

SKYLAR

AUGUST 2013
ISSUE 7 • VOL II

A QUARTERLY
REAL ESTATE
NEWS BULLETIN

Welcome to Skylar - Tata Housing's quarterly realty bulletin, through which we endeavor to bring you the must know on housing & Indian realty market, buyers guides & reviews, interior & exterior design concepts & home improvement tips, updates on our various projects and activities and discussions on a range of other interesting topics related to the real estate sector.

Contents



NDTV AWARDS 21



NEWS & INFORMATION 22



VIEWPOINT 14



MYST, KASALI 16



INDIA'S NEW AFFLUENTS 04



THE POWER OF VASTU 08



AWARDS GALORE 18



PEX PIPE-IN-PIPE 12



GOLDEN PEACOCK AWARD 20

Next Level of Lifestyle

At Tata Housing, we share the aspirations of ALL home owners across the country. From value homes to premium developments, our projects throughout India focus on offering quality of life, comfort, and dignity to customers.



INDIA'S NEW AFFLUENTS REDEFINE THE LUXURY SEGMENT

TATA HOUSING HOSTS ROUNDTABLE DISCUSSION ON DYNAMICS OF THIS MARKET SEGMENT

India's rapid advance from an emerging to a developed economy has given rise to a new breed of luxury consumers, a highly opinionated and demanding set of consumers, which is heavily influenced by global tastes and beliefs. India's New Affluents, while retaining a distinctly Indian identity, are redefining the market, taking marketers by storm. This is the preeminent conclusion of a highly engaging roundtable discussion organized by **Tata Housing Development Co. Ltd.**, India's fastest growing real estate

development company.

According to the Boston Consulting Group, the numbers of affluent class are around 13 million households in India. Among affluent households, education and occupation help define consumption patterns and attitudes, creating two distinct segments: **New and Traditional**. The recent emergence of the affluent class in India highlights this demographic group's obsession with the love for technology, high living and new-age affluence – in a

nutshell, an opulent lifestyle. This has led to conversation amongst manufacturers and marketers on who these 'affluents' are and why their consumption habits are of relevance to India.

According to the panel, India's *New Affluents* will not simply mimic western spending patterns but retain distinctly Indian characteristics; a type of *jugaad* that marries affluence with aspirations, with a strong focus on the former.



The discussion was compiled by an array of experts representing the fields of research, marketing, real estate and consumer and brand intelligence; and was organized to stimulate discussion, debate and further insight into the segment. In attendance were some of the biggest names in thought



leadership, industry leaders and decision-makers. Mr. A Harikesh, Senior Vice President, Marketing & Sales - Tata Housing was the host of the roundtable discussion; while Mr. Harish Bijoor, Business Strategy Specialist and CEO of Harish Bijoor Consults Inc., Mr. Bino Paul, Professor and Chairperson at Tata Institute of Social Sciences and Mr. Sandeep Trivedi, Director, Growth Market at Cushman & Wakefield were the luminaries present.

Speaking at the Tata Housing's **New Affluents Roundtable**

Real estate expert, **Mr. A Harikesh** said, "New Affluents are the ones driving the realty market today. They are ambitious and aspire to live a life of sheer luxury. They have the advantage of having both good education and as well successful careers. Most have travelled internationally and have lived abroad, a life they now want in their own home town as well.

"Our esteemed panelists have neatly captured how affluence has become a trend in India, and from where and how this segment, which is an international phenomenon, has now made its way to India," concluded Mr. Harikesh.



Marketing and brand strategy specialist, **Mr. Harish Bijoor**, said, "In the marketing sector, we have changed the way offerings are assessed, while at the same time delving deep into the buying psychology of affluent consumers. For New Affluents, products should flaunt their value and brand name always trumps affordability."

Social researcher **Mr. Bino Paul** commented on the societal change saying, "New Affluents are pivotal in transforming urban agglomerations into global cities whose steadfast longing for novelty and structural changes forms potent base for new ideas, products, markets, spaces and socialization milieus. They seem to be different from conventional Indian middle class, in assimilating dynamic contexts that are enmeshed in social-spatial-economic-cultural changes."

Mr. Sandeep Trivedi, Director, Growth Market at Cushman & Wakefield said, "The growing working population of people in the age ground of 27-45 is the primary reason for this change. The age of a homebuyer has drastically decreased over the years. Today, the average age of a first home buyer is in the age bracket of 28-32 years. This trend has transformed the residential market and created a niche within."



Own a Spanish home.

Right in your neighbourhood.



MEDITERRANEAN APARTMENTS
NEAR TALEGAON

Call **1800 266 6666**

www.lamontana.co.in



Buy a home here and yours could be the lucky family to experience the excitement of the La Tomatina festival in Spain this August.

Spain to Spain Contest



*Terms & Conditions Apply



RENEWABLE ENERGY: THE POWER OF VAASTU

The Science of Vaastu Shastra simply follows using renewable energy to the max. Renewable energy is energy which comes from natural resources such as sunlight, wind, rain, tides, waves and geothermal heat, which are renewable (naturally replenished).

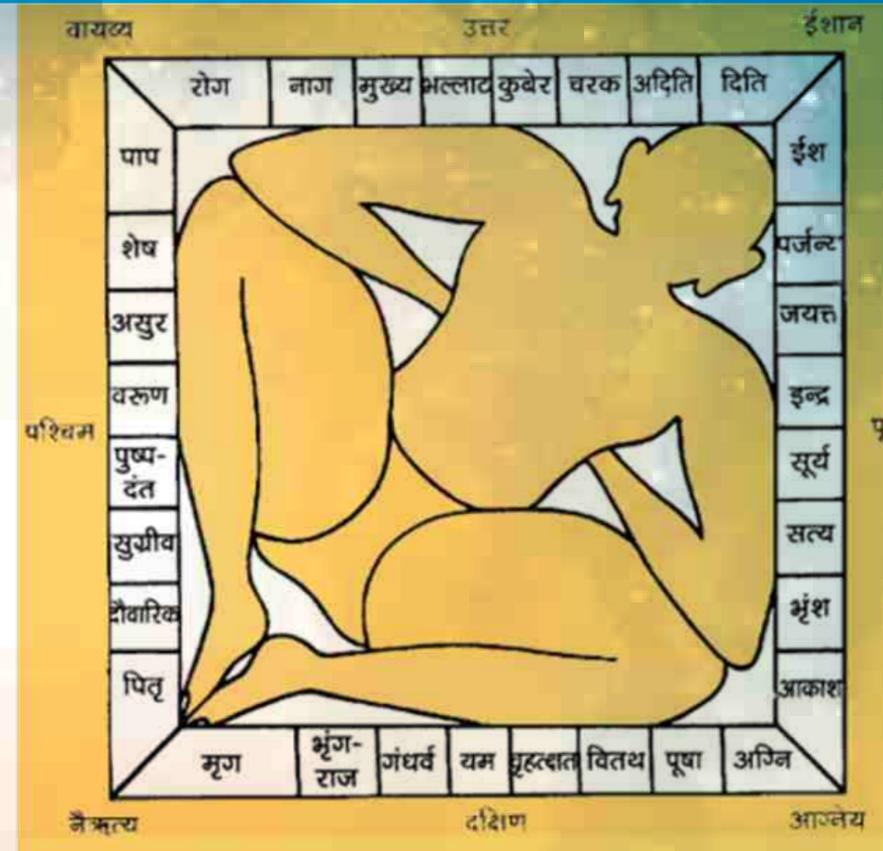
Types of renewable energy are Solar Energy, Wind Energy, Geothermal

Energy, Bioenergy, Hydropower, Ocean Energy, Hydrogen & Fuel Cells. Vaastu is all about renewable energy & its uses, which form the roots of this ancient science of architecture. Every principle & study in Vaastushastra emphasizes on using consumers/renewable energy received as solar, lunar energy, planet's energy, energy from constellations, from velocity, fusion,

radiation, interaction, gravitation, magnetism and other astronomical phenomena. Ancient Indians believed that investing energy into the plot of land will yield bliss, prosperity and peace of mind, happiness, marital bliss, children's happiness and wealth. Execution of Vaastu rules during construction involves use of conservation of energy, solar power, lunar power, geothermal power, electro magnetic forces. All these assure all round prosperity in the dwelling.

Architectural layouts should assure execution as per vaastu shastra principles, Geobiology energy principles along with Eco Sustainable Systems, so that every building, every project can be designed and made totally self-supporting and independent.

In architecture and construction category Vaastu Shastra covers selection of land on the basis of directions, moon sign, descriptions of land, auspicious time of purchase and starting construction sequence of construction of house, factory, palace, temple or town specific rules of



construction include renewable energy, center point energy, accumulation of energy, facility of light, air, water, open space, symmetry & comfortable living.

Vaastu Shastra explains about not only family planning and wealth planning but ensures all round development of the life of the natives. Development methodology is based on Vaastu Layout design before it goes to the hands of an architect. If architectural design incorporate vaastu layout plan, it can play wonders in life. Vedic philosophy of building planning is aimed at quality of life. This is a Vedic way for making the spiritual and material life richer.

Renewable energy and eco-sustainable systems can be achieved in a house or office by

adapting vaastu principles, some of which are mentioned below:

- 1. Keeping North & East directions of the building open,** spacious and lighter to allow maximum positive and morning sunrays to enter the house for beneficial energies.
- 2. Solar heating for water**
- 3. Solar heating for cooking**
- 4. Solar Lighting**
- 5. Solar Heating and Cooling of Building Spaces**

6. Rain water harvesting and recycling with the help of ponds etc. Also having water storage in North-Eastern directions again to attract maximum positive sunrays.

7. Using Geo thermal energy : Geothermal energy is the heat from the Earth. It's clean and sustainable. Resources of geothermal energy range from the shallow ground to hot water and hot rock found a few miles beneath the Earth's surface, and down even deeper to the extremely high temperatures of molten rock called magma. Geothermal heat pumps can tap into this resource to heat and cool buildings. A geothermal heat pump system consists of a heat pump, an air delivery system (ductwork), and a heat exchanger-a system of pipes buried in the shallow ground near the building. In the winter, the heat pump removes heat from the heat exchanger and pumps it into the indoor air delivery system. In the summer, the process is reversed, and the heat pump moves heat from the indoor air into the heat exchanger. The heat removed from the indoor air during the summer can also be used to provide a free source of hot water.

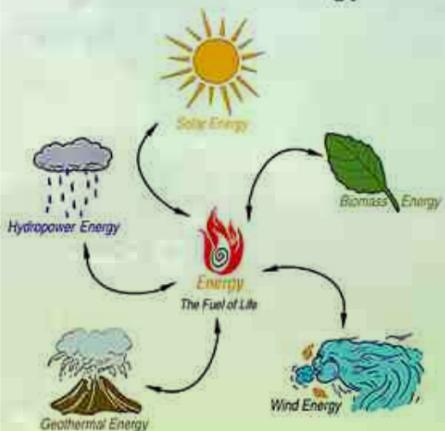
8. Composting of kitchen waste, garden waste and efficient utilisation of the generated waste heat.

9. Promoting new Researches that will help lead to more efficient systems of Renewable or Eco Sustainable Energies:

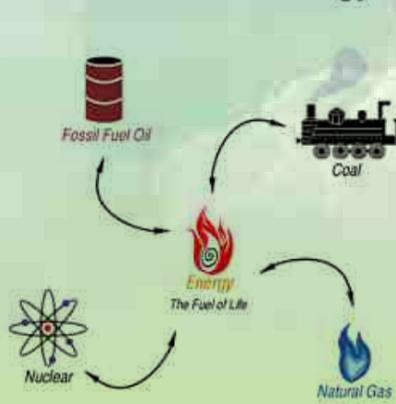
- Such as bio-fuel cells
- More efficient high speed vertical/horizontal windmills,
- Solar powered electric cars, etc.

Carefully studying and rightly applying vaastu shastra in our constructions empowers us with the bliss of maximum uses of renewable energy that will lead to all round

Renewable Energy



Non-Renewable Energy



happiness & success in today & also tomorrow because of its benefits not only today but also forever:

• **Environmental Benefits**

Renewable energy technologies are clean sources of energy that have a much lower environmental impact than conventional energy technologies.

• **Energy for our children's children's children**

Renewable energy will not run out. EVER. Other sources of energy are finite and will some day be depleted.

• **Jobs and the Economy**

Most renewable energy investments are spent on materials and workmanship to build and maintain the facilities, rather than on costly energy imports. Renewable energy investments are usually spent within the country, frequently in the same state, and often in the same town. This means your energy currency whether in

dollars or rupees stay home to create jobs and fuel local economies, rather than going overseas.

Meanwhile, renewable energy technologies developed and built in the developed countries are being sold overseas, providing a boost to the country's trade deficit.

• **Energy Security**

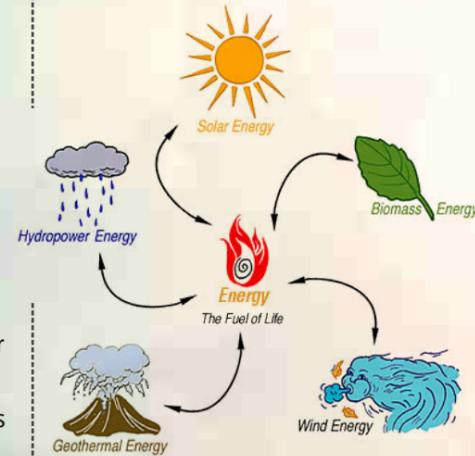
Solar energy technologies use the sun's energy and light to provide heat, light, hot water, electricity, and even cooling; for homes, businesses, and industry.

Stand-alone wind turbines are typically used for water pumping or communications. However, homeowners, farmers, and ranchers in windy areas can also use wind turbines as a way to cut their electric bills.

Small wind systems also have potential as distributed energy resources. Distributed energy

resources refer to a variety of small, modular power-generating technologies that can be combined to improve the operation of the electricity delivery system.

So, ADAPT VAASTU , ADAPT USES OF RENEWABLE ENEREGY, LIVE BETTER , LEAVE BETTER!

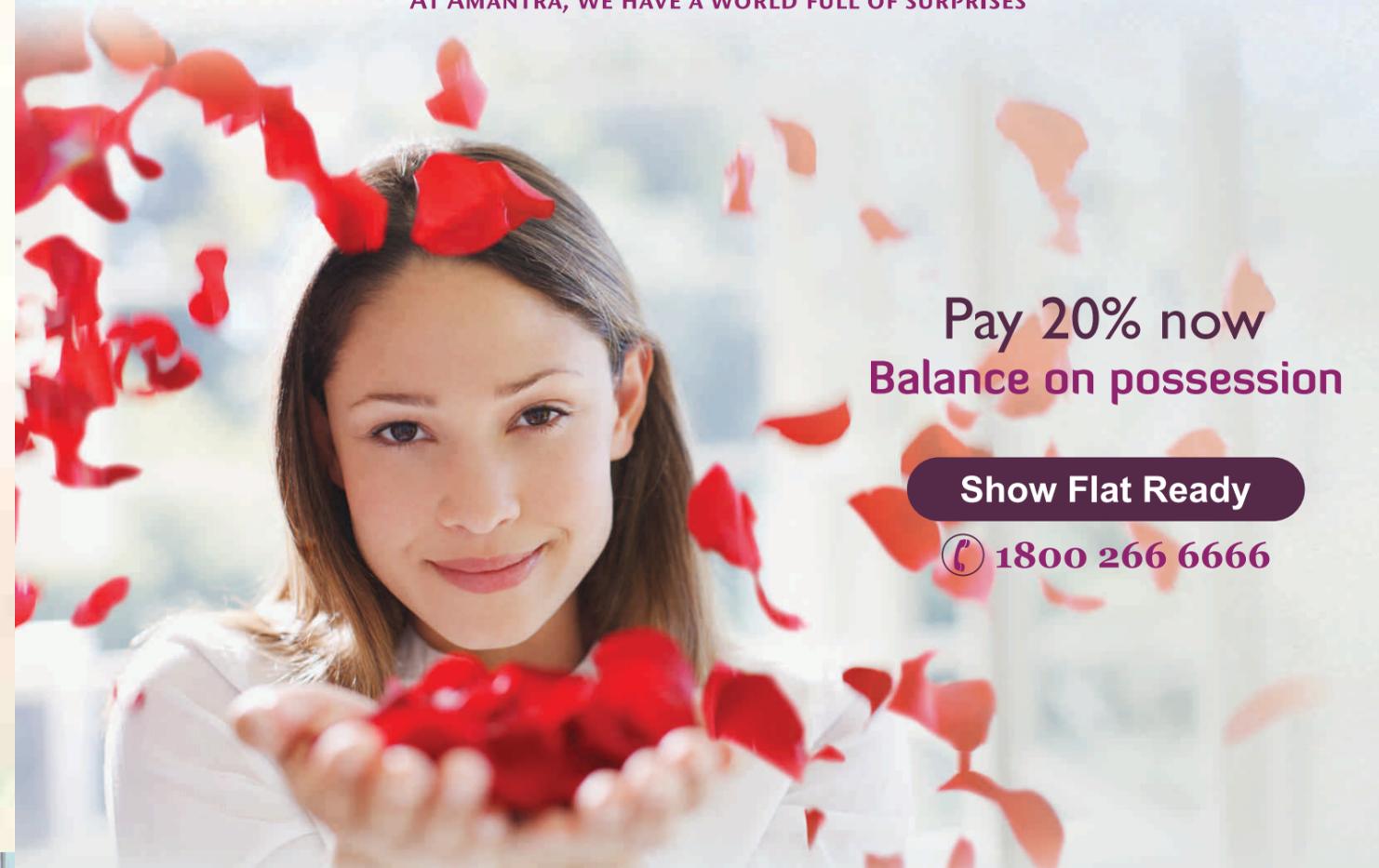


BY:
HAPPY LIVING®
www.vaastuhappyliving.com /
www.happyliving.in

Experience Higher Living @ 20%

At Amantra, we offer you a unique opportunity to enjoy an elevated life - without hindrances, notices or reminders. You can enjoy your investment, and for just a breeze. Why pay EMI's until you are ready to move in?

AT AMANTRA, WE HAVE A WORLD FULL OF SURPRISES



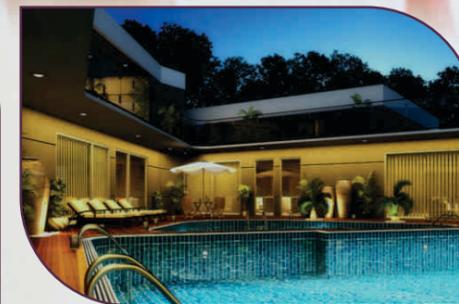
**Pay 20% now
Balance on possession**

Show Flat Ready

1800 266 6666



Master Plan



Infinity Pool



14th Floor Jogging Track

Site Address:
Eco City, Junction of Thane-Kalyan Expressway, Opp. Choki Dhani, Upper Thane.



DESIGNED FOR HIGHER LIVING

www.tatahousing.in/amantra
www.facebook.com/TheAmantra



PEX PIPE-IN-PIPE MANIFOLD PLUMBING SYSTEMS

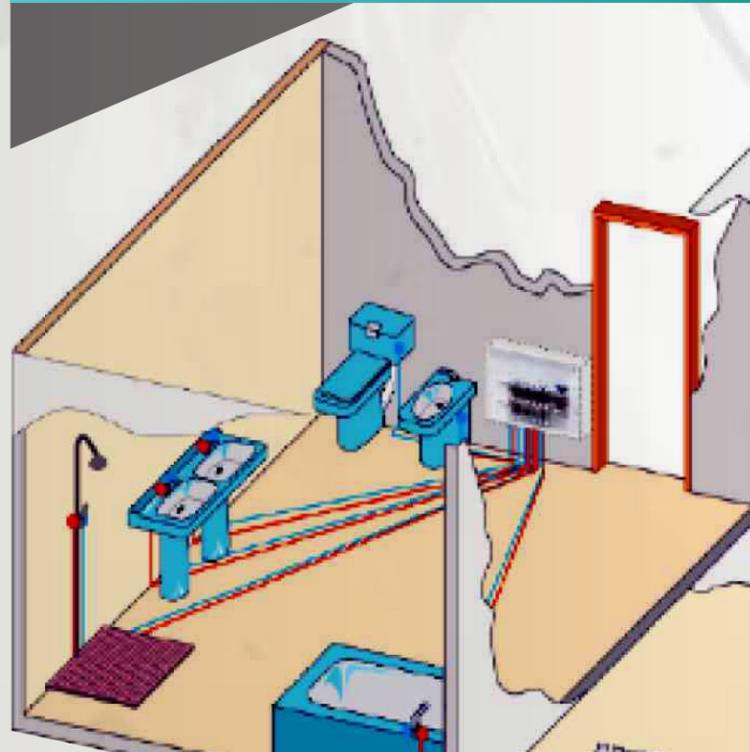
By: Arun Kashikar

NEVER BREAK YOUR BATHROOM TILES AGAIN TO REPLACE LEAKING PIPES!

Close the lock shield (valve), untighten the nut of the adaptor and disconnect the pipe to be replaced.

Connect the new pipe to the damaged one with the traction fitting.

While the pipe is pulled out from the wall fitting side, insert the new pipe on the other side.



Sanitary distribution, since the last few years is becoming more and more important in engineering, because of the continuous research for innovative and comfortable solutions, able to satisfy the increasing needs of the customers looking for maximum comfort and conserving water.

The bathroom is now one of the most important rooms of the house equipped with expensive sanitary ware, require distribution systems to be functional and long-lasting. In a modern system, solvent cement based fixing of pipes or fusion methods are susceptible to failure, as they always present the risk of cracking with discharge of water, and which, to be repaired require the breaking of ceramics, with great damage.

Manifold distribution system, using Cross link Polyethylene pipe, combined with proper fittings and distribution manifolds equipped with regulating lock shield, is the solution preventing all those maintenance problems, providing advantages which have never been pledged by any other distribution system.

This technology has many advantages viz.

1. Lack of incrustation (scale)

Pipes remain clean for a long period, ensuring continuity of water

flow, even when the system is not in continuous use.

2. Controlling the flow

Water flow to taps can be handled and proportioned as one likes, to avoid useless waste, optimizing the functioning of the tap. When repairs are needed, it is possible to intercept the flow at the single connection without altering the functions of the remaining taps. In addition it is possible to select a more suitable diameter of pipe, to ensure the best flow.

3. Pressure stability

With the use of sanitary distribution by manifolds, there is constant pressure to the connections, even when more taps are opened. This is a very important point for the correct operation of the mixing taps, and avoids the unpleasant drop of flow happening with different types of installations (for eg:- in a conventional system, if the kitchen faucet is opened while someone is taking a shower, water flow decreases, unbalancing the regulation of temperature).

4. Low noise

Manifold based plumbing systems have a high level of acoustic protection. Cross link Polyethylene pipe and sleeve render the distribution silent, thanks to the lack of threaded and welded connections creating turbulences in the flow.

5. Maintenance possibility

In case of accidental damage of the pipes, it is possible to replace without breaking tiles and walls. This operation can easily be performed if, when placing the

pipe, elementary rules have been followed.

6. Saving time

In order to carry out a flexible distribution, the time needed is less than one required for a conventional system. No special equipment is needed (fusion machines, tools, etc.) with consequent saving of time and money.

To understand the above system, the electrical system in your homes is a very good analogy where wires run in conduits and can be replaced without breaking walls. Further, any particular circuit can be isolated if found defective without shutting down the power in your house. Similarly, if the Wash basin needed maintenance, it could be isolated and attended to without shutting water flow to your Shower, WC etc. within the bathroom. The flexible pipe from the manifold to the appliance would be without joints and therefore chances of leakage are minimized. There are a lot of variants within this system. You could have manifold with one shutoff valve or have a manifold with individual valves for each appliance.

These system are widely used in Europe & Middle East and are being installed in the high-end segment projects and residences in India and is the future of Plumbing systems.

The importance of public private partnerships in the growth of urban townships in India cannot be overstressed. While much is being talked about the projected GDP growth rate of India, the focus on real estate and its ancillaries as a component of GDP are not stressed upon as much.



BROTIN BANERJEE

The sector not only consists of residential housing, but also commercial spaces, trading units etc. This means the enormous business opportunities that arise out of this sector are significant and incomparable to any other.

The Urban Cowboy

By Brotin Banerjee

(First published in Business World Online)



approach that will help boost construction of affordable housing, of integrated urban townships where lakhs could live a hassle-free life.

The solution came in the form of Public-Private-Partnerships.

The Jawaharlal Nehru National Urban Renewal Mission aims to increase the use of PPP in all kinds of infrastructure projects, from roads, ports, airports, railways, housing, telecommunication etc.

Though it is tough to pinpoint to the exact figure of this sector's contribution to the GDP, the fact remains that about 250 or more ancillary industries directly depend on the development of the real estate sector.

The financial crisis put the spotlight on the real estate sector across all cities in India. What started as a housing mortgage derivative product domino game, ironically led to the collapse of housing markets not just in the world's most developed economies, but also in an emerging one like ours.

What resulted was the initiative to ensure that the housing and real estate industry gradually come out of the crisis and continue to have stable growth like they did before.

The need-of-the-hour was to look for a solution that will help both demand, and supply. An

Policy experts suggest that for successful infrastructure development for an emerging economy, PPP is the way to go.

A mutually beneficial and symbiotic relationship like the PPP ensures that both sides can take advantage of the strengths of the other and work on their own weaknesses in partnership with the other.



The infrastructure sector as a whole suffers from numerous problems, starting from land acquisition, approvals, clearance, funding.

Given that public financing is not easy (lack of retail investor base and absence of a healthy market), the private sector takes charge of funding to some extent. The public sector can take advantage of private sector skills, on-site development, easy finance, greater transparency and accountability that comes from the latter.



The working culture of private sector also ensures that projects are delivered on time, there is greater focus to stick to deadlines, regular maintenance and upgradation of machinery is carried out, thereby decreasing the costs and time-taken to hand-over the deliverables.

Special Purpose Vehicles (SPVs) created by the public enterprise ensures the development, building, maintenance and everyday operations done by the private company(s) during the contracted period is per the contract.

The public enterprise involved typically gets a higher percentage share of the project, apart from safeguarding the project by giving it its backing. Although the inherent risk of the project lies with the private parties involved (because they are at a position to take the risk), the government entity essentially underwrites the risk by forging the bond.

Land acquisition, which is by far the biggest hurdle in the development of infrastructure, is taken care of by the public enterprise involved, thereby cutting short a lot of time, which would otherwise have been spent in getting approvals.

Global consultancy firm KPMG, in a report on affordable housing said land is the foundation on which a PPP is formed.

Consider this: the government, in possession of large land parcels can

distribute/sell them through a transparent process, thereby reducing the land cost; it can relax FSI norms; it can provide subsidy to builders; relax ECB norms for housing companies; increase current limits on interest subsidies

With land as the biggest equity, a PPP model ensures that both the management of the project and the risks involved are equally distributed between the public and the private sector.

Off-late, a number of successful infrastructure projects have been the result of a well-planned and well-executed PPP.

A large number of waste management, road construction, and airport construction (Navi Mumbai) projects are the fruition of successful PPPs.

As per Census 2011, 31 per cent of our population is classified as urban. This translates into an estimated 380 million people. Moreover, out of every 100 households, only 3 are built out of concrete, while 48 are made out of burnt brick and 24 out of mud. For the 11th five-year plan, the Planning Commission pegged the total shortage of dwelling units in urban India at 26.53 million.

Urban townships provide an answer to this housing shortage with integration of a variety of elements such as Schools, Residences, Recreation areas, Hospital and Retail which aims to provide a healthy lifestyle along with all amenities. This enables in achieving a community vision for the township.

Given these numbers, and given the scope that PPPs have, it goes without saying that the housing sector, both rural and urban, needs to address their problems by forging long-run partnerships with either state or central governments to ensure housing needs of millions of these people are met without further delay.

(The author of this article is Brotin Banerjee, MD & CEO, Tata Housing)



MYST

ECO-LUXURY RESIDENCES

Biophilic Design

Biophilic architecture is a design ethos that integrates nature and architecture to create living spaces that are invigorating, inspiring, and comforting. Myst's unique design incorporates natural elements like flowing water, green roofs, and airy open living spaces to reconnect residents to nature. The local hillside ecology and topography at Myst were studied extensively to design a master plan and residential structures that work effortlessly with their surroundings, while being environmentally-friendly.

www.tatahousing.in/myst



TATA HOUSING WINS PRESTIGIOUS IGBC AWARD FOR OUTSTANDING CONTRIBUTION TO A GREEN BUILDING MOVEMENT



Tata Housing is proud to be acknowledged by the Indian Green Building Council (IGBC) for its contribution to eco-friendly construction. Tata Housing was recently facilitated, at the **GreenCO Summit 2013** organized by The Confederation of Indian Industry (CII - Western Chapter) at Suzlon One Earth in Pune.

Dr. APJ Abdul Kalam, Former President of India presented the award to Tata Housing at the ceremony. Tata Housing is one of the major contributors in achieving the 1.51 Billion sq.ft of IGBC certified green footprint in the country. They have over 55.4 million sq.ft of registered green building footprint of which 8.8 million sq.ft. have been certified.

Speaking on the achievement **Mr. Brotin Banerjee, Managing Director and Chief Executive Officer, Tata Housing**, said, "At Tata Housing, it is our constant endeavour to create eco-friendly homes. We maximise the open green spaces in the communities that we

design and provide over 80 per cent open spaces which allows natural lighting and other natural components in most of our projects. As a responsible corporate citizen and following the ethos of a Tata group company, all projects of Tata Housing are sustainable green developments under the guidelines of Indian Green Building Council (IGBC)."

Dr. Prem C Jain, Chairman of the Indian Green Building Council said, "Committed and passionate champions like Tata Housing have contributed to all these achievements. I would like to thank you for all your efforts and for being such a great supporter of IGBC's initiatives."

IGBC Green Homes is the first rating programme developed in India exclusively for the residential sector and is based on the accepted energy environmental principles and strikes a balance between known established practices and emerging concepts. The evaluation process of the IGBC certification is based on parameters such as site

selection and planning, water efficiency, energy efficiency, materials, internal environment quality and innovation and design process; and we are glad to have accomplished several projects based on these tenets.

IGBC is a consensus driven not-for profit council representing the building industry, consisting of more than 500 committed members. The council encourages builders, developers and owners to build green to enhance the economic and environmental performance of buildings. The Green Building Movement in India has been spearheaded by IGBC since 2001, by creating national awareness. The council's activities have enabled a market transformation with regard to Green Building concepts, materials and technologies. IGBC continuously works to provide tools that facilitate the adoption of green building practices in India. The development of IGBC Green Homes Rating System is another important step in this direction.

Tata Housing Bags the Coveted 2013 Golden Peacock Eco - Innovation Award

Tata Housing is proud to announce the company has been honoured with the prestigious '**Golden Peacock Eco - Innovation Award**' for the year 2013. The Award was adjudged by an esteemed Jury under the **Chairmanship of Justice P. N. Bhagwati, Former Chief Justice of India and Member, UN Human Rights Commission**, for the Reinforced Concrete Blocks (RCB) technology implemented in the company's Shubh Griha Project at Ahmedabad.

The illustrious award was presented on 19th July, 2013 by **Hon'ble Dr. M. Veerappa Moily, Union Cabinet Minister for Petroleum & Natural**, at New Delhi, during the **15th World Congress on Environment Management and 24th Institute of Directors (IOD) Annual Day**, in the presence of a distinguished gathering of business



leaders, jurists, academics, environmentalists, economists, legislators and policy makers.

The 'Golden Peacock Eco-Innovation Award' is given for a product or service, which shows a quantum jump in the exploitation of current technology to achieve maximum customer satisfaction at minimum cost, while ensuring sustainability.

On this occasion, **Mr. Brotin Banerjee, MD & CEO, Tata Housing Development Company**

Limited said, "Tata Housing is dedicated to providing quality life spaces through continuous innovation and has envisioned transforming the real-estate industry with the company's philosophy of providing customers more than just a home. We aimed to deliver 'an environment and a lifestyle' through all our products. We are really privileged to receive such an honour, which shall serve as a testimony to our efforts and endeavours and motivate us to march in the right direction."

The 'Golden Peacock Awards', initiated by the Institute of Directors in 1991, are now regarded as the Holy Grail of Corporate Excellence Worldwide. They provide not only world-wide recognition and prestige but also a competitive advantage in driving business in this tumultuous world under Golden Peacock Award models.

TATA HOUSING'S BIG WIN AT THE NDTV PROPERTY AWARDS 2013

Tata Housing recently won the renowned **NDTV Property Awards** in the category of '**Super Luxury Apartment Project of the year for its premium property Raisina Residency, Gurgaon.**

Housing, it is our constant endeavour to create benchmarks and constantly reinvent. With Raisina Residency, we were attempting to cater to a niche segment within the luxury space. Raisina Residency which is based on art and culture and is for the consumers who want to live life king-size, those who've known affluence and indulgence."



Housing and Urban Poverty Alleviation Minister, Ajay Maken honored Tata Housing as the winner of Super Luxury Apartment Project of the Year, in the first edition of the NDTV Property Awards held on 3rd June, 2013.

Speaking on the achievement, **Mr. Brotin Banerjee, Managing Director and Chief Executive Officer, Tata Housing**, said, "At Tata

"Theme-based housing projects are a major attraction in today's cluttered markets. The simplicities of condominium living need to go beyond luxury homes. Buyers are no longer impressed by facilities such as club-houses, swimming pools or health clubs their lifestyle aspirations now go far beyond", he added.

Raisina Residency, a premium and

exclusive residential complex, located at the Golf Course Road extension, inspired by the theme of 'art and culture'. Spread across a sprawling 11.73 acre campus, Raisina Residency has 9 aesthetically designed towers that compliment modern lifestyle and are packed to the hilt with unmatched luxuries. The Product mix consists of 3 BHK (2319 sqft and 2910 sqft) and 4 BHK (3375 sqft and 3829 sqft) apartments, duplex and penthouses. The master plan, landscaping and buildings, designed by 'AEDAS'- one of the top five architects globally. It ensures that maximum flats get unhindered views of both the Aravallis and the city landscape.

The project has pre-certified Green Homes under the guidance of Indian Green Building Council (IGBC) and is designed to provide excellent natural ventilation. Also, Raisina Residency comes with 86% open area surrounding the towers.

After in-depth evaluation of each entry, the esteemed jury has finally announced the winners of the first NDTV Property Awards that recognizes and applauds excellence in Indian real estate. Participation was invited from architects, developers and service providers.

ECB NORMS FOR LOW COST HOUSING PROJECTS EASED

The Reserve Bank of India on 24th June, 2013 relaxed the external commercial borrowing (ECB) norms for affordable housing projects by withdrawing the minimum capital requirement, and lowering total experience to three years, while extending the scheme till next financial year.

The RBI also withdrew the condition of minimum paid-up capital requirement of not less than Rs.50 crore for housing finance companies (HFCs) to avail themselves of ECBs. However, the RBI said the condition of the minimum net owned funds of Rs.300 crore (for the HFCs) for the past three financial years was unchanged.

It added that the ECB availed of by developers and builders shall be swapped into rupee for the entire maturity on a fully-hedged basis. The RBI said that the interest rate spread charged by the National Housing Bank (NHB) may be decided by the NHB, taking into account cost and other relevant factors.

The central bank further said that the HFCs while making applications for ECB should submit a certificate from NHB stating that avilment of ECB for financing prospective owners of individual unit is for low cost affordable housing. HFCs should ensure that the cost of such individual units should not exceed Rs.30 lakh, and the loan should not exceed Rs.25 lakh; and units financed should have a maximum carpet area of 60 square metres, the RBI added.



Tata Housing signs a MoU with NSC to promote Environment, Health and Safety in the Real Estate Sector

Tata Housing signed a MoU with the National Safety Council of India (NSC) to create awareness and promote the cause of Environment, Health & Safety (EHS) in the Indian real estate industry. This agreement represents Tata Housing's persistent efforts to make EHS rules and regulations a priority for the real estate industry.

The MOU was signed between Mr. Brotin Banerjee, MD & CEO Tata Housing and Mr. V. B. Sant, Director General – the National Safety Council of India. The key objective of the MoU will include streamlining exchange of technical expertise between two organizations and to collaboratively work towards making EHS a norm for the real estate industry.

Mr. Brotin Banerjee, MD and CEO, Tata Housing, said, "The Tata Group being a pioneer of Employee Welfare approach in India, EHS naturally ranks on top as one of the Group's core philosophy of doing business. In line with the group's ethos, we at Tata Housing are looking at building the most effective approach for building an EHS-conscious industry. We are

partnering with National Safety Council of India (NSC) to institutionalize occupational health standards which will help to inculcate a safety culture within the real estate sector."

Mr. V. B. Sant, Director General – the National Safety Council of India, commented, "Construction is considered as one of the most risky industries when it comes to occupational safety, and the rate of fatal accidents is about 4 to 5 times than in manufacturing. A recent research suggests the average Fatal Accident Frequency Rate (FAFR) in Indian construction sector is 15.8 for 1000 employees as against 0.23 in the USA.

He further added, "Through this MOU, National Safety Council of India along with Tata Housing Development Company Limited intends to ensure that compliance of health, safety, security and environment (HSSE) regulations is on a sustainable level and not one-time practice. We endeavour to achieve these objectives by

propagating these messages through training modules and educational elements such as training videos, onsite physical training, etc., amongst lakhs of construction workers working across construction sites all over India."

Some of the initiatives which will be undertaken include: co-production of Multilingual High Impact EHS films & other training aids customized to workforce requirements, development of an EHS Audit Rating System for the real estate projects etc. In addition to this, the importance of environmental health and safety will also be propagated through various events and forums.



Tata Housing's weekend Spanish spectacle

Celebrate La Tomatina festival with matadors, bull fights, flamenco dances and much more

Mumbai, 15th July, 2013: Tata Housing's 'Spain to Spain' initiative was a roaring success with over 100 families participating in a day-long Mediterranean Festival at its La Montana property in Vadgaon, near Talegaon on the outskirts of Pune. The event was attended by many renowned personalities, families, interested home buyers and the wanderers whose travels brought them to Tata Housing's award winning-project, La Montana in Vadgaon.

The theme, **'Spain to Spain'**, is aimed at creating a beautiful extension of Spain's art and architecture with aesthetically-designed porticos, classic arches, cut-stone facades and terracotta railings around the entire township, which are the actual premise of the La Montana project. Festivities exuded a Spanish aura which included the famous La Tomatina festival with artificial tomatoes, bull riding, flamenco dance art and more.

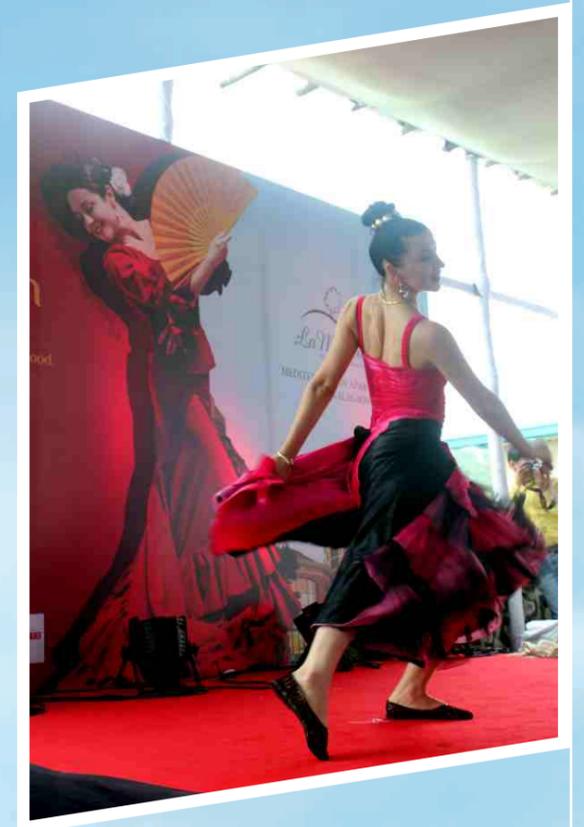


Mr. Pawan Sarda, Head- Marketing & Product Development- Smart Value Homes; a 100% subsidiary of Tata Housing Development Company Ltd, said, "We are thrilled to see that so many people participate in this carnival. It is encouraging for a marketer to see that a well-executed 360-degree campaign managed to cut through the clutter and reached out to consumers and prospective buyers through inventive print ads, creative outdoor, digital and social media platforms. The initiative saw participation from people from all walks and age groups. The event also received enormous response across social networks as well with increased number of likes and followers."

One of the lucky families will also stand a chance to win a fully-paid trip to Spain to attend the La Tomatina festival in the Valencian town of Buñol. The winners will be selected through a lucky draw, and results will be announced soon.

A participant at the carnival, Mr. Kamal Bahal, said, "It has always been a dream to visit the ethereal beauty of the majestic Mediterranean. Tata Housing's Spanish festival actually brought Spain's arts and culture to us!

"It was a magnificent experience to participate in the festival and we are now eagerly waiting to explore a second home in La Montana, which will allow us to permanently be surrounded by Spanish design and architecture."



When the Real Estate (Regulation and Development) Bill 2013 comes into effect, all projects will have to be registered with a real estate regulatory authority.

Promoters will have to disclose details about the project (name, type, plans, partnership companies, names of persons involved with construction etc). Will have to specify what kind of area is for sale (based on standardised markers).

All brokers and agents will have to be registered with the regulator before they can practise. Builder will have to provide a list of agents who will represent each project.

Once the project is registered, all details will have to be put on the website and updated every quarter. This includes disclosing the extent of project completion.

What This Means

A) Buyers can take informed decisions. "Today, it's impossible to compare properties because square footage, amenities, floor-space index consumed and even delivery schedules are different for different builders," says Pranay Vakil of Praron Consulting.

"Standardising this will allow consumers to make apples-to-apples comparisons."

B) Which standards to follow? "The Bureau of Indian Standards has laid down standards for the construction industry, and



How Realty Bill can Reshape Real Estate Ecosystem

clearly defined things like carpet area, plinth area or how to calculate the difference between the balcony and room area," says consumer rights advocate Anand Patwardhan. "If the bill brings in a new set of definitions, it will create a conflict."

C) Do away with middlemen: When all the details are on the website, housing rights activists feel there is no need for brokers and agents; buyers can get in touch with promoters directly. Also, if the regulatory authority is going to insist on brokers being registered with it, to what extent will it be liable for

their actions? Activists say this is not clear.

D) "Having access to the relevant information will help de-risk lending," says VK Sharma, MD and CEO of LIC Housing Finance. At the moment, buying a house is like groping in the dark, he adds. "Even with the most trusted builder, you don't know what you will get. This kind of transparency will boost buyer confidence."

All-Round Clearances

Builders will not be able to sell — or advertise — a project till it receives the requisite approvals. These range from

land titles and amenities, to provisions for water, electricity and sanitation. This means pre-launch sales are out. Brokers will be barred from trying to sell an unregistered project, or one that has not received the necessary approvals.

The regulatory authority will get 15 days — after receiving an application for registration from a promoter — to either clear it, or reject it. Reasons for rejection will have to be put down in writing. If the regulator fails to do either of these, the project will be considered as registered.

What This Means

A) "Ensuring prior permissions is the only good thing I see in this bill," says Patwardhan. "But this will open the window to more corruption. Builders will stop at nothing to get clearances."

B) Regulator for 'some': "We would welcome a regulator if it's going to regulate all the players in the real estate industry," says Vimal Shah, president of the Maharashtra Chamber of Housing Industry (MCHI). "Right now, the bill appears to only hold the developer responsible." Adds Navin M Raheja,

managing director of Raheja Builders: "Developers will be penalised for delays, but what about the delays created by government departments in providing clearance for projects? If there is a delay in giving approvals, the government official should also be made accountable for it."

C) Approvals come in phases, and never all at one go, says MCHI's Shah. If a developer has to wait to launch a project only after all the approvals are in, this would only mean further delays in handing over the house. "We wanted this to be an automated registration process so that there is no human interface, and therefore no chance of corruption," says Lalit Kumar Jain, president of the Confederation of Real Estate Developers of India (Credai).

D) Smaller builders will be hit harder. After putting down money for all the clearances at one shot, they may not have much left over to start construction right away - especially since pre-launch sales are discouraged. "This will only mean delays in launching projects and escalated costs," says a promoter. Which may get passed on to the buyer.



Funds From Buyers

Builders have to open a separate bank account for every project and set aside 70% (or less, as designated by the local authority) of buyers' money, to be channelled only into the construction of that property.

What This Means

A) While builders are okay with setting aside a



certain amount in a separate account, they feel fixing a sum is unrealistic, since the land-to-construction-cost ratios vary from place to place. "In metros, land is expensive and construction costs relatively cheap," says Sunil Mantri of Mantri Builders. In smaller towns, where land is more easily available and is cheaper, this could be the reverse. "The figure should be decided by local authorities."

B) More stress for builders: "In metros, where land is not available on credit, most transactions are on a cashdown basis, whether a builder buys land from the government or a private owner," says Mantri. "The RBI also says no bank will fund the purchase of land, so the amount has to come out of the builder's pocket."

C) The 70% amount can lead to discretionary practices, says Paritosh Kashyap, executive VP (commercial real estate and financial institutions group), Kotak Mahindra. An extra layer of approvals could mean another opportunity for corruption.

D) "This bill may not do away with the black money component in real estate," says Vakil. "Having the builder set aside 70% of the amount

collected from buyers, applies to the cheque component. This will encourage developers to take more cash." The fear is, they will insist on cheque payment at the estimated market or reckoner rate, which will go towards the 70%, and be free to charge the rest in cash.

Completion Schedule

Builders will now have to give homes on time. In case of delay, buyers are entitled to full refund of their investment, with interest at a pre-determined rate.

Builders will face penalties (fines ranging from 5% to 10% of project

preferable to a jail term, says Mantri. "If Sebi or even the income tax department have realised this and replaced imprisonment with monetary penalties, why can't the real estate regulator do the same?" he asks. Substantial compensatory penalties will also benefit consumers.

C) There are other things that the regulator can impose financial penalties on, like a percentage of the project cost, says Credai president Jain. "This will mean pressure on developers which could eventually open a window to corruption."

body, which will be headed by a chairperson and two others (one of whom will be a judicial member), will be vested with the same powers as a civil court.

What This Means

A) Another body, more complications. The consumer fora and the civil courts are already there, so why do we need yet another body, asks advocate Patwardhan. For the tribunal to work, it must be a fast-track authority so that there is no backlog of cases.

B) A tribunal with teeth: "For it to be



cost) and jail term (up to three years) for sale based on misrepresentation of facts, for failure to update details about project and so on.

What This Means

A) "Throwing a builder in jail might seem like a good idea," says Patwardhan, "But in case of builders who have multiple projects going, this means an inordinate delay for all of them." Who is going to make sure the projects are completed while the builder is in jail?
B) Harsh financial penalties are

D) The developer should be given one chance to rectify his mistake, when it comes to launching a project without full approval. "Sometimes the sale/advertisement is not intentional, on the part of the developer," says Raheja. The builder's culpability (or not) would, however, be extremely hard to prove in such cases.

Post-Delivery Complaints

All complaints are to be addressed by an appellate tribunal, which will only hear real estate cases. This

effective, the tribunal must be ready to take tough decisions," says Vakil. "I have seen in this country that whenever third-party rights are created, the courts tend to take a sympathetic view of the matter." If flats in an illegal building are sold to people, this automatically creates third-party rights. "A court may, then, be hampered from taking harsh action against the builder because some other people might lose their homes," adds Vakil.

THERE WILL NEVER BE ANOTHER HILL IN BENGALURU. OR AS AWARDED A PROPERTY ON IT.



★★★★★
BEST LEISURE ARCHITECTURE INDIA

★★★★★
BEST LEISURE DEVELOPMENT INDIA

We started with Bengaluru's most coveted location - it's only hill. And built something equally extraordinary. Four majestic towers rising into the sky, within a gated community that brings all of life's pleasures to you. Designed by celebrated architect, Moshe Safdie, whose landmark hotel Marina Bay Sands is the toast of Singapore. With exquisite 3 and 4 bedroom apartments give you space and incomparable comfort. Sprawling interiors. Double-height cantilevered terraces. Even a clubhouse with an infinity pool. All elevated above the grind of the city. The Promont is leagues above other residences. And not just because they're on Bengaluru's only hill.

THE PROMONT

RESIDENCES ON PROMONT HILL

CORPORATE OFFICE:
TATA Housing Development Co. Ltd.
12th Floor, Times Tower, Kamala Mills, Compound
Senapati Bapat Marg, Lower Parel
Mumbai - 400013
Tel: +91 22 6661 4444
Fax: +91 22 6661 4452
www.tatahousing.in



For any comments, suggestions or queries on this newsletter,
please contact Vikram Kharvi, Manager Marketing Communications at
vikramkharvi@tatahousing.com