



## ATS Weekly News Snapshot



# Delhi NCR Region Weekly News Snapshot

## Coverage 1

### Will the Unitech case give positive signals to home buyers?

Media  
Zee Business

Published  
13<sup>th</sup> January 2016

New Delhi: Real estate major Unitech Ltd top bosses, facing charges of alleged cheating, have walked out of Tihar Jail after spending a night in prison. But the message is clear for both developers and buyers –no more false promises!

The complain was filed by Sanjay Kalra and his business partner Devesh Wadhwa, who are chartered accountants by profession, had booked a property in Habitat Apartments in Greater Noida developed by Unitech.

The project was delayed and the company had promised to refund the amount along with simple interest of 11 percent per annum by October last year before the State Consumer Commission and sessions court last year.

However, despite the court's earlier order, Unitech had not refunded them the complete payment.

The Economic Times, quoting CREDAI president President of Confederation of Real Estate Developers' Association of India (CREDAI) Getamber Anand said that the main focus for developers should be timely delivery of projects or be prepared to face the music.

Manoj Gaur, CREDAI NCR president told ET that “fly-by-night operators will have to wind up operations.”

Meanwhile, market analysts have said that the court has set a precedent and added comfort to home buyers and real estate developers adding that the development would renew confidence of home buyers and investors in the NCR property market.

# Delhi NCR Region Weekly News Snapshot

## Coverage 2

### After Unitech

### promoters, Mantri

### Realty in the dock

### Bombay HC orders

### seizure of

### developer's assets.

## Media

## VCC Circle

## Published

14.01.16

The Bombay High Court on Wednesday asked an official liquidator to seize all the assets, books and records of city based developer Mantri Realty in connection with cheating and fraud cases filed by a bunch of investors and lenders.

The order said the company's chairman and managing director Sunil Mantri has allegedly misrepresented facts and directed him and three other directors to not sell any of its assets or create any third party right on it.

The company allegedly owes dues running into crores to its creditors. The court noted that it had adjourned the cases time and again on assurance that dues would be settled and big creditors would be given flats in lieu of payment. However, that has not happened.

The conduct of Sunil Mantri smacks of utter dishonesty and disrespect to the court. The indulgence that was granted from time to time has only been abused," said the court.

The company and its directors have been ordered to submit details of all the assets and transactions within two weeks.

In the wake of the incident, industry body CREDAI has communicated to its members to give real time information to the buyers about the projects which are delayed and honour delivery commitment to avoid legal cases.

"We will tell our members to communicate with buyers and give them the real-time delivery status so that customers are not pushed into a situation that they have to take legal recourse," said Getamber Anand, president, CREDAI.

There are genuine cases of delays due to land acquisition issues, etc. "But where delays are because of reasons which are attributable to developers, then they should communicate to the customers. Builders should give a firm date of delivery of the delayed project and honour the commitment. Otherwise, Otherwise, consumers will take legal recourse and the law will take its course," Anand added.

Industry watchers say there will be many more such cases in 2016 and developers will go belly up.

Read <http://www.vccircle.com/news/real-estate/2016/01/14/bombay-hc-orders-seizure-mantri-realty%E2%80%99s-assets> more at:

# Delhi NCR Region Weekly News Snapshot

## Coverage 3

**Real estate woes:  
After Unitech,  
home  
buyers take legal  
route against  
builder  
frauds, delays**

Media

ET Realty

Published

14.01.16

Home buyers are becoming emboldened to take on the might of real estate developers as they see courts, state governments, as well as the centre with its proposed real estate regulatory Bill taking a strict view on cases of cheating, fraud and delays in delivery against builders.

"Everybody needs to pull up their socks. Today, you can't take consumers for granted," said Vineet Relia, managing director of Sare Homes.

Builders need to understand the processes of production of real estate and focus on it and only then will they deliver on time, Relia said. "Consumers want the final product, on time, and today they are willing to go to any lengths to challenge it," he said.

Getamber Anand, managing director of the ATS group and national president of the Confederation of Real Estate Developers' Associations of India said market forces and dynamics of business are changing and most developers today released they need to change perceptions.

But he also warned that things were getting very difficult and were fraught with risk because of over regulation. "This over regulation could discourage even good developers from doing aggressive real estate developments," he said.

Relia said many cases end up in litigation also because there is a lack of communication between the builders and their buyers. "That needs to change now. You cannot be arrogant."

Niranjan Hiranandani, president, western region of National Real Estate Development Council (NAREDCO), however, feels this case is an aberration.

Read more at:  
[http://economictimes.indiatimes.com/articleshow/50569318.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](http://economictimes.indiatimes.com/articleshow/50569318.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

# Delhi NCR Region Weekly News Snapshot

Coverage 4

Developers in the dock

Media

The Tribune

Published

16.01.16

The high-profile Unitech case in which the senior functionaries of the group ended up spending a night in Tihar Jail for non-compliance with consumer court orders and for not addressing the grievances of their customers, remained in spotlight this week. Though the developers had obtained a bail in the case and have since made amends to the complainants, the case has surely set a precedence in the real estate sector. While the buyers are upbeat, the developers' lobby has been voicing dissent over the harsh sentences that ignore the problems faced by them in a market plagued by slowdown. Realtors' apex body CREDAI has asked its member developers to give real time information to the buyers about the ongoing projects which are delayed and honour their commitments in order to prevent consumers from taking legal recourse.

Here's what some experts have to say on this:

"We will tell our members to communicate with buyers and give them the real-time delivery status so that customers are not pushed into a situation that they have to take legal recourse," CREDAI President Getamber Anand said, when asked about the impact of the Unitech case on the industry.

Unitech is not a member of CREDAI, which has about 10,000 members across the country.

Anand said many real estate projects had been delayed because of various reasons, including some unexpected ones such as green tribunal orders or litigations on land acquisitions.

"But where delays are because of reasons which are attributable to developers, then they should communicate to the customers. Builders should give a firm date of delivery of the delayed project and honour the commitment. Otherwise, consumers will take legal recourse and the law will take its course," said Anand, also the CMD of realty firm ATS group.

Anand said the developers should focus on execution of ongoing projects and establish an effective communication system with their buyers. He ruled out that Unitech episode would instill fear among developers.

Santhosh Kumar, CEO(Operations), JLL India

The current situation in the unregulated real estate market where home buyers are increasingly involved in conflict with the developers, is the result of the failure of self regulation by the developers. When the things were going good, developers did not focus on adhering to regulations. They did not bother about project execution and timely delivery. Instead, they were focused on making money and building land banks. In short, they took customers for granted.

# Delhi NCR Region Weekly News Snapshot

Coverage 5

Developers look to real estate bill for clarity

Media

ET Realty

Published

13.01.16

President of Confederation of Real Estate Developers' Association of India Getamber Anand, who is also CMD of ATS, said the episode is a clear message that the law will catch up and urged developers to focus on execution, delivery and keep their promise made to the buyers.

A senior developer from Mumbai said gone are the days when developers used to promise something at the time of selling and deliver something else. "Now, the buyers are discerning and the courts are active," said the developer, who did not wish to be quoted.

CREDAI NCR president Manoj Gaur said he would not read much in the latest case, but added that fly-by-night operators will have to wind up operations.

He said Unitech is a serious player in the segment but found itself in such a mess due to reasons beyond its control. A pro-consumer realty bill which seeks to set up a regulator and bring transparency in the unregulated segment is pending in Rajya Sabha.

A Bengaluru-based builder said many developers are in a tough spot because of diversion of sale proceeds from one project to another or for acquisition of fresh land. At a time when the sector is facing slowdown, such players get trapped and face the risk of default in repayment of loans and delay the completion of projects. He hoped that Real Estate Regulation Bill will be passed in the budget session of parliament, which will help resolve several issues and usher in transparency.

Anand said it was high time the government granted the sector infrastructure status to help builders borrow at competitive rates from banks. Now, banks take a limited exposure and that too at a high rate, despite the fact that default rates from the real estate sector are the minimum among all sectors.

Supertech CMD R K Arora said the law will take its own course in such matters, but also argued for streamlining the process of approvals from government agencies to cut down delay in deliveries. He said in a number of cases delays happen because authorities drag their feet in granting approvals.

Meanwhile, the list of consumer woes has grown. "We booked the apartment in 2009 and were supposed to get it by 2011. It has been a long struggle. We are fighting a legal battle at the National Consumer Redressal Court, but it is just moving from date to date," said Sharmishta Mallick, who booked an apartment in Gurgaon.

# Delhi NCR Region Weekly News Snapshot

Coverage 6

Periphery Gains

Media

The Tribune

Published

18.01.16

People who want to invest in the vicinity of the City Beautiful are spoilt for choice as hectic realty growth can be seen all along the perimeter. If buying property is on your agenda in 2016, then here's a rundown on the six micromarkets where you can get good deals on the current prices levels, along with a promise of appreciation over the next 3 to 5 years

**Geetu Vaid**

## **Zirakpur**

Zirakpur has seen the maximum real estate growth so far with a large number of group housing as well as plotted developments already inhabited. Though primarily seen as an affordable housing destination, Zirakpur now has a slew of projects in the premium and high-end segment with ticket sizes ranging from Rs75 lakh to Rs1.25 crore.

## **Supply and demand**

Areas abutting the national highway as well as the Old Ambala Road and villages like Dhakoli have a number of recently complete as well as under-construction projects. Zirakpur has seen a supply of over 20,000 units since 2011. There has been a substantial slowdown in demand and sales have remained tepid over the past couple of years and the unsold inventory according to realty consultants is close to 51 months, which is very high in comparison with other micromarkets of the tricity region.

## **Pros and cons**

While its location and proximity to Chandigarh, Panchkula as well as Mohali is the main attraction, connectivity with Chandigarh and Panchkula has improved with the construction of the flyover. The 200-ft wide, six-lane Zirakpur ring road, which will provide an alternative route to Shimla, will not only improve connectivity, but also benefit housing projects in areas like Peer Mushalla, Sanoli, Gazipur, Nagla village that fall along it. With development now conforming to the detailed master plan and the entry of bigger real estate players has made Zirakpur a good option for end users, especially. The spurt in commercial real estate projects can also be seen as a positive point for the residential segment.

However, the haphazard growth that had taken place during the initial years has had its damaging effect on the overall infrastructure of this town. Parking and condition of roads within the town remains a major concern in many residential societies. It will take a long time for Zirakpur to come out of it.

## **Choice**

At the moment Zirakpur has a vast choice for homebuyers looking for anything from one BHK serviced apartments to 2,3,4 and even 6 BHK apartments in affordable as well as premium segments. Maya Garden, Sushma Buildtech, Motia group, Mona Townships, SBP group are among the builders having multiple projects having ready-to-move-in as well as under construction inventory. The resale market has seen a drop of around 20-25 per cent in the past couple of years, but distress sale is not on here. The current average capital value here is in the range of Rs2600- Rs3200 per sq ft. According to market watchers the expected appreciation range for Zirakpur over the next five years is expected to be around 30 per cent.

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## Dera Bassi

This sleepy town has seen hectic real estate growth over the past couple of years basically because of improved connectivity due to flyover at Zirakpur. The travel time from Chandigarh and Panchkula had reduced considerably due to fast moving traffic on the elevated road and this has made a slew of local as well as national level developers to pitch Dera Bassi as a residential option.

### Supply and demand

While this market had been dominated by local developers for long, the ATS group's Golf Meadows integrated township is the largest development in this belt. The supply is in the affordable segment with 2BHK flats available between Rs20 lakh to Rs45 lakh in smaller projects and plots for Rs14,000 to Rs19,000 per sq yd. The ATS project is primarily in the premium segment and has spacious 3 and 4 BHK apartments and pent houses priced between Rs66 lakh and Rs1.8 crore. According to available data around 7,000 units have been supplied here since 2011 and the average capital value is Rs2300 per sq ft.

### Pros and cons

The civic amenities and basic infrastructure here has a lot of room for improvement and even though its location right next to Chandigarh-Delhi highway is an advantage, the projects located away from the highway lack the urban ambience. Considering the cost in the main projects here, the overall ambience is severely lacking and it will be anywhere between seven to ten years for these to offer the promised luxury lifestyle fully. However, for those looking for affordable units this market has a lot to offer and the projected appreciation of 30 per cent in the next five years ensures healthy returns for end users.

## New Airport Road

The spotlight shifted on the locations around the new International Airport in a big way in 2015 after the airport became operational. GMADA's Aerocity project that had been in limbo for the past three years too stirred to life as prospective buyers started checking out the plots and prices there. Mohali's IT City project is the other big ticket project in the vicinity. Presence of educational institutes and a world class infrastructure set up proposed by the state government has further raised the real estate prospects of this area. Though the current inventory here is limited with around 1,500 apartments, more projects are likely to be launched in near future. Currently there is a choice of mid-segment and premium apartments here in the price bracket of Rs55 to Rs90 lakh. The price of plots is between Rs19,000 and Rs23,000 per sq yd.

# Delhi NCR Region Weekly News Snapshot

Coverage 7

Credai Conclave 2015

Media

Zee Business

Telecast

16.01.16

Coverage 8

Real estate cos

hope demand for  
homes will pick up  
pace

Media

The Times of India

Published

16.01.16



The rate cut is expected to infuse a fresh lease of life into the real estate sector that has been hurt by demand slowdown. Anshuman Magazine, CMD of global consultancy firm CBRE's South Asia region, said this would be an important step in boosting home buyer sentiment and will improve residential sales across the country, which have been suffering from general slackness in recent times.

Emphasizing the need for deeper rate cuts, Getamber Anand, president (elect) of Credai and CMD of ATS Group, said, "It's a good small step but industry is awaiting a more aggressive cut this quarter."

Manoj Gaur, MD of Gaursons India & president Credai, Western UP, said buyers had been waiting for this to happen since last year. "Now with this move, we expect the sales to improve as more potential customers will think of buying homes."