

News monitored for: Salarpuria Sattva Group

Builders vie for Mumbai's ageing housing societies

Top builders sign slew of redevelopment agreements with housing societies

Madhurima Nandy
madhurima.n@htlive.com
BENGALURU

Top developers such as Puravankara Ltd, Mahindra Lifespace Developers Ltd, Rustomjee Group and K Raheja Corp. are rushing to redevelop Mumbai's ageing residential buildings into modern high-rises, aided by favourable state policies and discouraged by the complexities of slum redevelopment.

In recent months, multiple builders have acquired development rights in India's most expensive property market, from posh south Mumbai locations to suburban neighbourhoods. Under the redevelopment route, housing societies tie up with developers, who demolish and rebuild them as swankier towers with more apartments. Residents get larger apartments and parking lots for free, while the builder profits by selling additional flats to new buyers at a higher price.

Bengaluru-based Sattva Group has signed up for two society redevelopment projects, and is in talks with more. "Redevelopment projects give access to prime locations in a city like Mumbai, where land is scarce. It's a win-win opportunity for developers and the society owners, who get new homes and modern amenities as a result," said managing director Bijay Agarwal said.

As per a September report by property advisory Knight Frank India, around 910 societies in Mumbai have initiated redevelopment, unlocking 326.8 acres of potential buildable area.

Last week, Mahindra Lifespace Developers Ltd said it has been selected as the preferred partner for the redevelopment of four residential societies, spread across 1.65 acres, in suburban Malad. The project offers a development potential of ₹800 crore. Earlier in April, it took up the redevelopment of two residential societies in Lokhandwala Complex, Andheri West, with a project value of ₹1,200 crore.

K Raheja Corp is doing several society rede-



Around 910 societies in Mumbai have initiated redevelopment, unlocking 326.8 acres of potential buildable area, according to a September Knight Frank India report

MINT

velopment projects across Mumbai. Among these, the redevelopment of the Pleasant Palace housing society in Malabar Hill will be an ultra-luxury project.

Puravankara Ltd has acquired the redevelopment rights for a residential society in the upscale Malabar Hill. Before that, it was

founder of Arnya Real Estates Fund.

In September, investment manager Arnya Real Estates Fund Advisors and developer Supreme Universal said they will raise and deploy ₹1,000 crore in housing projects, with a focus on society redevelopment in Mumbai.

Society redevelopment as a segment may unlock more than 44,000 new homes in the Brihanmumbai Municipal Corp. (BMC) limits by 2030, worth a total of around ₹1.3 trillion, Knight Frank India said in a recent report. Most of this supply is expected to come from the western suburbs, with the hotspots being Bandra, Juhu, Andheri, Goregaon and Borivali.

Maharashtra encourages redevelopment in land-starved Mumbai by permitting higher floor space index (FSI) and streamlined approvals for developers, and mandating rules on accommodating residents to persuade them.

For an extended version of this story, go to tolive-mint.com

REDRAWING SKYLINES

SATTVA Group has signed up for two redevelopment projects, and is in talks for more

MAHINDRA Lifespace is set to redevelop four societies across 1.65 acres in Malad

K RAHEJA Corp is redeveloping several societies, including Pleasant Palace in Malabar Hill

selected to redevelop eight residential societies in Chembur.

"Redevelopment is a prime source of land in a land-locked Mumbai. Society redevelopment is a capital-efficient model and a risk-adjusted return asset class, making it attractive for both developers and investors," said Sharad Mittal,