

June 27 2015 : The Times of India (Delhi)

CEO SPEAK - The NCR market pins hope on festive season!

Sales volumes will likely pick up during the Navaratra season, which is considered as an auspicious time by homebuyers, says Dharmendra Bhandari, MD of Bestech Group

Dharmendra Bhandari, MD of Bestech Group, in an interview with Times Property said that the major initiatives that can help in the overall growth of the real estate sector are cut in interest rate on housing loan by 1-2% for homebuyers, essential support from the government to improve infrastructure, along with removal of bottlenecks to ensure easy and faster completion of real estate projects.

Faster approval process through an online system is an excellent initiative for the industry as a whole, as it will bring increased transparency into the system. This would be in line with the central government's plan to introduce the real estate regulatory bill to create transparency, reduce corruption and malpractices, and improve productivity of the sector, Bhandari said.



QUICK BITE

HIGHER PROPERTY PRICES
IN PRIME RESIDENTIAL
AREAS HAVE BEEN LEADING
BUYERS TO EXPLORE OPTIONS
IN THE SUBURBS OR BUDGET
LOCATIONS IN THE PERIPHERAL
REGIONS OF MAJOR CITIES

In times like these, homebuyers and investors not only gain the upper hand in negotiations, they can also choose the developer, says Dharmendra Bhandari

Dharmendra Bhandari, MD of Bestech Group, said in an interview with Times Property that the objective of the NDA government to provide 'housing for all by 2022', coupled with the recent interest rate subvention scheme, are steps in the right direction.

The central government's fiscal position is showing considerable improvement and the policymakers must have done ample homework to allow this sort of subsidy scheme. The success of any scheme for the real estate industry will depend on accurately targeting the actual beneficiaries, which is a big challenge in a country like India, Bhandari says.

Excerpts from the interview:

SOME INDUSTRY WATCHERS AND EXPERTS SAY IT IS THE RIGHT TIME TO BUY--DO YOU SUPPORT THIS OPINION?

The expectations of an investor are quite different from that of an end user. Investors are driven by return on investments (ROI) and are interested in multiplication of their investments in the shortest possible time. They normally go by the sentiments created by consultants and market analytics in holding their investments in real estate.

On the other hand, end users may treat low sentiments as an opportunity to negotiate and choose among the best options. Real end users majorly govern sales for our firm, for instance.

Thus, I would say that it is definitely the right time to buy or invest in property, as in times like these homebuyers and investors not only gain the upper hand in negotiations, they can also choose the developer. It's a buyer's market.

However, the background of the developer must be thoroughly researched in terms of timelines and quality of projects delivered in the past, and pace of construction of current project before making a buying decision.

We get to hear and read different views of various experts about revival of the real estate market; however, I feel the forthcoming festival season of Navaratra will kick-start the process and we are fully prepared to offer our clients the best deals.

WHAT CAN THE GOVERNMENT DO TO LIFT THE MARKET?

The major initiatives that can help in the overall growth of the real estate sector are cut in interest rate on housing loan by 1-2% for homebuyers, essential support from the government to improve infrastructure, along with removal of bottlenecks to ensure easy completion of various projects.

In addition, the government must also focus on faster approval process through online system and give industry status to the real estate sector.

DO YOU THINK 'HOUSING FOR ALL BY 2022' IS FEASIBLE?

Anything is possible, as long as the government of the day is determined to achieve its stated goals.

For example, the Metro networks in major cities was a big challenge and faced various issues like land acquisition, urban congestions through unplanned development, etc, but it is commendable how so many commuters are now making use of this wonderful infrastructure.

Similarly, 'housing for all' may sound like a grand election slogan, but with meticulous planning and thorough execution it is possible to achieve this goal.

HOW WILL THE LAND REGULATORY BILL, APPROVED BY THE CABINET, HELP PROTECT INTEREST OF BOTH HOMEBUYERS AND DEVELOPERS?

Land regulatory bill provides guidelines with great clarity for both developers and buyers and will eliminate unwanted assumptions and presumptions.

WHAT IS YOUR VIEW ON '100 SMART CITIES' PROJECT?

Smart City as a concept is a dream project for any developer--to create and give to the society.

However, clarity is required on the financial viability of the development like the cost of technology and recurring capital costs in maintenance, etc. We are eagerly awaiting a full policy document from the government covering all these aspects.

Team Times Property (with inputs from A K Tiwary)



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FAST FACT

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