investors:-

- Land in different industrial parks.
- Structured Incentives package of support for projects with investment exceeding US \$ 85 million in 3 years.
- Quality power and water supply.
- Single window facilitation and In-principle approval on a fast track mode within 30 days.
- Dedicated Project Facilitation Committee will be formed by the government that will escort the project.
- Mega projects subsidy for projects exceeding Rs 500 million.
- Effluent treatment plant subsidy.
- 50% stamp duty concession (100% for Special Economic Zone).
- Electricity duty exemption for certain number of years.
- Input tax exemption for purchases made from Domestic Tariff Area (DTA) by SEZ units.
- Other incentives for special economic zones (SEZ).



The Tuticorin Port:

A significant contributor to Tuticorin's progress has been its all-weather sea port. This port, along with some other ports in the country, has recorded positive growth in spite of the economic downturn. For the period of April to May 2009 the port has grown at 2.66%. It must be highlighted that in July of 2009 the Ministry of Shipping decided to award six port expansion projects worth Rs 3, 319 crore to be developed on a public-private partnership (PPP) basis. As part of this port expansion project, a container terminal will be set up for the port of Tuticorin.

According to data released by the Indian Ports Association (IPA) the Tuticorin port has seen cargo volumes grow 40.3% year on year compared to other ports in the country. Being the nodal agency for the Sethusamudram Shipping Channel Project, the Tuticorin port will see additional trade when this project becomes operational. Knowing the economic development that this project will usher in Tamil Nadu, the Government of India has made it clear that it is committed to implementing the same.

Additionally, the Tamil Nadu Tourism Development Corporation is in talks with the Tuticorin Port authorities and the Gulf of Mannar Marine Park officials for operating ferry services to the 21 islands between Rameshwaram and Tuticorin. Shipping minister G.K.Vasan also recently stated that the Indian government is developing more cruise shipping terminals and related infrastructure and Tuticorin Port is one of the ports identified for the same. 106 cruise ships had visited India in 2008-09, compared with 55 in 2003-04, while the number of cruise passengers increased to 69,456 from 34,372 during that period.

This augurs well for the port as it will lead to a rise in tourism related businesses.

The Tuticorin Airport:

The Tuticorin airport is also going to see some upgrades. Currently it accommodates ATR type aircrafts which seat mainly 50 to 70 passengers. Part of the airport upgrade will be the introduction of wide bodied aircrafts that can accommodate 200 to 600 passengers. Besides the aircraft, the airport will also see expansion in its

terminal building capacity. There is also a demand to start short haul international flights from Tuticorin to Dubai & Singapore. Looking at this, the Tamil Nadu Industrial Development Corporation will put forward a proposal to the Airports Authority of India to start such a service from here.

The airport will further attract other related industries which cater to travelers. Choice Hotels India, a leading American chain of mid market hotels in India tied up with Peninsula Hotels Pvt. Ltd. to set up Quality Inn - The Mayflower in Tuticorin in September of 2009. This new hotel, just close to the Tuticorin city centre, is

project with an estimated capacity of 4, 00,000 tonne per annum, and alongwith two 80 MW captive power plants. The proposed project will be commissioned in mid 2011. Post this expansion, Tuticorin will host one of the largest single location custom copper smelters in the world with a total smelting capacity of 8, 00,000 tpa (tonne per annum).

Being a coastal city and seeing the movement of ships, Tuticorin's security becomes very vital. The Indian Coast Guard (ICG) has proposed to set up an air station near the Tuticorin airport. To come up in three years, the air station would become a key base for the ICG

upgrading the ECR stretch from Tuticorin to Ramanathapuram has already been completed. This will lead to many businesses being set up along the East Coast Road in Tuticorin.



located at a short distance from the railway station and is just 5 kms from the Tuticorin airport. The presence of hotels enhances a locality and as time progresses additional businesses will be set up to cater to the demands of the hotel, airport and related industries.

Other Developments:

Located 13 km from the Tuticorin seaport, and 16 km from the Tuticorin airport is the SIPCOT industrial complex (State Industries Promotion Corporation of Tamil Nadu). SIPCOT is a catalyst in the development of small, medium and large scale industries in Tamil Nadu. Prominent tenants in SIPCOT are Sterlite Industries Ltd, Kilburn Chemicals, SPIC, and so on. Sterlite Industries recently announced that it will invest Rs 2, 300 crore more in Tuticorin. This investment will be in the form of a brownfield copper smelter

since this area is considered to be strategically important from a defence point of view.

In order for Tamil Nadu to become power sufficient by 2011 and power surplus by 2012, the state government has planned power projects of more than 14, 000 MW generation capacity. In light of this, Coastal Energen is setting up a 1200 MW coal fired power plant in Tuticorin and has awarded Gammon India Ltd the order to construct the power plant. Located 21 kms from the sea port, the power plant has obtained CRZ (Coastal Regulation Zone) clearance from the Ministry of Environment & Forests.

The East Coast Road (ECR) which connects Chennai to Cuddalore via Pondicherry has now been extended up to Tuticorin. Eighty-five percent of

One such state is Tamil Nadu – well known for attracting industries such as automobiles & ancillaries, information technology, electronics manufacturing, textiles, tourism, cement, chemicals & fertilizers. Tamil Nadu has a lot to offer, below are some of its prominent highlights:

- The state's GDP grew by an impressive 12.2 per cent between 1999-2000 and 2007-08 to reach US\$ 72.2 billion
- The per capita income of Tamil Nadu was US\$ 1,271.1 in 2008-09
- Tamil Nadu has a 30% share in the Indian automotive industry
- Exports of engineering products from Tamil Nadu were worth around US\$ 320 million in 2007.
- The state is an important information technology (IT) hub and Chennai is the second-leading software exporter in India, after Bangalore.
- Chennai is the financial hub of south India and major Indian financial institutions and foreign banks have a strong presence there.

Conclusion

In conclusion, as Tamil Nadu makes progress within various industries, its effect will spill over to neighboring cities. The infrastructural developments taking place in Tuticorin make it a city worth focusing on not just to do business but to invest in. Even as Real Estate obtains value from developments that take place, Tuticorin has the potential to see increased property appreciation given the number of its developments.

LIFESTYLE: ARE AFFORDABLE HOMES REALLY AFFORDABLE?

If you are looking to buy a house anywhere across India, you would be quite familiar with the plethora of advertisements and brochures that promise to provide affordable housing - the latest buzzword in the Real Estate market. Everyone claims that this is the era of pocket-friendly homes and it is touted as a realization of the ultimate middle class dream houses that fit the affordability mark. But what makes affordable houses really affordable? As quite naturally, who builds unaffordable homes given that different income groups are able to 'afford' the homes targeted for them? Or could we say, it is just another way to allure potential buyers?

Affordable homes, by definition, are smaller-sized houses (up to 1,000sq ft) that are located 15 to 20 kilometres away from the city. Statistics show that the usual room specifications are 1200-1400 sq.ft. for a two bedroom flat. But most of the projects coming out now and being marketed as affordable housing measure between 800-1,000 sq.ft. Months after developers flooded the market with housing projects tagged as "affordable", there seem to be very few takers. The reason: the actual area of many of these flats is far less than usual. Others are being rejected because of poor location. This has obviously not got buyers excited and neither has the fact that prices are not really reasonable despite being called so. Ironically, till even six months ago, the affordable housing schemes were being hailed as a dream come true for a realty market that had been reeling from recession. In the past few months though, barely 30-40% of the new projects have had buyers. Even those which were sold out are yet to take off on the ground. With recent reports suggesting that India will overtake China in terms of population by 2050, the shortage of urban housing projects is a cause for concern. Leading Real Estate firm Knight Frank released a research paper on 'Affordable Housing in India', stating that the segment will have a potential market size of Rs 300,000 crore in India by 2011. In the recent past, developers have realised that a majority

of the demand comes from affordable housing, and that they cannot sustain on high-end projects alone. So, now they are adopting a mix of affordable housing and high-end projects. Take this new community in India as an example of what homes need, and what they don't — brought to you by Tata, the makers of the \$1500 car. The development of Shubh Griha offers three home types ranging from 283 square feet to 465 square feet. They're basic, but affordable and allow many more units to be built within the same sized apartment building as would be the case in most North American cities.

No, this size and simplicity wouldn't suit everyone. But many families long for a well-built, simple and more affordable home in the city and would likely give up size in return for everything else. While designing affordable homes, builders also usually take into consideration the optimal use of resources and efficient use of technology, and consumers usually look at usability, functionality and efficiency of the products.

Having a house is still a dream for several families, and affordable housing will transform this dream into a reality without compromising on quality. There exists huge untapped potential markets in the low cost housing sector which, after a careful economic analysis, seem to provide pretty enticing profit margins for developers to jump in. However, there is a certain degree of misconception and confusion with regard to affordable homes, as any apartment or house above Rs30 lakhs is also considered affordable by some developers. There are neither any hard and fast rules nor any strict regulations with respect to affordable homes. But as the land prices are skyrocketing, builders usually bring down the cost of construction to make it more

affordable. But, it would help if the government devises a single window system for all clearances. Transport infrastructure gap is another important cause for the bottleneck in having affordable housing. Builders, in order to bring down the prices, are aiming at perfection and improving the technicalities to reduce costs.

On the other hand, the existing problems, that set back this sector is the financing on both the sides which is not that easy to get as it is for expenditure in other sectors. Apart from that, it takes a rigorous process of physical verification for the approval-stamp on the loan (a micro finance approach) as the consumers usually don't have tax returns or salary slips. Another serious issue that crops up is the increased possibility of the constructed houses being bought by investors (and not end-users) hunting for further investment opportunities. The affordable housing does



provide big opportunities with even bigger returns for the developers. This investment also provides fringe benefits in the form of better access to facilities, higher standard of living, and better environmental aesthetics. Some feel that there is still a long way to go and other horizons to explore within this segment. Private developers and cooperative societies should be encouraged further with tax benefits and other incentives to make housing available to the economically poor at nominal rates. In order to encourage builders to develop affordable homes, the Government should provide higher FSIs and Transfer of Development Rights (TDRs)." But is anybody listening?

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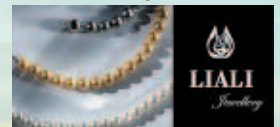
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