

Lodha project sees 25% NRI demand on weak ₹

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Mumbai, Sept 2: One of Mumbai's biggest project launches in recent times by Lodha Developers saw a surge in demand from non-resident Indians (NRIs) on the back of a weakening rupee.

The project, which did a global launch of its latest luxury project 'The Park' centrally located in Lower Parel, got ₹625 crore in booking from NRIs across geographies like the US and UAE on the first day of applications. This formed 25% of the ₹2,500 crore in bookings seen on the first day for the project.

Apart from six Indian cities, the project which offers apartments in the price range of ₹3.6 crore (\$545,454) to ₹10 crore (\$1.5 million), was also marketed in international cities like Dubai to try and draw in NRIs.

"NRIs form 15% to 20% of our overall customer base," says managing director Abhishek Lodha.

Last week, the rupee hit a new low of ₹68.845/\$ and has fallen close to 20% during the current calendar year. This is providing an opportunity to overseas buyers to invest in properties in India at a lower rate in terms of dollars.

Along with Mumbai, the increased demand from NRIs has been particularly strong in projects launched in Southern cities.

Bangalore-based realty company Puravankara Projects' Ocena project in Kochi



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has seen more sales from NRIs than domestic buyers. Purva Skydale, its theme project based on Spanish habitat in Bangalore, with 314 luxury apartments, has a lot of interest coming in from NRIs and HNIs. Ashish Puravankara, joint managing director, Puravankara Projects, says with the continuous rupee depreciation, he expects the company's share of overall sales from NRIs to go up to 30% versus the current 25%.

"We have increased the frequency of advertisements in the West Asian, the US and Singapore markets and are running online ad campaigns as well. We are also advertising our projects among Indian community groups abroad, for example community group of US doc-

tors," says Puravankara.

According to sources, another project in Chennai by Jain Housing and Constructions, a Chennai-based developer, has seen as much as 50% bookings coming in from NRIs, though at a very low base. Of the 14 recently booked, seven were by NRIs. Jain Housing could not be immediately reached for a comment.

Key cities in Kerala, specially Kochi, is turning out to be the biggest beneficiary, says Lalit Kumar Jain, chairman, Confederation of Real Estate Developers Association of India (CREDAI), followed by Bangalore, Chennai and Hyderabad. Mumbai, Delhi and NCR markets are also seeing sales traction from NRIs, albeit at a slower pace.

"Enquiries from NRIs are very high and now we are seeing conversions as well. At present, bookings done by NRIs are in the range of 10%-12%, which may go up to 20% across the country. In Kerala, the proportion is much higher with nearly 30%-40% bookings currently happening from NRIs," Jain said.

Om Ahuja, CEO (residential services), Jones Lang LaSalle India, said, "With the depreciating rupee, we have seen a rise in inflows in southern cities. So far, the transactions are not as much from the high networth NRIs, who are still in a cautious mode, but more from people in white collar and blue collar jobs in the Gulf."