



Real Estate Industry Report

For
Pranav Constructions Limited

MMR

Draft Report

February 2025

Contents

Definitions..... 4

Glossary 5

1. ECONOMIC OVERVIEW..... 7

2. ADVANTAGE INDIA..... 9

2.1. Recent Policy Announcements and Government Initiatives 10

2.1.1. Pradhan Mantri Awas Yojana (PMAY)..... 10

2.1.2. Smart Cities 13

2.1.3. Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 13

2.1.4. Investment opportunities driving employment generation and growth..... 14

2.4. Private Equity (PE) Investments in Real Estate 17

2.5. RERA, GST and Demonetization 19

2.6. Changes in tax liability on Joint Development (JDA)..... 20

2.7. REIT Policy and way forward..... 20

2.8. Urbanization..... 22

2.9. Demographic Dividend..... 22

2.10. Housing Shortage 23

2.11. Home Ownership 24

2.12. Affordability Index 25

2.13. Home Loan Rates and growth in Home Loan penetration..... 26

2.14. Growth of Middle class..... 27

2.15. Nuclearization of families..... 28

4. INDIA RESIDENTIAL REAL ESTATE OVERVIEW..... 32

4.1. Comparative Analysis of Residential Markets 33

5. MUMBAI METROPOLITAN REGION (MMR) MARKET OVERVIEW 35

5.1. MMR Demographic and Economic Profile..... 35

5.1.1. MMR Infrastructure Initiatives..... 37

5.1.2. MMR Commercial Real Estate Overview..... 41

5.1.3. MMR Retail Market Snippet..... 45

5.1.4. MMR Residential Real Estate Overview 46

5.1.5. Overview of Redevelopment Projects in Mumbai..... 52

5.1.6. Redevelopment Projects overview within MCGM region 54

5.1.7. MCGM - Redevelopment overview..... 56

5.1.8. Redevelopment Projects overview within Western Suburbs..... 59

5.1.9. MCGM - Redevelopment overview within Western Suburbs..... 59

5.1.10. About Pranav Constructions Limited 63

5.1.11. Micro-market wise MCGM - Redevelopment Projects overview in Western Suburbs and Western Prime..... 80



5.1.12. Micro-market wise MCGM – Redevelopment Projects overview for emerging micro-markets	88
ANNEXURE 1: MUMBAI METROPOLITAN REGION INFRASTRUCTURE MAP	96
ANNEXURE 2: MUMBAI RETAIL AND COMMERCIAL MARKET SPREAD.....	97
ANNEXURE 3: MMR RESIDENTIAL CAPITAL VALUE RANGES (INR per sq ft on carpet area) 98	
CAVEATS & LIMITATIONS.....	99



Definitions

1. **MCGM Redevelopment:** MCGM redevelopment includes redevelopment projects under DCPR 2034 rule 33(7), 33(7)(A), 33(7)(B)
2. **Economically Weaker Section (EWS):** Annual household income up to INR 0.30 Mn
3. **Low-Income Group (LIG):** Annual household income between INR 0.30 Mn and INR 0.60 Mn
4. **Mid-Income Group (MIG):** Annual household income between INR 0.60 Mn and INR 1.80 Mn
5. **Mid-Income Group (MIG I):** Annual household income between INR 0.60 Mn and INR 1.20 Mn
6. **Mid-Income Group (MIG II):** Annual household income between INR 1.20 Mn and INR 1.80 Mn
7. **High-Income Group (HIG):** Annual household income above INR 1.80 Mn
8. **Economical:** Apartments up to INR 15 Mn
9. **Mid & Mass:** Apartments between INR 15 Mn and 30 Mn
10. **Aspirational:** Apartments between INR 30 Mn and 70 Mn
11. **Premium:** Apartments between INR 70 Mn and 120 Mn
12. **Super Premium:** Apartments above INR 120 Mn
13. **IRR:** Internal Rate of Return is a discount rate that makes the net present value (NPV) of all cash flows equal to zero in a discounted cash flow analysis



Glossary

GDP	Gross Domestic Product
CAGR	Compound Annual Growth Rate
USDA	United States Department of Agriculture Economic Research Service
IMF	International Monetary Fund
CPI	Consumer Price Index
MOSPI	Ministry of Statistics and Programme Implementation
MoHUA	Ministry of Housing & Urban Affairs
NRI	Network Readiness Index
NASSCOM	National Association of Software and Service Companies
FDI	Foreign Direct Investments
RBI	Reserve Bank of India
PMAY	Pradhan Mantri Awas Yojana
AHP	Affordable Housing in Partnership
CLSS	Credit Linked Subsidy Scheme
ISSR	In-situ slum redevelopment
AMRUT	Atal Mission for Rejuvenation and Urban Transformation (AMRUT)
ESDM	Electronics System Design & Manufacturing
PE	Private Equity
DCPR	Development Control and Promotion Regulations
PTC	Permanent Transit Camp
MHADA	Maharashtra Housing and Area Development Authority
MMRDA	Mumbai Metropolitan Region Development Authority
MSRDC	Maharashtra State Road Development Corporation Limited
SRA	Slum Rehabilitation Authority
LR	Land rate
RC	Rate of construction
MMR	Mumbai Metropolitan Region
MCGM	Municipal Corporation of Greater Mumbai
MTHL	Mumbai Trans Harbour Link
NMIA	Navi Mumbai International Airport
CY	Calendar Year
Sq m	Square meter
Sq ft	Square feet



Mn sf	Million square feet
INR	Indian Rupee
Cr.	Crores
USD	US Dollars
Bn	Billion
Tn	Trillion
Mn	Million
U/C	Under construction

Note:

All percentages are rounded off to the nearest whole number for the redevelopment chapters (5.1.5 – 5.1.12).

The residential data in the chapters 5.1.5 – 5.1.12 includes both sale and rehabilitation components.



1. ECONOMIC OVERVIEW

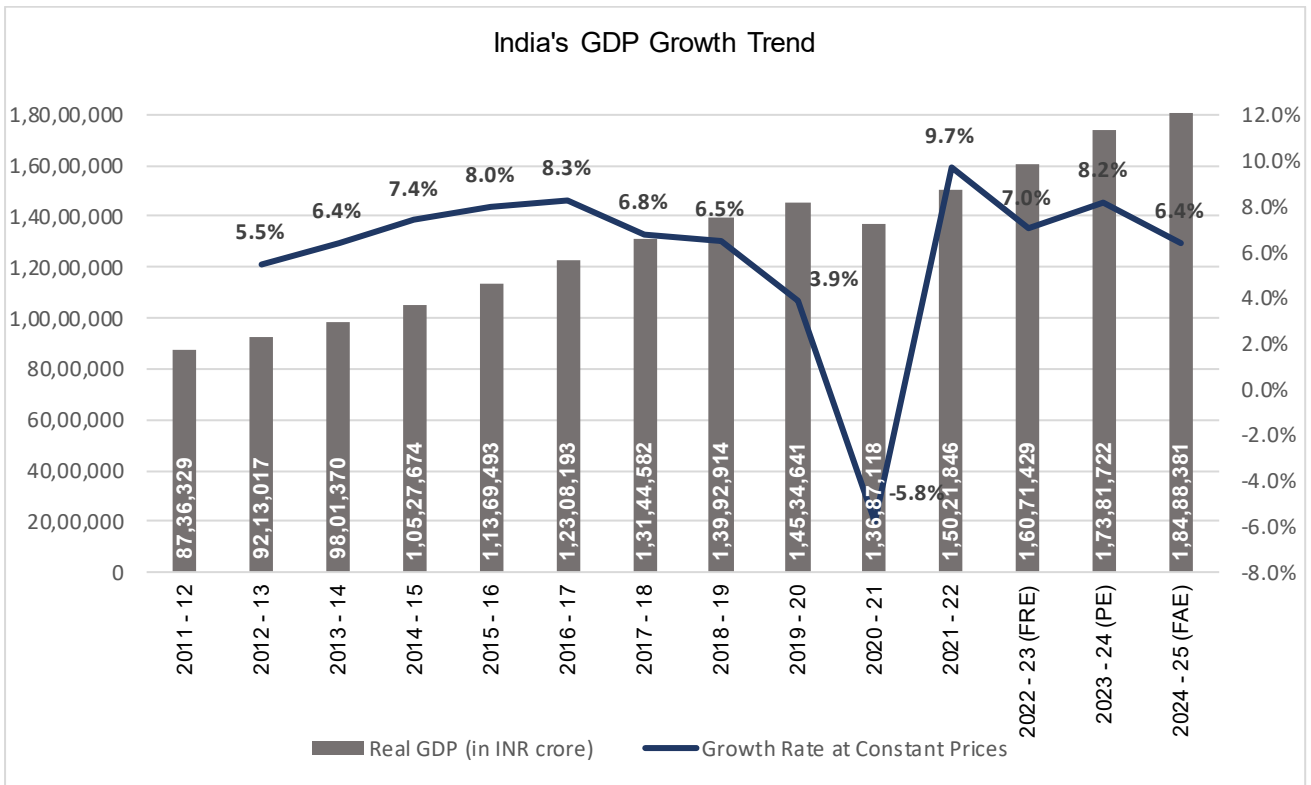
1.1. India Economic Overview

Over the past decade, India has been one of the world's fastest-growing major economies. From 2013 to 2024, India's GDP grew at a Compound Annual Growth Rate (CAGR) of ~6%, despite periodic economic upheavals. Several factors, such as increased consumption, government spending and a shift from agriculture to the services sector, have contributed to the overall growth in Gross Domestic Product (GDP).

With increasing inflationary pressures coupled with monetary policy normalization and a deterioration in global conditions, the economy witnessed a slowdown in the Q3 & Q4 of FY22. While inflation gradually declined, the current account deficit widened marginally due to the surge in energy import costs. India's GDP growth from FY23 to FY24 showed a notable increase. In FY23, the GDP grew by 7.2% and this growth was driven by strong performance in the services sector and a rebound in private consumption and investments. In FY24, the GDP growth rate increased to 8.2%. This higher growth rate was supported by significant improvements in the manufacturing sector, which grew by 9.9%, and the construction sector, which also registered a growth of 9.9%. The Government and the Reserve Bank of India (RBI) have taken several monetary and fiscal policy measures to support vulnerable firms and households, expand service delivery (with increased spending on health and social protection), and cushion the impact of the crisis on the economy. Owing to these proactive measures, the economy is expected to rebound, with a strong base effect materializing in FY25 (and growth stabilizing thereafter. The GDP has been estimated to grow by 6.4% in FY25 as compared to the growth rate of 8.2% in FY24 making it one of the fastest-growing economies in the world.



Figure 1



Source: Ministry of Statistics and Programme and Implementation

Note: FRE: First Revised Estimates PE: Provisional Estimates FAE: First Advance Estimates

The Consumer Price Index (CPI), referred as the retail inflation, decreased marginally from 5.69% in December 2023 to 5.22% in December 2024, as per Ministry of Statistics and Program Implementation (MOSPI). The inflation rate remained well within the upper limit of the tolerance band which constitutes of 6%.

India's foreign exchange reserves in the year 2000 were merely USD 38 Bn. Since then, India's reserves have grown sharply to USD 644 Bn as of 27th December 2024, according to data released by the RBI. This is amongst the highest amounts of foreign exchange reserves that India has recorded, with foreign exchange assets at USD 556 Bn and gold reserves at USD 66 Bn.

Since 2014, India has jumped 79 places from 142nd rank to 63rd rank in 2019, as per Ease of Doing Business ranking by the World Bank report published in October 2020, reflecting the Government's pro-business stance to create a conducive environment for businesses to operate in the country. Investor confidence continues to remain strong, backed by high cross-border M&A activity.



India has jumped 11 spots to rank 49th in the 2024 Network Readiness Index (NRI), up from 60th in 2023, with an improved score of 53.63 as per NRI 2024. This progress reflects the country's growing focus on digital infrastructure, AI, mobile networks, and broadband connectivity.

According to a NASSCOM report, India ranked 3rd in the world in terms of the number of startup companies with over 6,500 tech startups, adding about 4,000 new startups out of which 950 were tech start-ups and 55 new unicorns in 2024. India witnessed a growth of about 15% year-on-year in startups despite the COVID-19 pandemic, recording the highest growth since FY11. The Indian startup ecosystem continued to attract investor interest with almost USD 30.5 Bn of funding in FY24. The phenomenal growth in the number of startups can be attributed to the Government's push to support entrepreneurs via schemes such as "Start-up India," improvements in "Ease of Doing Business," and access to funds (PE), among other factors.

India is currently ranked as the 5th largest economy in 2025 and is projected to become the 3rd largest economy by 2028, according to reports published by the International Monetary Fund (IMF). The Government's pro-business reforms such as Make in India, Start-up India, relaxations in FDI, coupled with Government spending on infrastructure and the RBI's monetary policies, are key factors contributing to this economic growth. Owing to such factors, India's economy is expected to maintain its growth trajectory over the next 10-15 years.

2. ADVANTAGE INDIA

Over the past few years, the Government has provided a significant support to India's development and the promotion of economic prospects. Government initiatives and policies such as relaxation in Foreign Direct Investments (FDI) limits, Ease of Doing Business, Housing for All, Make in India, Smart City, Start-up India, and infrastructure initiatives have transformed India into one of the largest economies in the world. Some of these initiatives are as under.



2.1. Recent Policy Announcements and Government Initiatives

2.1.1. Pradhan Mantri Awas Yojana (PMAY)

Housing for All Scheme: A report published by the Technical Group (TG-12) on Estimation of Urban Housing Shortage 2012-17, Ministry of Housing & Urban Affairs (MoHUA), reported a total urban housing shortage of 18.80 Mn units. About 96% (~18 Mn units) of this shortage is within the Economically Weaker Section (EWS) and Low-Income Group (LIG). The Mid-Income Group (MIG) and High-Income Group (HIG) account for only 4% of the housing shortage (0.80 Mn units).

With the vision to provide homes for the EWS, the Prime Minister announced the “Housing for All Scheme” under the PMAY in June 2015. Initially, the Government planned to construct 20 Mn houses by 2022. However, the implementation period was extended until 31st December 2024 with revised targets of 41.77 Mn houses (12.27 Mn houses for PMAY-Urban and 29.50 Mn houses for PMAY-Gramin).

MoHUA has so far sanctioned 11.86 Mn houses under PMAY-Urban, as of April 2024. MoHUA also reported that over 11.43 Mn houses are grounded for construction and of which 8.35 Mn houses have been completed. An amount of INR 1,63,926 Cr. has been released for the PMAY scheme by the Central Government.

Highlights of PMAY in Budget 2024-25:

1. **Increased Allocation:**

The total allocation for PMAY across urban and rural components is INR 79,000 Cr., marking a significant increase from previous years. This includes INR 30,170 Cr. for PMAY-Urban.

2. **Credit Linked Subsidy Scheme (CLSS):**

An allocation of **INR 4,000 Cr.** under PMAY-Urban 2.0 for reintroducing the CLSS. This scheme offers interest subsidies for eligible beneficiaries to promote homeownership.

3. **Affordable Housing Focus:**

The budget continues to emphasize affordable housing through private-public partnerships, infrastructure development, and incentives to ensure faster implementation.

4. **Digital and Monitoring Initiatives:**

Advanced monitoring mechanisms, including real-time tracking through the CLSS Awas Portal (CLAP), are set to improve project transparency and beneficiary access.



These measures reflect the government's push to make affordable housing more accessible and inclusive, contributing significantly to India's socio-economic development goals.

Affordable Housing in Partnership (AHP): The finance minister in the Union Budget 2016-17 announced that real estate developers would be exempt from paying tax on profits in the affordable housing segment for a period of five years, subject to project size conditions. The exemption applied to projects approved by the competent authority during the period starting 1st June 2016 and ending on 31st March 2020, and this was further extended by till 31st March 2022 as announced in the Union Budget 2021-22.

The budget for FY24 stated the revision on the affordable housing unit price of INR 45 lakhs or below. This price range had not been updated for eight years despite the upsurge in housing and construction prices. The industry is expecting to revise the ticket size to INR 60-70 lakhs. This revision would attract more home buyers and enable them to avail themselves of incentives offered for affordable housing, including a 1% GST.

In the Union Budget for FY24-25, Affordable Housing in Partnership (AHP), a key component of the Pradhan Mantri Awas Yojana-Urban (PMAY-U), received a significant boost to advance the government's mission of "Housing for All."

Credit Linked Subsidy Scheme (CLSS): The scheme provides an interest subsidy of 6.5% on loans for first-time home buyers from the EWS and LIG having annual household income of up to INR 0.60 Mn. The subsidy is provided on home loans of up to INR 0.60 Mn for a maximum period of 20 years, to the beneficiaries under this scheme. First time home buyers from MIG with annual household income between INR 0.60 Mn and INR 1.20 Mn for MIG I category and household income of INR 1.20 Mn and INR 1.80 Mn for MIG II category can also avail this subsidy, amounting to maximum of 4% for MIG I category and 3% for MIG II category, for a maximum loan amount of INR 0.90 Mn and INR 1.20 Mn, respectively. The unit size permissible under this scheme is a maximum of 30 sq m of carpet area for EWS & 60 sq m of carpet area for LIG category. In June 2018, the Government increased the CLSS subsidy unit size limits to 160 sq m and 200 sq m of carpet area for MIG I & MIG II applicants respectively, subject to income eligibility. Earlier, the size limits were a maximum of 120 sq m and 150 sq m of carpet area for MIG I & MIG II applicants respectively. During the FY22-23 Union Budget, the finance minister allocated INR 0.10 Mn per beneficiary towards the CLSS for the EWS and LIG, whereas no allocation was made for the MIG. Until 20th May 2024, around 2.50 Mn beneficiaries were reported to have availed the CLSS under the PMAY - Urban.



The Credit Linked Subsidy Scheme (CLSS) under the Pradhan Mantri Awas Yojana (PMAY-Urban) has been revitalized in the Union Budget for FY24-25, with a strong emphasis on enabling affordable homeownership through financial assistance.

Highlights of CLSS in Budget FY24-25:

1. Scheme Relaunch:

The CLSS has been reinstated to provide housing benefits to Economically Weaker Sections (EWS), Low-Income Groups (LIG), and Middle-Income Groups (MIG) under PMAY-U 2.0. The scheme aims to maintain momentum toward achieving the "Housing for All" mission.

2. Interest Subsidies:

Eligible beneficiaries can avail themselves of interest subsidies:

- 6.5% subsidy on loans up to INR 6 lakh for EWS and LIG households.
- Subsidy rates for MIG households vary based on their income levels and loan limits.

3. Beneficiary Criteria:

The scheme primarily targets first-time homebuyers in urban areas, focusing on EWS (annual income up to INR 3 lakh) and LIG (annual income between INR 3-6 lakh).

4. Enhanced Monitoring:

Upgrades to the CLSS Awas Portal (CLAP) enable real-time tracking of applications and subsidy disbursements, ensuring greater transparency and efficiency for beneficiaries.

In-situ slum redevelopment (ISSR): The scheme aims to provide houses to slum dwellers by redeveloping the existing slums on public and private land. A grant of INR 0.10 Mn per house will be provided by the Central Government to the planning and implementing authorities of the respective states. The Government further awarded infrastructure status to the affordable housing sector in February 2017. In line with Government's strong focus on the affordable housing sector, the RBI had increased the permissible lending limits to 90% of loan to value ratio for loans of up to INR 3.00 Mn.

In February 2018, the Union Cabinet approved the creation of National Urban Housing Fund (NUHF) with an outlay of INR 600 Bn. The NUHF was planned to facilitate requisite fund raising for the different verticals of PMAY, over a period of four years. The NUHF was created to provide a sustainable model for financing the construction of houses under the PMAY- Urban scheme. On the back of focused Government reforms for affordable housing coupled with increased spending from the Government, the affordable housing sector has emerged as the one of the key growth drivers for real estate in India.



2.1.2. Smart Cities

Smart Cities Mission is an urban redevelopment program by the Government of India with the mission to improve and modernize 100 cities across the country. The improvements will be in the form of better utilities (power, water, sewage, waste management, etc.), ease in transportation and commute, digitization and governance making the cities people friendly and self-sustainable. The Union Ministry of Urban Development in collaboration with respective State Governments is responsible for the implementation. An amount of INR 6800 Cr. has been allocated during FY23 for the development of the Smart Cities under the Smart City Mission of the Central Government. Within Maharashtra in the first phase of the Smart City Mission, eleven cities were selected for redevelopment under this initiative including Mumbai, Thane, Kalyan-Dombivali, Navi Mumbai, Pune, Amravati, Solapur, Nagpur, Nashik and Aurangabad and Pimpri-Chinchwad.

The Smart Cities Mission has seen significant progress:

1. **Project Completion:** About 8,066 projects have been undertaken, with 7,352 projects (91%) completed, totaling INR 1,47,366 Cr. in investments as of December 2024. The remaining 714 projects, valued at INR 17,303 Cr., are in the final stages of completion.
2. **Financial Allocation:** The government initially allocated INR 48,000 Cr. to the mission. By July 2024, INR 46,585 Cr. (97%) had been released to the cities, with 93% of the funds already utilized.
3. **Mission Extension:** The mission period has been extended until March 31, 2025 to complete the remaining 10% of projects, with no additional funding required.

In the Union Budget for FY24-25, the allocation for the Smart Cities Mission has been reduced to INR 2,400 Cr., which is a 70% decrease compared to the previous year's revised estimates. This reduction reflects the nearing completion of the mission, with the focus now shifting to other urban development projects.

Overall, the Smart Cities Mission has made impressive strides in modernizing urban infrastructure, with the majority of projects nearing completion and a clear path for finalizing the remaining work.

2.1.3. Atal Mission for Rejuvenation and Urban Transformation (AMRUT)

AMRUT was formed in June 2015 with a view to providing basic services such as water supply, sewerage, urban transport, etc. to households as well as building amenities that



contribute towards improving the quality of life for all. A total of 500 cities will be considered for development under this scheme. The Government had increased the budget by 14% and allocated a budget of INR 500 Bn for a five year period from FY16 to FY20. The Government has extended this by another 2 years, i.e., till March 2022. An amount of INR 73 Bn was allocated during FY23, same as FY22 for AMRUT by the Central Government. The Maharashtra State Government has included a total of 44 cities under this scheme that will be undertaken for development during the five year period. Mumbai, Thane, Kalyan-Dombivali, Navi Mumbai etc. are amongst the key cities selected under this initiative.

For FY24-25, the Union Budget has allocated INR 8,000 Cr. to AMRUT, representing a 54% increase from the revised allocation in the previous year.

Highlights on AMRUT in Budget FY24-25:

1. **Increased Funding:** The significant rise in funding highlights the government's commitment to improving urban infrastructure and services.
2. **Priority Areas:** AMRUT continues to focus on key urban needs such as water supply systems, sewerage networks, stormwater drainage, green spaces, and facilities for non-motorized transport.
3. **AMRUT 2.0:** Launched in October 2021, AMRUT 2.0 aims to ensure universal water supply with functional taps in all households and improve sewerage management in 500 cities. The total projected outlay for AMRUT 2.0 is INR 2,99,000 Cr., including INR 76,760 Cr. from the central government over five years.
4. **State-Specific Allocations:** For example, Maharashtra has been allocated INR 9,310 Cr. from the central share to implement projects under AMRUT 2.0.
5. **GIS Integration:** A sub-scheme under AMRUT 2.0 focuses on developing GIS-based master plans for 675 towns with populations between 50,000 and 99,999, with an estimated outlay of INR 631.13 Cr. To date, INR 76.00 Cr. has been released to 18 states covering 550 towns.

The increased allocation for AMRUT in FY24-25 reflects the government's focus on transforming urban areas into sustainable and livable environments.

2.1.4. Investment opportunities driving employment generation and growth

At the recent World Economic Forum (WEF) annual meeting in Davos in 2025, India secured investment commitments totaling over INR 20 lakh Cr. (approximately USD 250 Bn). Maharashtra, the state led with 61 MOUs worth INR 15.70 Lakh Cr. aiming to create



16 lakh jobs, focusing on AI powered “innovation city” in Navi Mumbai to create an ecosystem for the AI sector in Maharashtra. This would stimulate the economy and create more jobs in MMR.

In addition, the Economic Masterplan for MMR aims to achieve a GDP of USD 300 Bn (INR 25,00,000 Cr.), grow at 9 - 10% CAGR, and provide employment to an additional 2.8 - 3 Mn people over the next seven years (by FY30). The Economic Master Plan has identified seven economic Growth Drivers that can drive USD 130 - 150 Bn (INR 11 - 12,50,000 Cr.) in incremental GDP for MMR by FY30, while creating around 2.8 - 3 Mn jobs. The growth drivers are:

1. Global Services:

Transform MMR into a global services hub by growing seven champion services: 1) Financial services and fintech, 2) New-age services like AI, 3) Healthcare and education, 4) Aviation, 5) Media and entertainment, 6) Global capability centres, 7) Data Centers. (Estimated Impact: GVA increase of USD 40 - 45 Bn or around INR 3,50,000 Cr. and 0.9 - 1 Mn more jobs.)

2. Affordable Housing:

Create three Mn affordable homes by FY30, including 2.2 Mn slum rehabilitations and 0.8 - 1 Mn affordable homes. (Estimated Impact: GVA increase of USD 18 - 20 Bn or around INR 1,60,000 Cr. and 0.3 Mn more jobs.)

3. Tourism:

Repurpose Mumbai for its residents as a vibrant urban recreation hub and a tourism hub, by promoting themes like coastal, beach and cruise tourism, MICE tourism, nature tourism, culture, heritage and fort tourism, entertainment tourism, and wellness and medical tourism. (Estimated Impact: GVA increase of USD 15 - 20 Bn or INR 1,60,000 Cr. and 0.7 Mn more jobs.)

4. Manufacturing and Logistics:

Position and develop MMR as a port-proximate, integrated manufacturing and logistics hub. Rejuvenate MMR’s manufacturing base by focusing on seven value-chains in discrete and assembly-line manufacturing, green hydrogen, circular economy, electronics, bulk industries, and integrated textiles & apparels. (Estimated Impact: GVA increase of USD 20 - 25 Bn or INR 2,00,000 Cr., and 0.6 Mn more jobs.)



5. **Planned Cities and Transit-oriented Development:**

Plan brownfield urbanisation (a total of 19 business districts, tourism hubs, new cities) in emerging areas and intensive transit-oriented urban renewal of the existing city. (Estimated Impact: GVA increase of USD 25 - 35 Bn or INR 2,50,000 Cr. and 50,000 more jobs.)

6. **Sustainability and Inclusivity:**

Transform MMR into the sustainability and inclusivity leader in India with the aim of achieving net zero by 2047 and increase women's participation in the workforce to 38 - 40% by 2030. (Estimated Impact: GVA increase of USD 2 - 3 Bn or INR 20,000 Cr. and 50,000 more jobs.)

7. **Urban Infrastructure:**

Ensure world-class core and last-mile urban infrastructure. This includes essentials like metro rail and other transport, roads, sewage and water, and less polluting alternatives. It also includes nine vital Amenities for Liveability and Talent Attractions (ALTAs). (Estimated Impact: GVA increase of USD 4 - 5 Bn or INR 37,000 Cr. and 0.3 Mn more jobs.)

2.2. **Foreign Direct Investments (FDI) in Construction Development in India**

In FY24, FDI worth USD 41.31 Bn was reported in construction development. Global economic uncertainty, high global inflation, slowdown in developed countries and higher financing cost which impacted international project finance have led to decline in FDI in FY24.

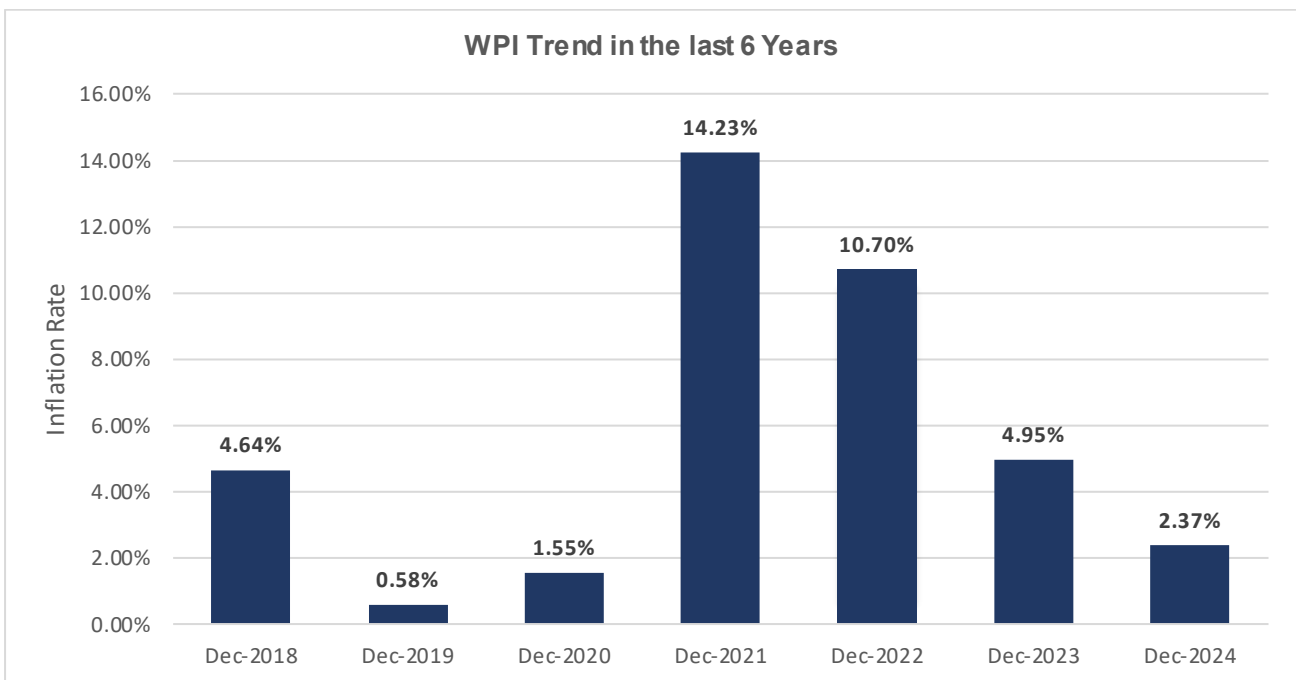
FDI received in construction development from April 2000 to March 2023 stood at USD 26.7 Bn, according to the Department of Industrial Policy and Promotion (DIPP). The Consolidated FDI Policy 2020 by Department for Promotion of Industry and Internal Trade in October 2020 states 100% FDI for construction development segment, which includes townships, housing, built-up infrastructure. The Government has taken these measures to liberalize and simplify the FDI policy to offer Ease of Doing Business in the country. In 2013-14, total FDI inflow in India was at USD 36 Bn, and it reached an unprecedented annual high of USD 85 Bn in the FY 2021-22. In the FY 22-23, USD 71 Bn in FDI inflow has been reported.



2.3. Wholesale Price Index (WPI) Trend in India

The annual rate of inflation based on all India’s WPI number was 2.37% for the month of December 2024 which has decelerated from 4.95% in December 2023. This suggests that input price pressures might have begun to ease in the Indian economy, even though they remain high compared to historic levels. Positive rate of inflation in December 2024 is primarily due to increase in prices of food articles, electricity, crude petroleum & natural gas, manufacture of food products, other manufacturing etc. as compared to 2023.

Figure 2



Source: Ministry of Commerce & Industry, GOI

2.4. Private Equity (PE) Investments in Real Estate

Over the years, the PE Investment in Real Estate in India have evolved significantly. While the 2000’s witnessed investments being made at an entity level (equity stake), the markets have evolved in recent years and investments are typically made at the project/SPV level. During the years between 2013 and 2016, the residential sector in India attracted on an average about 56% of the annual PE investments made in India’s real estate market. However, with demonetization in 2016 and subsequent introduction of RERA and GST coupled with increased momentum in office space, the investments in residential sector declined, average investments percentage share being 19% between 2017 to 2023. The office segment attracted a higher share (averaging around half of the total investments between



2017 to 2023) in the overall pie with institutional investors having a huge favor for the asset class. Robust office leasing in major cities attracted investors to this rent-yielding asset class. Industrial segment also started seeing traction starting 2017 and played a key role in altering the sectoral share of the overall investment pie. However, residential with respect to affordable and mid-income housing remains on the investors’ radar for the long term as they continue to scout for opportunities in this segment, given the thrust by Government for affordable housing in India as well as rising demand from end-users especially in mid-income category.

CY 24 PE Activity at 7 year high:

CY24 saw a total institutional inflow of INR 600 Bn, reflecting a 31% YoY increase, recording highest volume since CY17. Foreign investors accounted for approximately 56% of the total CY24 investments, while the remaining investments consists of domestic funds and REITs. The office sector received 36% share in investment in during the year, followed by warehousing and residential sector with 28% and 24% share respectively. Mumbai captured 17% of the annual investment followed by Delhi NCR with 15% and Hyderabad with 11%.

MMR has been one of the most preferred cities for PE investments in residential segment in India. Over the last 3-5 years the PE investments in the residential segment are typically being made in projects that have received all necessary approvals and are under construction, typically in the form of structured debt.

Table 1

Private Equity Investments in Residential Projects - INR (Bn)												
	CY13	CY14	CY15	CY16	CY17	CY18	CY19	CY20	CY21	CY22	CY23	CY24
India	35.2	60.7	190.1	209.5	144.2	96.0	74.6	32.6	29.1	47.5	46.2	139.5
Mumbai (MMR)	24%	34%	39%	30%	37%	42%	39%	19%	41%	35%	25%	22%

Source: C&W Research



2.5. RERA, GST and Demonetization

Demonetization: The demonetization of INR 500 and INR 1,000 notes in November 2016 led to a temporary cash shortage as people deposited their cash into banks. This significantly impacted the premium housing segment due to the high proportion of cash transactions, causing developers to delay new projects. However, the economical and mid-income housing segments continued to grow, supported by home loans.

Increased liquidity in the banking system resulted in lower interest rates, making home loans more affordable. Additionally, demonetization enhanced transparency in property transactions by increasing the use of formal banking channels

RERA: The Real Estate (Regulation and Development) Act (RERA) came into effect in May 2017. The RERA policies are inclined towards safeguarding buyers' interest, bringing transparency, and making the real estate developers accountable for the development of their projects. The RERA has several stringent policies with regards to completion timelines, revenue management, advertising, etc. Owing to such policies guidelines, real estate developers not only require enough cash flows to fund their projects but also have project monitoring systems in place to ensure adherence with RERA. These policies make real estate development challenging, specifically for small/standalone developers. However, large and organized developers typically have structured business operations and access to funds and hence could seamlessly adapt to the RERA guidelines. Over the years, small developers have been partnering with large developers to execute real estate projects, offering significant partnership opportunities in terms of joint development and joint venture arrangements for organized players. These factors are thus expected to increase the market share of the organized players in the real estate sector. As a result, organized developers are likely to benefit owing to an increase in business opportunities coupled with reduced competition in the long term.

Maharashtra has been the first state to implement RERA. Maharashtra is considered as the first state to initiate a conciliation forum. The forum will provide a quick and amicable resolution to complaints filed by the buyers, saving time and cost. Such factors are expected to improve home buyer's confidence in the state.

Goods and Service Tax (GST): GST Act came into effect in July 2017 with an objective to simplify the complex taxation structure. The implementation of GST on real estate has been structured in a manner that is expected to reduce the tax burden on developers as well as buyers. The GST regime also enabled real estate developers to pass on the savings in



taxation to its buyers, by claiming input tax credit for the project's under-construction (completed projects are exempted from GST). Under the pre-GST regime the Value Added Tax (VAT) + Service Tax cumulatively accounted for 5.5% to 8.5% of the property price across states in India. The GST for under construction projects was initially pegged at 12%. The GST Council in January 2018 has recommended extension of the concessional rate of 8% GST (after deducting the value of land) to construction of flats/ houses of less than 60 sq m in Affordable Housing projects. Affordable Housing project has been defined in the said notification as a housing project using at least 50% of the FAR/FSI for dwelling units with carpet area of not more than 60 sq m in metropolitan cities and 90 sq m in non-metropolitan cities. This recommendation has been accepted and has helped in reducing the total cost of property acquisition, helping drive absorption in the affordable housing segment.

However, as of 1st April 2019, the GST rates were reduced to 1% for Affordable Housing projects and 5% for all other residential projects. Under the revised GST regime, the developers cannot claim input tax credits.

2.6. Changes in tax liability on Joint Development (JDA)

In the 2017 Union budget, the Government amended the capital gains tax liability policy for JDA for real estate projects. Under the revised policy, the capital gains tax shall be applicable in the year of completion of the project and not at the time of signing the agreement. Whereby, the landowner would be taxed in the year the Completion Certificate (CC) for the project is awarded. These changes have reduced upfront costs to initiate projects thereby making the JDA model significantly efficient for real estate developers. Moreover, this move enables the developers to split their financial liabilities and risks with landowners while launching new projects, especially in cities with high land rates such as Mumbai.

2.7. REIT Policy and way forward

While the Securities and Exchange Board of India (SEBI) had been trying to implement REITs in India since 2007, it amended its rules significantly in September 2014. SEBI further amended its policies in November 2016 to remove major taxation hurdles. The revised guidelines have now made it feasible for companies to list REITs.



In the amendment dated 1st March 2019, SEBI reduced the minimum investment limit in REIT to INR 50,000 from INR 2 lakh, making it easier to invest in a REIT. Following the pandemic, the SEBI recently eased the due date for the REIT regulatory filings for FY21.

Whereas SEBI, in March 2024, notified the regulations to govern Small and Medium Real Estate Investment Trusts (SM-REITs) of income-generating and completed properties, which may include commercial assets, rental housing, warehousing, and hotels, among others. The introduction of regulations is set to enhance investor trust, broadening the embrace of the growing asset category.

This effort is expected to offer vital backing to real estate developers, creating an extra opportunity to capitalize on assets and inject essential liquidity into the industry. The minimum subscription size for SM-REIT scheme units will be INR 10 lakh and treated as one unit. The micro-REITs will be able to list with an asset value of at least INR 50 Cr. and a maximum of INR 500 Cr. The SM-REITs will also be able to create separate schemes for owning real estate assets through SPV constituted as companies.

The first REIT Initial Public Offering (IPO) in India was made by Embassy Office Parks that opened its bids in March 2019. The second REIT in India was introduced in July 2020, the K. Raheja Mindspace REIT followed by Brookfield India REIT in February 2021. While REITs are expected to support growth of commercial real estate in the country, permitting REITs to invest in the housing sector can further help developers get better access to funds, provide an option for developers to exit their projects and help drive growth of housing sector in India.

Nexus Select Trust, 2023, India's first retail assets-focused REIT sponsored by global investment giant Blackstone, has raised INR 3,200 Cr. via public issue, of which fresh issue proceeds of INR 1,400 Cr. will be utilised for repaying debts of the asset SPVs and the investment entity; acquisition of stake and redemption of debt securities in certain asset SPVs; and general corporate purposes. The rest of INR 1,800 Cr. was an offer for sale issued by unitholders. The portfolio includes about 17 malls across 14 cities in India with total area of 9.90 Mn sf.

NDR InvIT Trust, 2023, the first perpetual warehousing and industrial Parks InvIT in India, has been listed on the National Stock Exchange and has been fully subscribed to privately placed units aggregating to INR 880 Cr. The Trust manages a portfolio comprising 33



warehouses with a total leasable area of approximately 16.91 Mn sf across 12 cities. The assets are located in some of India's top performing warehousing submarkets of Bengaluru (Karnataka), Chennai (Tamil Nadu), Pune (Maharashtra), Mumbai (Maharashtra), Kolkata (West Bengal), NCR (Haryana, Delhi), among the tier 1 cities. They also have presence in tier 2 cities including Puducherry, Coimbatore, Goa and Chhatrapati Sambhajnagar (formerly Aurangabad).

2.8. Urbanization

As per the 2001 census about 27.8% of India's population lived in urban areas. This increased to 31.2% as per the 2011 census. A report by United Nations (UN) has forecasted that India is likely to add 300 Mn new urban residents by 2050. The concentration of employment opportunities, education centers, social infrastructure, etc. in urban areas are some of the key factors attracting people to migrate to urban areas. The Government initiatives for city development such as smart cities, Atal Mission for Rejuvenation and Urban Transformation, etc. are focused easing stress on city infrastructure and accommodating rapid urbanization; thereby improving livability standards for those living in urban areas.

Maharashtra accounts for highest (13.5%) share in urban population, with Mumbai being the most populated city in India and having the highest population density, 21,000 people per sq km (Mumbai City District) as per the Census 2011. Owing to such rapid urbanization, especially in cities like Mumbai, the central parts of such cities are nearly saturated in terms of real estate development and availability of land resulting in redevelopment opportunities.

With rapid expansion of city boundaries and increasing population, the infrastructure in most cities is grossly inadequate. The local Governments have increased their focus on improving public transport systems, road & rail connectivity, infrastructure, etc. to improve livability in cities, whereas the central Government is focusing in developing smaller towns under initiatives such as the Smart City mission, to de-stress the metro and Tier 1 cities.

2.9. Demographic Dividend

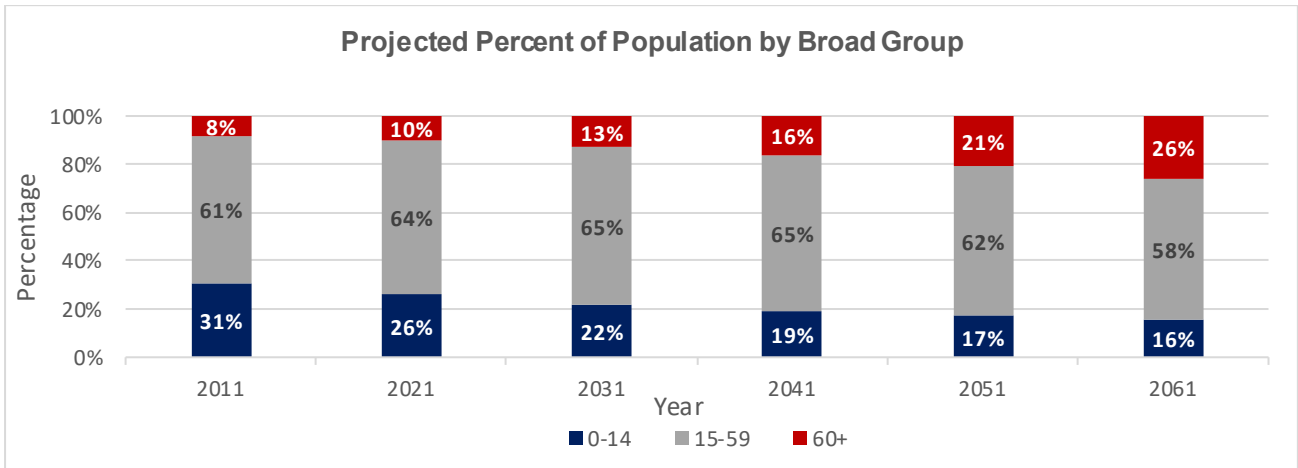
According to census 2011, over 61% of India's population is of workable age (ages of 15 and 59). This is anticipated to reach 65% by 2036. The dependency ratio decreases as the number of young people increases, making the demographics most conducive to economic expansion. Numerous Asian nations, like China, South Korea, and Japan, have been noted



to have successfully used their youthful and hardworking populations to support their respective economies.

One of the main factors driving demand for real estate is the proportion of the population living in urban area and a favourable age distribution profile. India is a younger country with a growing urban population. This suggests that India, which has one of the biggest labour markets, will have a substantial demand for real estate as well as other asset classes.

Figure 3



Source: *An Assessment of Demographic Dividend in India and its Large States* by P. M. Kulkarni, 2017. A study commissioned by UNFPA

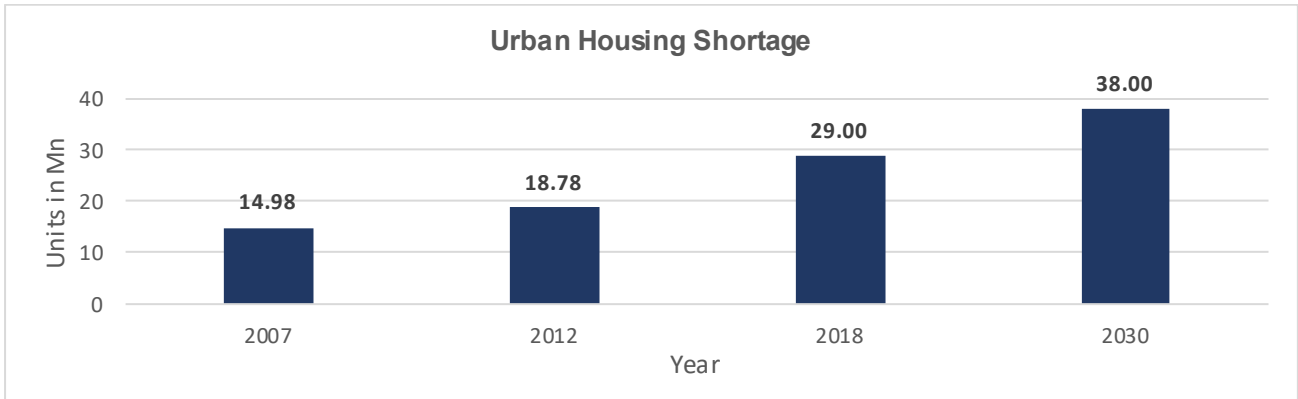
2.10. Housing Shortage

With rapid urbanization, the demand for housing, offices and other real estate asset classes is expected to increase in the long term. United Nations (UN) has projected that there will be 8 cities with a population of 10 Mn & above by the year 2035 in India, highlighting the unmet housing demand. Given the vast population in Indian there exists a significant housing shortage, with a big gap between demand and supply of affordable housing, both in terms of quantity and quality.

In 2012, the urban housing shortage of 18.78 Mn units which increased to 29 Mn units in 2018, 54% higher than 2012, Report by ICRIER Research, 2020. It is estimated that the demand for urban housing will increase to 38 Mn units in 2030, as per Planning Commission and ICRIER Research in 2020.



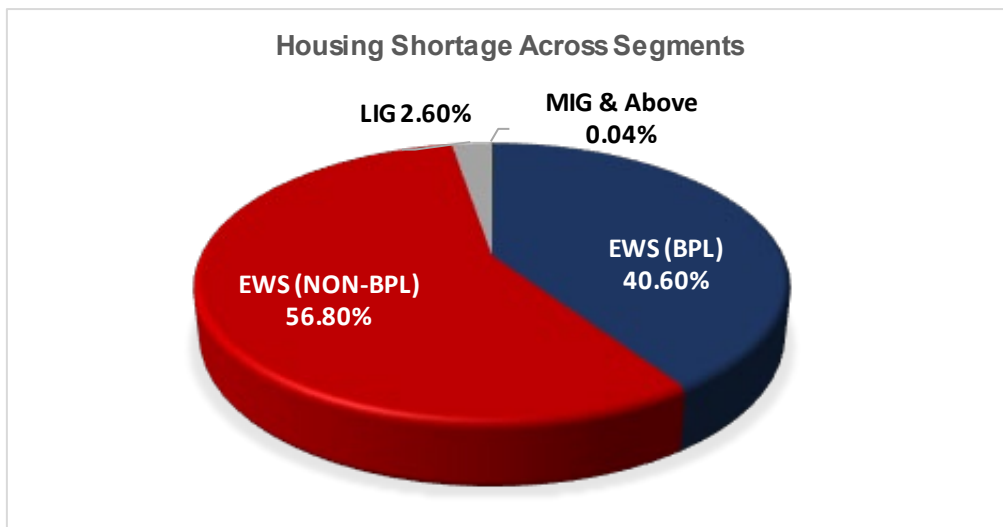
Figure 4



Source: Planning Commission and ICRIER Research, 2020 & RBI Bulletin, 2018.

About 97% of this shortage was accounted for by housing for EWS categories.

Figure 5



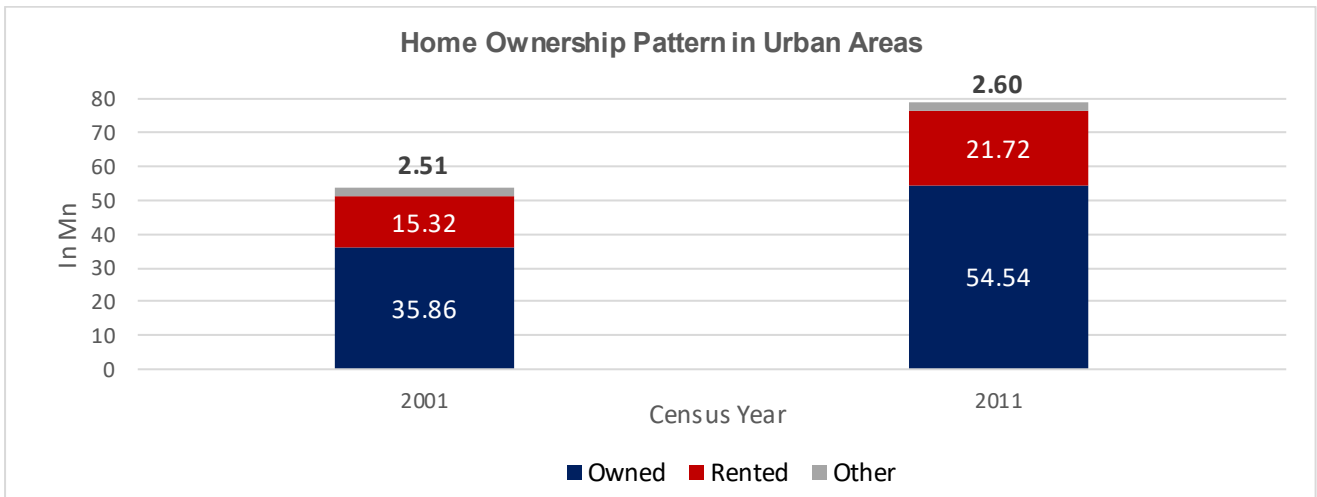
Source: ICRIER Research, 2020

2.11. Home Ownership

Owned houses in urban areas have increased considerably by 52% from 35.86 Mn units in 2001 to 54.54 Mn units in 2011. The share of ownership houses has improved. It constitutes to ~67% of the total households in 2001 whereas in 2011, it contributes to ~69%. This shows increasing housing ownership demand among urban population. As per India Housing report, 2021 by Centre for Policy Research, 69% of the total households in urban areas of India own houses.



Figure 6

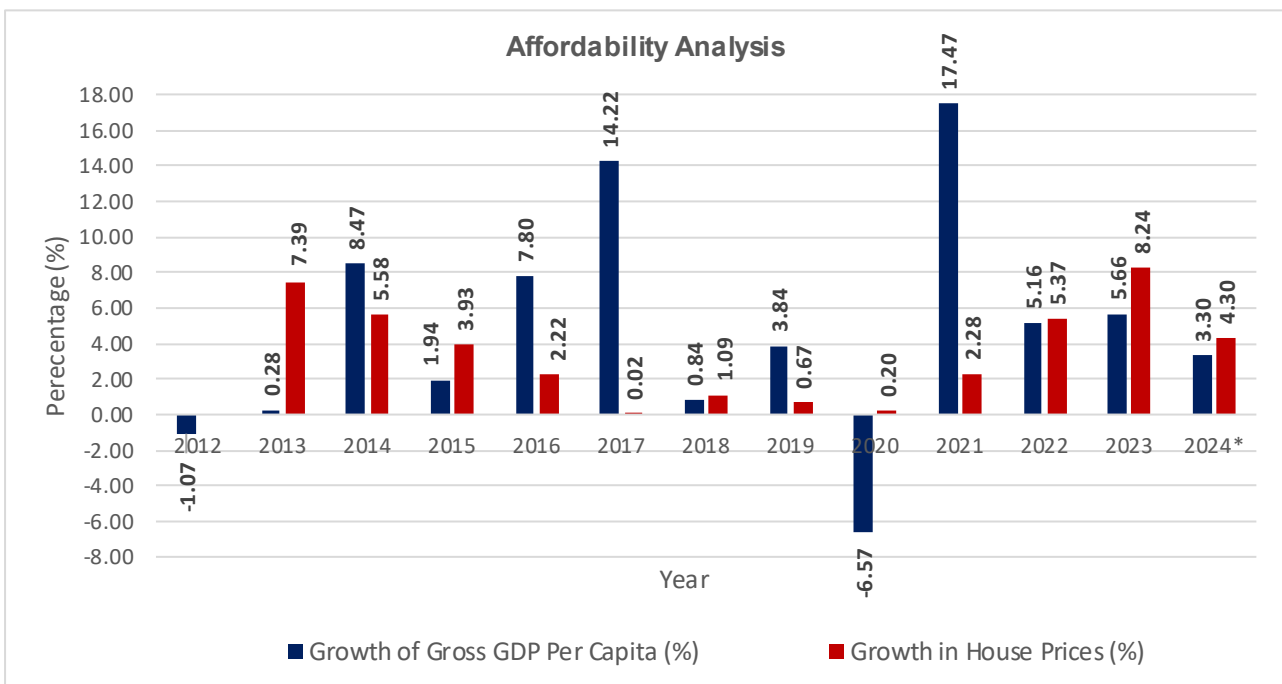


Source: Ministry of Housing and Urban Affairs

2.12. Affordability Index

According to ‘Housing For All In India’ report by OECD, the affordability index has improved in the last 4-5 years but it still remains an issue for the majority of the lower segments. The Government’s support through various initiatives like Housing for All scheme, Smart cities program have favored ownership through interest subsidies or building programs.

Figure 7



Source: Housing For All In India report by OECD, World Bank, *Growth in House Prices as of Sep 2024 – RBI data



2.13. Home Loan Rates and growth in Home Loan penetration

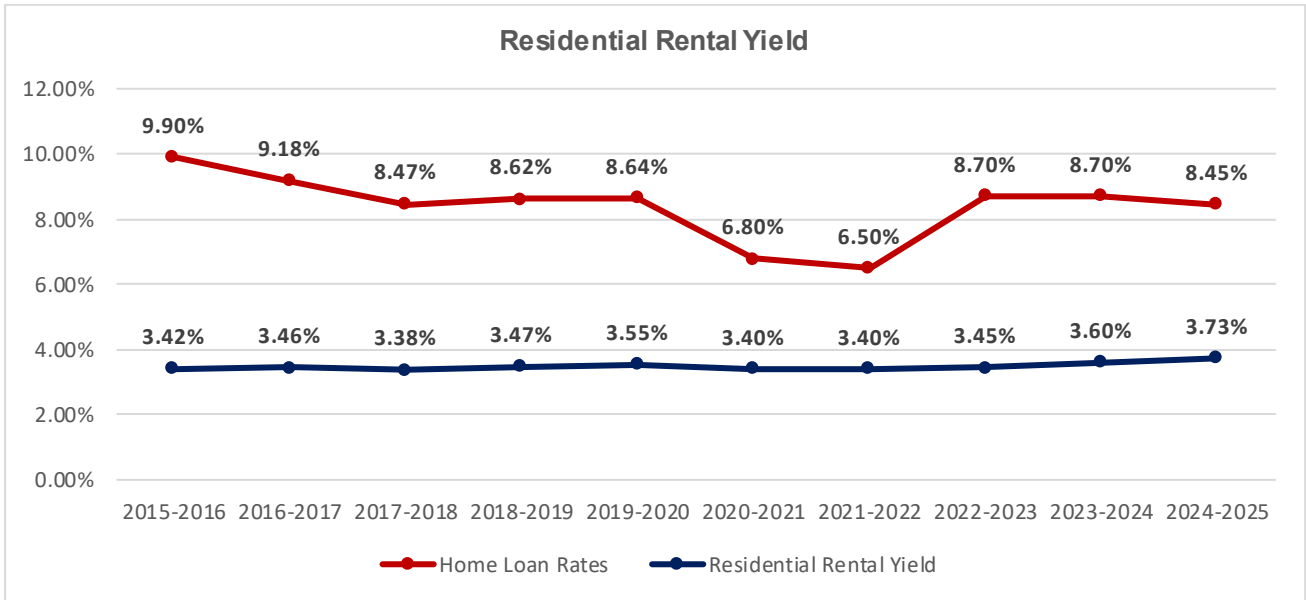
The Repo Rate in India, fixed by RBI is 6.50%. It has remained unchanged for the eleventh consecutive time since February 2023, as announced on 6th December 2024. On February 7, 2025, in its monetary policy meeting the Reserve Bank of India (RBI) has cut the repo rate by 25 basis points to 6.25%, marking the first rate cut in nearly five years. This move brings much-needed relief to home loan borrowers, who have only seen interest rates either rise or remain stagnant over the past few years. With this decision, banks and financial institutions are expected to lower their lending rates, making home loans more affordable. This is expected to lead to lower Equated Monthly Installments (EMIs) for home loan borrowers.

RBI undertook several measures to address liquidity constraints in the face of COVID-19. The Monetary Policy Committee (MPC) cut the repo rate by 115 basis points (bps) from March 2020 to May 2020 resulted in reduction in the home loan interest rates. The MPC maintained status quo on the policy repo rate during June 2020 to February 2021 after a sizeable cut of 115 bps during March-May 2020. Increase in household income coupled with steady ticket prices then resulted in an increase in affordability of residential units. Hence, the difference between home loan interest rate and rental yield was at decadal low from 2021 to 2023 making home buying more attractive than renting.

The following graph shows home loan interest rates versus rental yield from residential properties. From 2023 onward, home loan rates have been increasing due to REPO rates, inflation spurred by escalating prices stemming from overheated economic conditions and geopolitical tensions. In 2024, Home Loan Rates rose to 3.60%, while Residential Rental Yield remained stable at 8.70%, narrowing the gap between the two and potentially making renting a more attractive option for some.



Figure 8

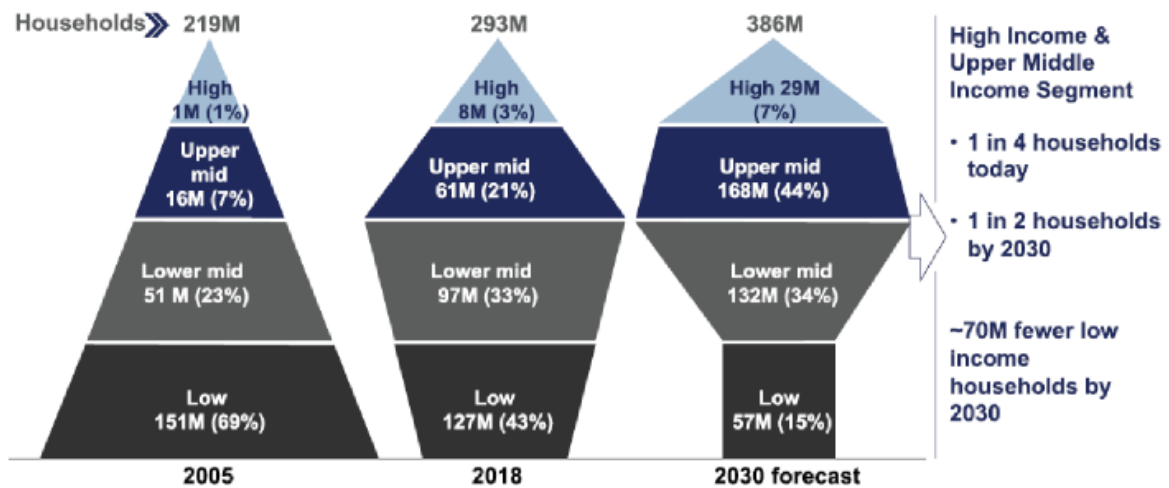


Source: Various Nationalized Banks

2.14. Growth of Middle class

According to a report by World Economic Forum, almost 70% of India’s population were considered “low Income”. These groups began to transition into middle-class post 2005, and according to the survey, by 2030, at least 1 household out of every 2 will belong to the upper and middle-class income groups, up from 1 in 4 presently.

Figure 9



Source: World Economic Forum How India's new consumers can contribute to a USD6 Tn opportunity | World Economic Forum (weforum.org)

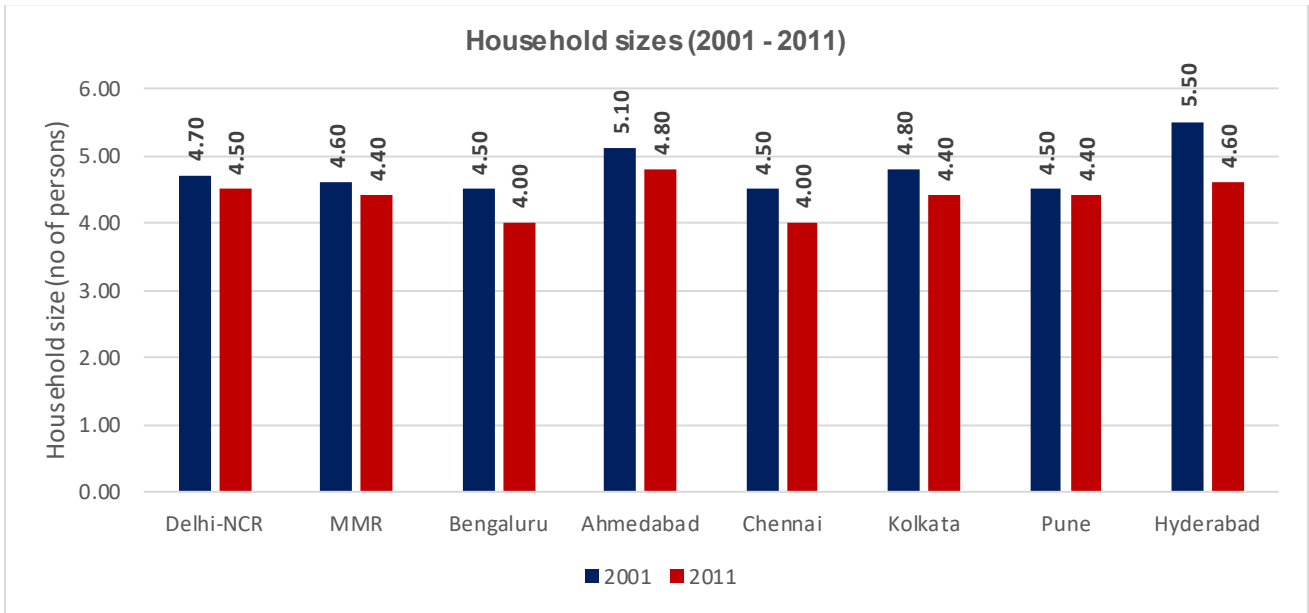
Note: Low income: <2.5 lac, Lower-mid: 2.5-5.5 lakhs, Upper-mid: 5.5-27.5 lakhs, High income: >27.5 lakhs basis income per household in real terms; Projections with annual GDP growth assumed at 7.5%.



2.15. Nuclearization of families

India's households have been shrinking in size over recent decades, a trend expected to persist. This is largely due to the rise of nuclear families. As more households' form and consumption increases within these smaller units, housing demand continues to grow. The following graph sets forth the average household size for select Indian cities:

Figure 10



Source: Census (2001 & 2011)

Note: For NCR, Delhi, Gurugram, and Gautam Buddha Nagar have been considered; For the MMR, Mumbai and Thane District have been considered.



3. IMPACT OF DEVELOPMENT CONTROL AND PROMOTION REGULATIONS FOR MCGM 2034 (DCPR 2034)

The DCPR 2034 came into effect from 1st September 2018 which is applicable to entire jurisdiction of Municipal Corporation of Greater Mumbai (MCGM). The new DCPR 2034 has different regulations for the redevelopment of various residential projects such as redevelopment of housing schemes under Maharashtra Housing and Area Development Authority (MHADA), redevelopment of existing co-operative housing societies and rehabilitation of slum dwellers under Slum Rehabilitation Authority (SRA).

Regulation 33(5):

Under the DC rule 33(5) for Redevelopment of housing schemes of MHADA, the total permissible FSI is 3.0 on the gross plot area exclusive of the fungible area. This FSI can be increased up to 4.0 if the plot area is 4,000 sq m and above, abutting road width 18.0 m and above.

In case of the redevelopment of existing MHADA schemes by housing societies additional area can be availed through three options which are rehabilitation area entitlement, incentive FSI and sharing of balance FSI. The entitlement of additional area ranging from 40-70% is calculated based on the Land Rate (LR) & Rate of Construction (RC) ratio.

Regulation 33(7):

DCPR 2034 rule 33(7) is reconstruction or redevelopment of cessed buildings existing prior to 30/9/1969 in the island city by Co-operative Housing Societies or of old buildings belonging to the corporation. FSI shall be 3 on gross plot area plus incentive FSI based on ratio of LR and RC. Each occupant shall be given a minimum fixed carpet area of 27.88 sq m and a maximum of 120 sq m for residential. In case of non-residential occupants, it shall be equivalent to area in an old building. The list of eligible occupants and area of cessed or non-cessed buildings shall be certified by Mumbai Repairs and Reconstruction Board. In case of composite redevelopment of 2 or more plots, the occupier shall be eligible for 5%, 8% or 15% additional rehab carpet area based on number of plots.

Regulation 33(7)(A):

DCPR 2034 rule 33(7)(A) addresses the reconstruction or redevelopment of existing tenant occupied, non-cessed tenant occupied in Mumbai city & dilapidated/unsafe building in suburbs and extended suburbs. For redevelopment of existing tenant occupied building, the FSI is equal to FSI required for the rehabilitation of existing tenants plus 50% incentive



FSI. The existing tenants receive an additional 5% on rehab carpet area. Similarly, in case of composite development i.e. the plot consisting of tenant occupied building along with non-tenanted building such as owner occupied building/ existing Co-op Housing Society buildings etc., FSI is equal to FSI required for the rehabilitation of existing tenants plus 50% incentive FSI plus FSI that has been consumed by non – tenanted buildings. In case of Cooperative Housing societies 51% consent of the existing tenants are required for redevelopment under 33(7)(A). Minimum carpet area for each tenant in the redeveloped building should not be less than 27.88 sq m and not exceeding 120 sq m for residential and for non-residential occupier shall get carpet area equal to existing carpet area.

Regulation 33(7)(B):

Under DC rule 33(7)(B), for the redevelopment of the existing housing society who wish to reaccommodate on the same plot, additional 15% FSI of the existing built-up area or 10 sq m per tenement whichever is more is provided. These are only applicable to the housing societies which are authorized, and which are of thirty years or more of age. The permissible Zonal (Basic) FSI is calculated based on Plot Area (Island City/ Suburbs and Extended Suburbs) and Road width mentioned in DCPR 2034 rule 30 which elaborates FSI Calculations.

Regulation 33(10):

The State Government of Maharashtra has introduced the slum rehabilitation scheme under which real estate developers construct tenements for the slum dwellers on the land occupied by the slum dwellers. These rehabilitation tenements are provided free of cost to the slum-dwellers. The real estate developers are incentivized by the Government in the form of additional FSI. The additional FSI can be sold in the open market by the developer to recover the costs incurred for the construction of these rehabilitation tenements. The State Government in December 2017, amended the SRA policy to include huts built after January 1, 2000, within the purview of PMAY and provide homes to slum dwellers at subsidized rates. This change in policy is expected to provide significant development opportunities for real estate developers, especially for those having focus on affordable and mid-income housing development. Maximum FSI permissible under DCPR 2034 rule 33(10), that can be sanctioned on any slum site shall be 4 on access road of 13 m width and above. The entitlement of additional area is calculated basis the LR & RC ratio.

Regulation 33(11):

DC rule 33(11) describes provisions relating to Permanent Transit Camp (PTC) tenements for Slum Rehabilitation Scheme having total FSI on plot area allowed up to 4 FSI. The FSI & distribution of additional FSI is based on location and road width. Transit tenements for SRA out of additional FSI could be used for construction of transit camp having carpet area of 27.88 sq m which can be used for Government staff quarters, ground floor shall be used for commercial tenements having carpet area 20.9 sq m which shall be handed over free of cost to SRA. Additional FSI over & above Zonal FSI may be released in correlation to be built-up area of tenements that are required to be handed over free of cost to SRA/MCGM. Unconsumed sale component of additional FSI may be permitted for PTC. Only after transit camps are handed over free of cost to SRA, permissions for other portions shall be given.

Under this regulation, more than one plot can be clubbed with PTC on one plot and sale component as well as base FSI of plot to other plots. Such clubbing can be allowed for schemes falling in the same ward or adjoining ward within a 5 km radius. The developer shall pay as an unearned income to the planning authority, equal to 40% of difference of sale value of shifted built-up area of PTC component.



4. INDIA RESIDENTIAL REAL ESTATE OVERVIEW

With a population of 1.44 Bn as of 2024, India overtook China in population in 2023. This large population provides a huge base for India's real estate sector, especially in tier 1 cities such as Mumbai and Pune owing to rapid urbanization. As per industry estimates, the housing sector is expected to account for ~13% share in India's GDP by 2025 and the cumulative real estate sector is expected to grow to USD 1 Tn by 2030. The real estate & construction sector is considered as the largest employer after agriculture in India.

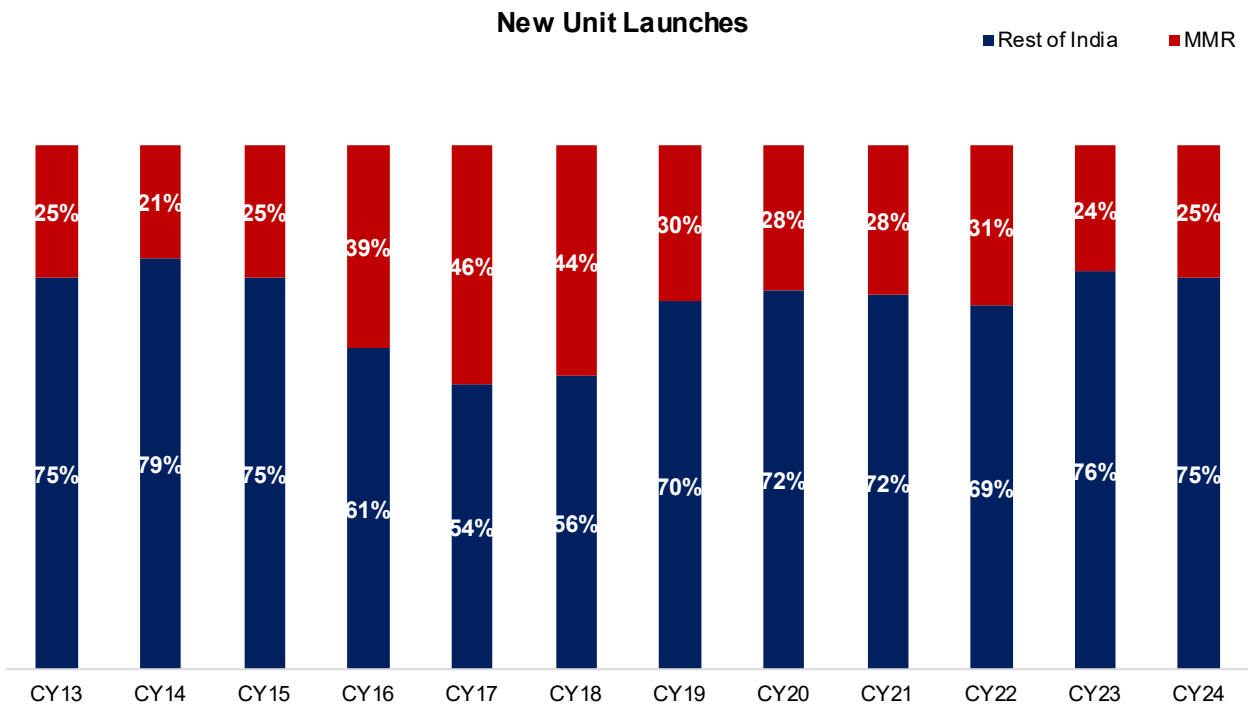
Since the demonetization in 2016 and impact of RERA in 2017, the cumulative new residential unit launches across India's top 8 cities witnessed a sharp growth, recording 76% YoY increase in CY18 followed by 56% in CY19. This increase was then stymied by the pandemic in 2020 resulting in a 40% YoY decline in new launches. The lull as a result of the pandemic, however, soon witnessed a revival with demand and supply bouncing back immediately after. Since 2021, the new launches have witnessed a continuous increase. The new launches saw a sharp rise in CY21 by 65% YoY, which were nearing the record highs of 2019 (pre-pandemic), followed by 37% YoY in 2022 and 11% YoY in 2023. However, political uncertainty - general and state elections in 2024 led the developers to adopt a cautious approach and focus on unsold inventory management resulted into a drop in new launches by 4.4% in CY 2024.

MMR alone saw a 71% YoY rise in new residential units launched in CY21 followed by a 48% rise in CY22. Over the last few years including 2020 and 2021, MMR has remained resilient compared to other cities in India. MMR saw a decline of 13% in the launches in CY23. Whereas, it still managed to post a positive growth in new launches, albeit by just 0.2% in CY24.

On an average, MMR accounts for 28% of the total share of new residential unit launches across the top 8 cities of India between 2019 to 2024. This demonstrates the stability of MMR's residential real estate market as compared with other major cities in India.



Figure 11



Source: C&W Research

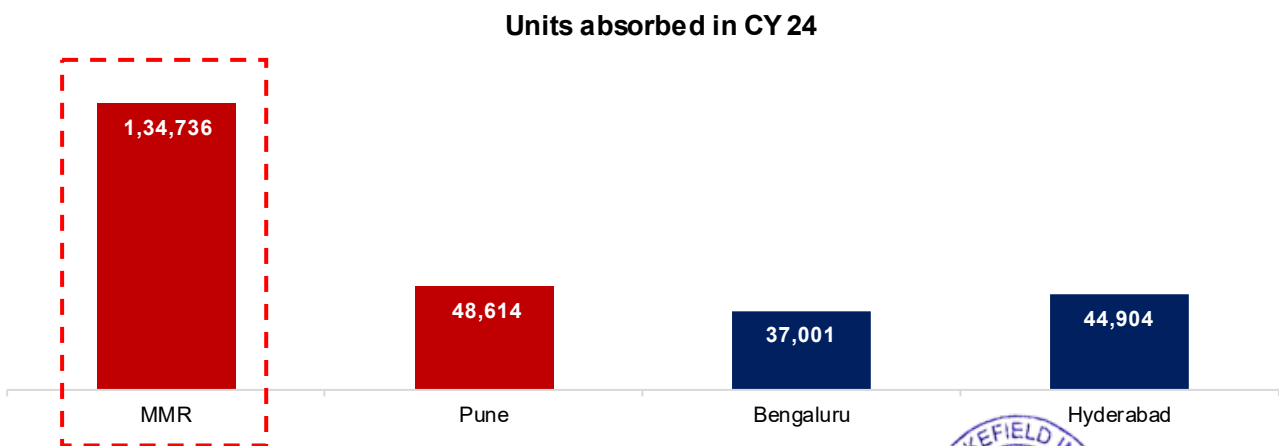
Rest of India: Pune, Ahmedabad, Bengaluru, Chennai, Delhi NCR, Hyderabad, Kolkata

MMR

4.1. Comparative Analysis of Residential Markets

Unit sold in CY 24: MMR has performed very well compared to other key markets in India in terms of absorption volume in CY 24.

Figure 12



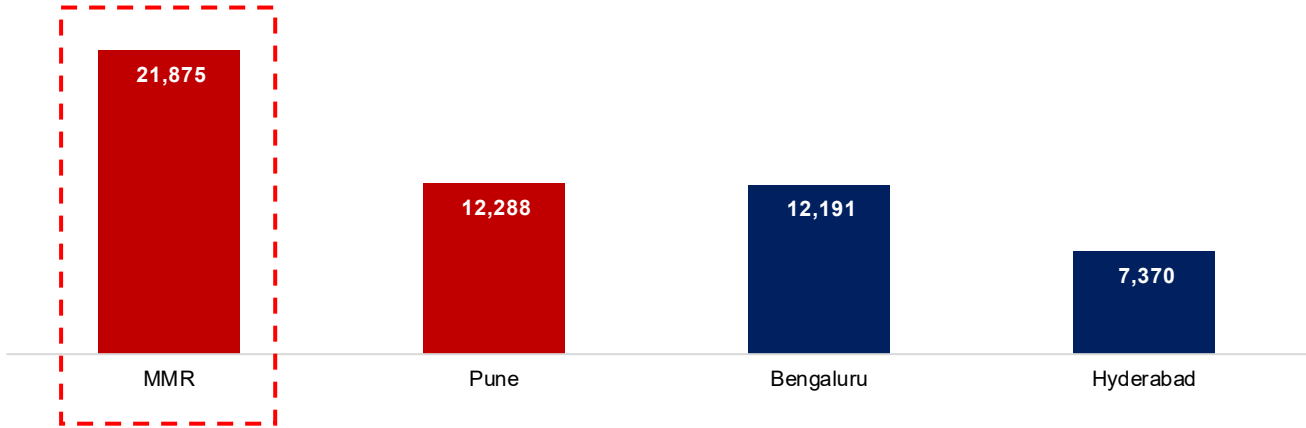
Source: C&W Research



Average Price Realization in CY 24: The average price realization is the highest in MMR. The high demand resulting in faster sale velocities coupled with higher revenues offer real estate developers a unique advantage compared with other cities in India.

Figure 13

Average Price Realization INR per sq ft (Carpet Area) - CY 24

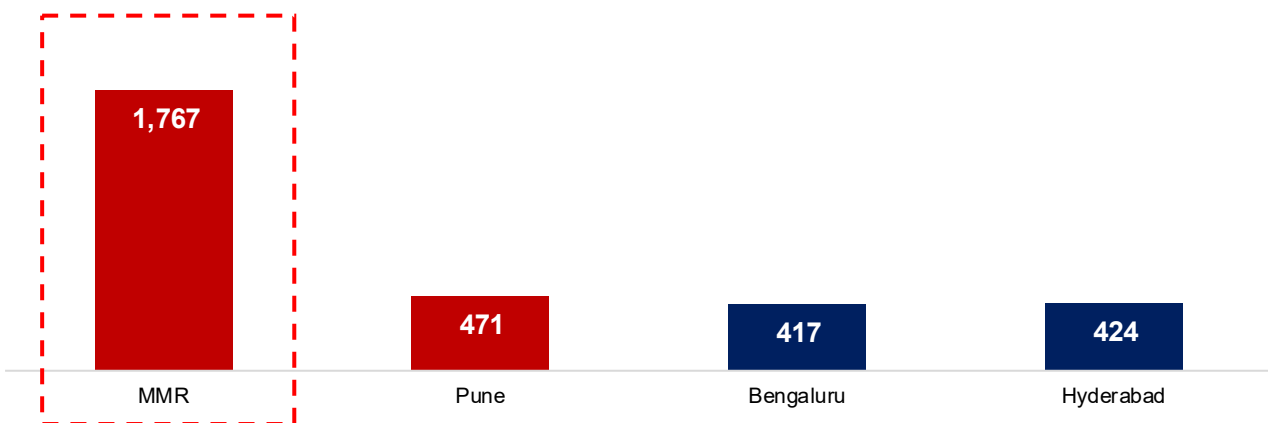


Source: C&W Research

New absorption Value for CY 24: MMR witnessed the highest absorption value as well as average price realization, the cumulative absorption value is also the highest in Mumbai ie. INR 1,76,735 Cr. Supported by a population with a wide income and demographic spectrum, MMR is the highest revenue generating real estate market, having the largest residential absorption and the highest average absorption price.

Figure 14

New Absorption Value - CY 24 (INR billion)



Source: C&W Research



5. MUMBAI METROPOLITAN REGION (MMR) MARKET OVERVIEW

5.1. MMR Demographic and Economic Profile

Mumbai, with a population density of ~21,000 per sq km is one of the most populous cities in India as well as the world. The rapid growth in population is largely attributed to large immigrant population that comes to Mumbai in search of business and employment opportunities. **Owing to limited availability of land for greenfield development in Mumbai, redevelopment opportunities for developers especially in western and eastern submarkets have witnessed a significant increase.**

The following table shows the demographic profiles of Greater Mumbai, Thane and Navi Mumbai.

Table 2

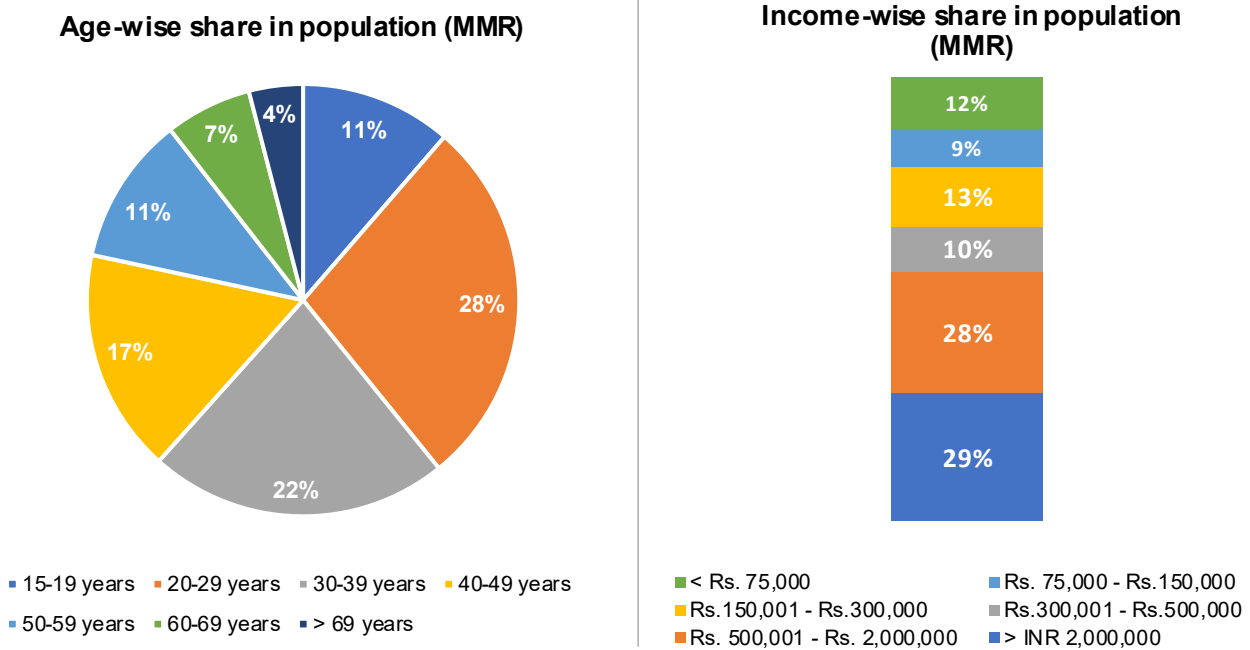
Demographic Profile (MMR)			
Parameters	Mumbai	Navi Mumbai	Thane City
Population (Mn)	12.50	1.12	1.89
Average Literacy Rate	89.78%	89.62%	89.41%
Sex Ratio*	863	837	888
Population Density / sq km	21,000	10,318	13,000
Area (sq km)	603	108.6	147

Source: Census 2011, MCGM, NMMC, MoHUA, <http://citypopulation.info>

About 67% of MMR’s population is in the age group of 20-49 years offering a large workforce population for business and commercial activity. The household income levels for Mumbai MMR indicate that about 28% of households fall in the middle-income bracket (INR 5 -20 lakhs per annum) and 29% in greater than INR 20 lakhs bracket.



Figure 15



Source: Census of India, Indicus Analytics

Mumbai is the capital city of Maharashtra. It is also considered as the financial capital of India with GDP (nominal) per capita income of INR 430,000¹ (USD 5,200) (2024); Economic Survey of Maharashtra, Maharashtra Government).

Whereas, the Economic Masterplan for MMR aims to achieve a GDP of USD 300 Bn (INR 25,00,000 Cr.), grow at 9 - 10% CAGR, and provide employment to an additional 2.8 - 3 Mn people over the next seven years (by FY30).

Mumbai has become a major economic center of India, aiming to contribute the highest share in GDP (USD 33 Bn) by 2030. The National Stock Exchange and the Bombay Stock Exchange are based in Mumbai. These exchanges cumulatively account for majority of the total turnover of the India stock markets which represents virtually the total market capitalization of India's corporate sector. Several nationalized banks have their headquarters located in Bandra-Kurla Complex (BKC), Mumbai, making BKC a hub for the Banking sector. The IT- BPM sector also has a major presence in Mumbai. Over the past few years, the Thane-Belapur has become a base for IT-BPM and back-office operations in MMR.

Apart from BFSI & IT-BPM, the peripheral locations in Mumbai are also major economic drivers. Being a coastal city, MMR is home to the busiest port in India; the Jawaharlal

¹ Source: Economic Survey of Maharashtra



Nehru Port Trust (JNPT) and hence forms a very important economic node of the country. Bhiwandi and Panvel serve as logistic and industrial hubs of the city. MMR therefore attracts a large migrant population owing to employment opportunities. Apart from a large working population, the region has a significant presence of the student community due to the presence of several established colleges and research centers. Consequently, the city has developed into a cosmopolitan and witnesses a sizeable demand for housing from end-users as well as investors.

5.1.1. MMR Infrastructure Initiatives (Refer Annexure 1 for Maps)

Table 3

Project Details	Impact	Status
Road Infrastructure Projects		
<p><u>Coastal Freeway</u></p> <p>29.2 Km long road from Marine Lines to Kandivali along the western coastline of Mumbai</p>	<ul style="list-style-type: none"> The project will reduce travel time between North and South Mumbai locations and is expected to reduce traffic congestion on the western express highway and S.V. Road. 	<p>The phase 1- Marine Lines to Worli (10.3 kms) is completed and operational since March 2024. Phase 2 is expected to be completed by May 2028.</p>
<p><u>Mumbai Trans Harbour Link (MTHL)</u></p> <p>22 Km long, 6 Lane bridge over the Thane Creek, Connecting Sewri to Nhava-Sheva</p>	<ul style="list-style-type: none"> The project will save travel time between South Mumbai and Navi Mumbai and reduce traffic congestion along the Sion Panvel Highway. 	<p>India’s longest sea bridge, opened in Jan 2024, connects Mumbai mainland to Navi Mumbai International Airport (NMIA) and southern / south-eastern Navi Mumbai markets.</p>
<p><u>Goregaon-Mulund Link Road</u></p> <p>12.2 Km long partly underground road through Sanjay Gandhi National Park</p>	<ul style="list-style-type: none"> The project will ease traffic congestion on along the Jogeshwari-Vikhroli Link Road (JVLR) and improve connectivity between 	<p>The project is expected to be completed by 2028.</p>



(SGNP) from Goregaon to Mulund	Western and Central Suburbs.	
<p><u>Borivali-Thane Link Road</u></p> <p>11.80 km Thane-Borivali linking road twin-tunnel, passing underneath the Sanjay Gandhi National Park (SGNP) costing approx. INR 11,235 Cr.</p>	<ul style="list-style-type: none"> The six-lane twin tunnel would allow vehicles to lessen the travel time, from the current one hour journey to only 15 minutes from Borivali on the Western Express Highway to Thane, besides decongesting the Ghodbunder Road. 	Took over by MMRDA from MSRDC, the project is in land proposal stage.
<p><u>Sewri-Worli Elevated Corridor</u></p> <p>4.5 kms long connecting MTHL to Worli sea face</p>	<ul style="list-style-type: none"> 4 lane access-controlled highway with a route alignment connecting Worli, Parel and Sewri 	The corridor is under construction and expected to be opened till 2026.
<p><u>Orange Gate to Marine Drive tunnel</u></p> <p>9.23 kms MTHL to Nariman Point</p>	<ul style="list-style-type: none"> This tunnel will provide a traffic-free route between the Orange Gate at Eastern Freeway and Marine Drive, enhancing connectivity and reducing travel times. 	MMRDA has approved the project, and the construction is scheduled to be completed till Dec 2026.
<p>Airport Infrastructure</p>		
<p><u>Navi Mumbai International Airport</u></p> <p>Greenfield airport covers 1,160 hectares of land near Navi Mumbai. The proposed airport will have 2 parallel runways</p>	<ul style="list-style-type: none"> The new airport will reduce the passenger load on the existing Chhatrapati Shivaji International Airport. It will also improve domestic and international air connectivity. 	Phase-1: Terminal 1 is expected to become operational by May 2025. The project is under construction and is expected to be operational by 2032.
<p>Metro Rail Lines</p>		



<p><u>Dahisar-Mankhurd (Line 2A & 2B)</u></p> <p>42.23 Km metro line from Dahisar to Mankhurd</p>	<ul style="list-style-type: none"> This line will reduce traffic congestion on S.V. Road and Link Road. The rail connectivity will also improve between Western and Central Suburbs. 	<p>The Phase A (Line 2A) of the project from Dahisar to D.N. Nagar is completed and operational. The Line 2B from D.N.Nagar to Mankhurd is expected to be completed by Dec 2027.</p>
<p><u>Colaba-Bandra-SEEPZ (Line 3)</u></p> <p>33.5 Km fully underground metro line connecting major commercial hubs and transport nodes</p>	<ul style="list-style-type: none"> The Line will connect the major commercial hubs of CBD, Off-CBD, SBD and transport nodes like CSMT, Churchgate, Dadar and Mumbai International Airport 	<p>The project is under construction and phase 1 from Bandra to SEEPZ is expected to be operational by May 2025.</p>
<p><u>Wadala-Kasarvadavali (Line 4)</u></p> <p>32 Km metro line from Wadala to Kasarvadavali</p>	<ul style="list-style-type: none"> This line will reduce traffic congestion on Eastern Express Highway and also reduce travel time to Thane. 	<p>The project is under construction and expected to be completed by Dec 2025.</p>
<p><u>Thane-Bhiwandi-Kalyan (Line 5)</u></p> <p>24.9 Km metro line from Kasarvadavli to Kalyan Station</p>	<ul style="list-style-type: none"> The line will connect Bhiwandi and other micro-markets that are currently not connected by the suburban rail network. It will also reduce traffic along the Thane-Bhiwandi Bypass. 	<p>The project is under construction and expected to be completed by 2025.</p>
<p><u>Lokhandwala-Jogeshwari-Vikhroli (Line 6)</u></p>	<ul style="list-style-type: none"> The Line will reduce traffic on Jogeshwari-Vikhroli Link Road (JVLR) and connect 	<p>The project is under construction and expected to be completed by Dec 2025.</p>



<p>14.5 Km metro line connecting Lokhandwala Andheri to Vikhroli and Kanjurmarg</p>	<p>locations that are currently do not have rail connectivity.</p>	
<p><u>Dahisar E-Andheri E (Line 7)</u> 17 Km Metro Line from Andheri to Dahisar along Western Express Highway connecting existing metro line at Andheri</p>	<ul style="list-style-type: none"> ▪ The Metro line is expected to reduce passenger load on suburban rail network as well as traffic congestion on the Western express highway. 	<p>The Line 7 is completed and operational.</p>
<p><u>Andheri E-Chhatrapati Shivaji International Airport (Line 7B) & Dahisar E-Mira Road (Line 9)</u> 13.5 Km Metro Line from Dahisar to Mira Road along Western Express Highway is an extension to Line 7</p>	<ul style="list-style-type: none"> ▪ The Metro line is expected to provide connectivity to the International Airport and reduce passenger load on suburban rail network as well as traffic congestion on the Western express highway. 	<p>The project is under construction Line 7B is expected to be completed by March 2025 and Line 9 is expected to be completed by end of 2025.</p>
<p><u>Chhatrapati Shivaji Maharaj International Airport (CSIA) - Navi Mumbai International Airport (NMIA) (Line 8)</u> 35 Km long airport connector</p>	<ul style="list-style-type: none"> ▪ The Metro line is expected to provide connectivity between the airports. 	<p>The project is expected to be completed by 2026.</p>
<p><u>Navi Mumbai Metro</u> 23.4 Km metro line from CBD Belapur to Khandeshwar via Kharghar and Taloja</p>	<ul style="list-style-type: none"> ▪ The Metro network will improve connectivity between suburbs of Navi Mumbai and interlink with the existing suburban rail network of Mumbai. 	<p>The project is operational since Nov 2023.</p>

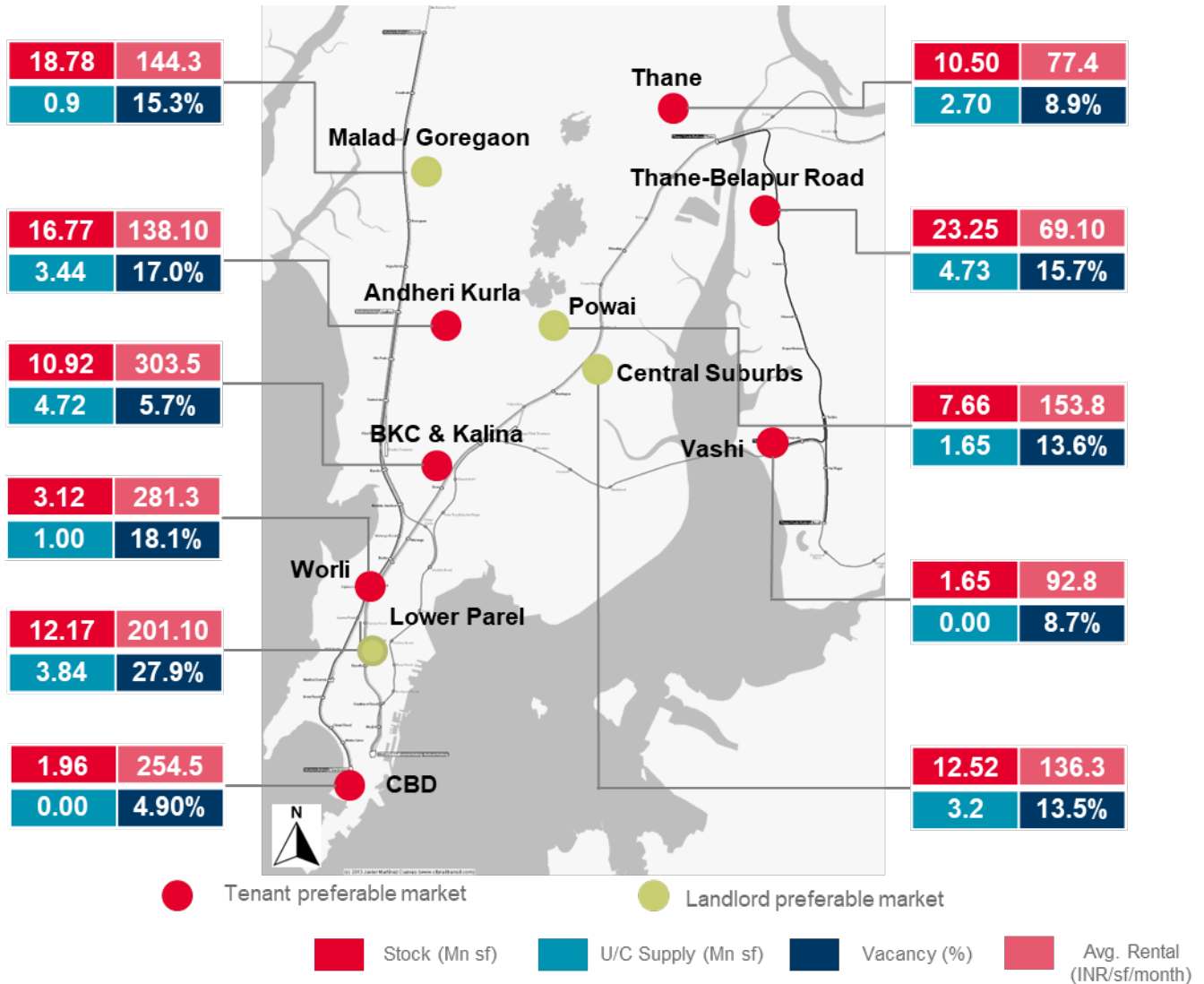
Source: C&W Research



5.1.2. MMR Commercial Real Estate Overview

Mumbai’s Commercial Real Estate market can be divided in 5 micro-markets namely, Central Business District (CBD), Off-CBD, Bandra Kurla Complex (BKC), Suburban Areas and Peripheral Business District (PBD). Each of the commercial micro-market have distinctive characteristics and occupier profile.

Figure 16



Source: C&W Research



Central Business District (CBD): This is the oldest commercial hub of the city which includes Ballard Estate, Colaba, Churchgate, Fort and Nariman Point areas. Corporate headquarters and professional services are the prime occupiers in this micro-market. Average quoted rental value is INR 255 per sq ft/month

Off-CBD: The micro-market evolved as a spillover for CBD. The presence of several textile mills provided the opportunity for redevelopment. Most of the mills have now been re-developed as commercial or residential projects. Locations include Lower Parel, Prabhadevi, Worli and Parel. Companies from the Banking, Financial Services and Insurance (BFSI), non-IT and media & entertainment sectors are the prime occupiers in this micro-market. Average quoted rental in Worli is INR 281 per sq ft/month and average quoted rental in Lower Parel is INR 201 per sq ft/month

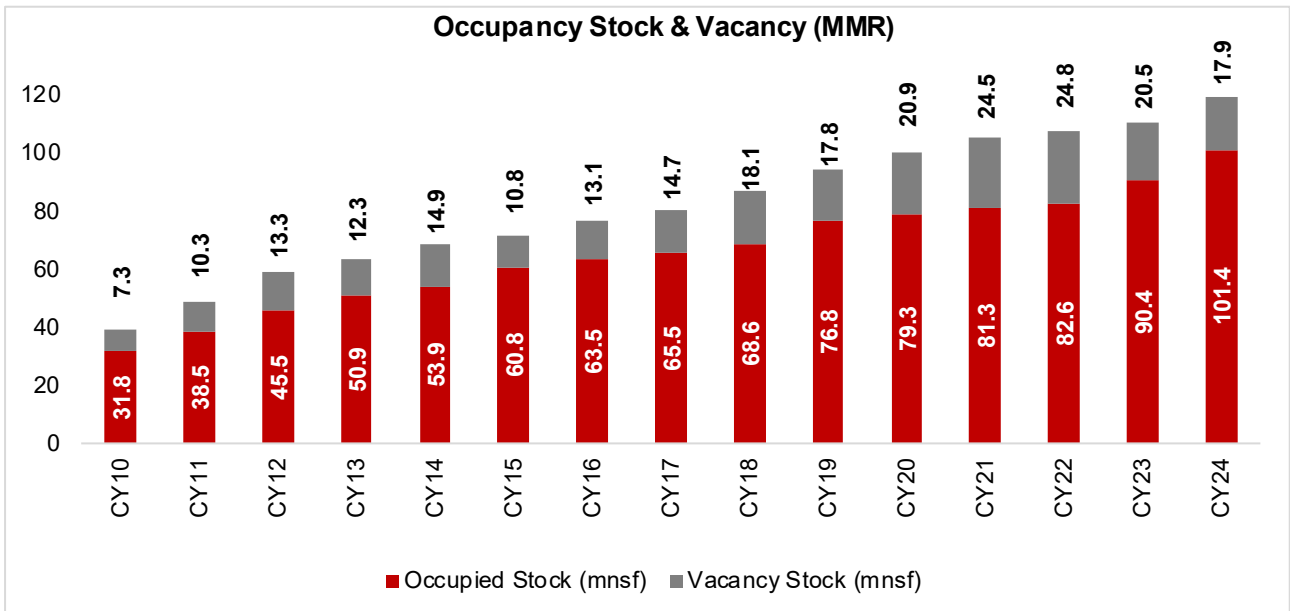
Bandra Kurla Complex (BKC): BKC is a planned development to decongest CBD and is popularly known as the BFSI hub of Mumbai. Apart from BFSI, the market constitutes corporate headquarters of domestic and global conglomerates. It has evolved as the new CBD of Mumbai. The average quoted rental is INR 303 per sq ft/month.

Suburban Areas: This micro-market has emerged due to proximity to airport and residential hubs. Andheri-Kurla Road, Malad, Goregaon, Vikhroli and Powai are the submarkets included in this micro-market. IT-BPM back offices, Non-IT front offices and manufacturing are the main occupiers in this micro-market. Average quoted rental in these markets ranges between INR 136 and 154 per sq ft/ month.

Peripheral Business District (PBD): The peripheral commercial micro-markets evolved owing to availability of land for larger developments, especially to cater to the back-office/processing center demand. It also provided an expansion opportunity for occupiers with larger requirements. Thane, Vashi, Airoli, Thane-Belapur Road are the key submarkets in this region. Most office space developments/IT parks have been built to cater to the back-end operations for IT, BFSI and Manufacturing companies. Average quoted rental these locations range between INR 69 to 93 per sq ft/month.



Figure 17

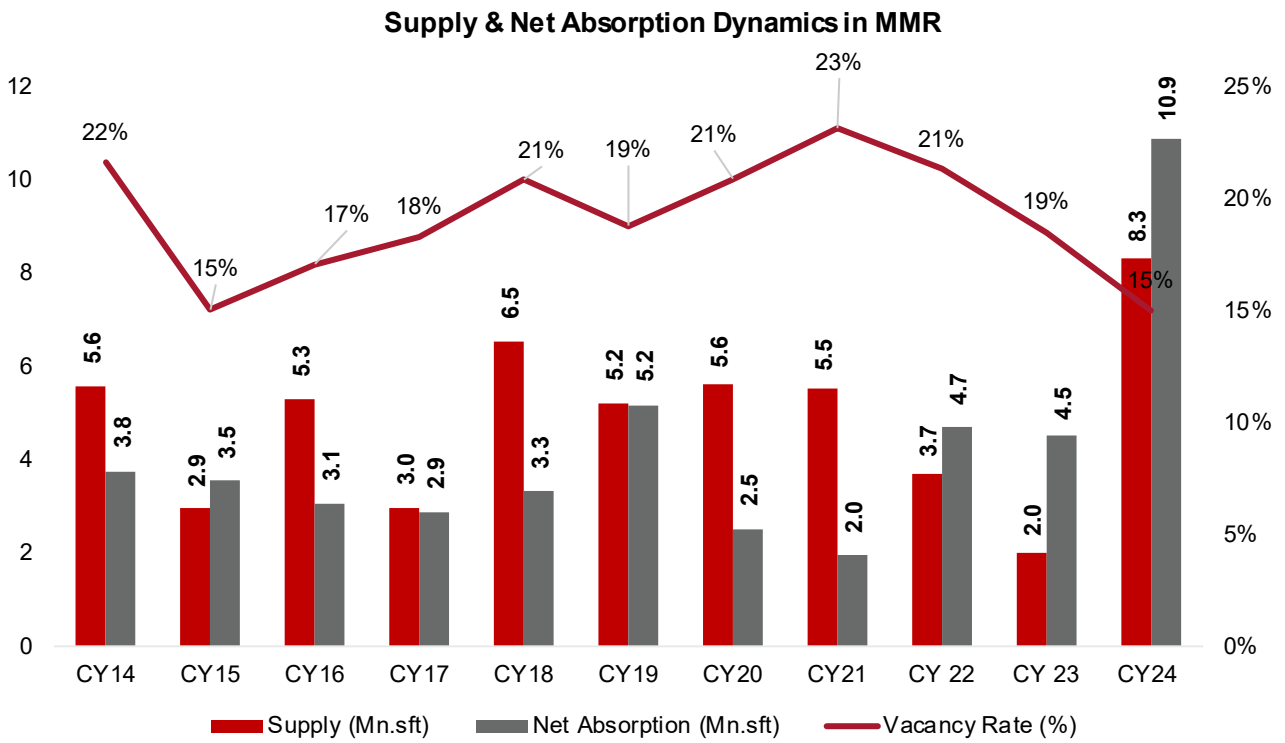


Source: C&W Research

The cumulative office space in Mumbai at the end of CY24 was about 119.3 Mn sq ft. The Thane-Belapur has emerged as the largest market of office space in Mumbai, accounting for about 19.5% of the Grade A supply. There is over 26.19 Mn sq ft of office space currently under construction in MMR, of which ~18% is in Thane-Belapur Road. Residential hubs around Thane-Belapur Road such as Thane, Airoli, etc. are expected to benefit from this concentrated development, as demand for residential properties is likely to remain high, especially from the workforce employed in this business district.



Figure 18



Source: C&W Research

Availability of land, low rental and planned development are the key factors driving the shift of office supply to emerging locations such as Airoli and Thane-Belapur Road (TBR). While the major commercial office space development commenced in 2009, the recent years have witnessed occupiers shifting towards peripheral locations. However, the share of Malad/Goregaon in the total net absorption was the highest among other submarkets at ~30% in CY2024. The share of TBR in net absorption also increased to 19.6% in CY24 as against 8.7% in CY14. The vacancy in TBR market is 15.7%. Of the total upcoming supply of 26.19 Mn sq ft, about 28% (7.43 Mn sq ft) is concentrated in the micro-market of Thane and TBR. Whereas, other suburban micro-markets including Andheri, Malad and Goregaon cumulatively account for about 16.5% (4.34 Mn sq ft) of the upcoming supply. Refer Annexure 2 for Commercial Market Spread.



5.1.3. MMR Retail Market Snippet

Mumbai's retail market activity was traditionally 'High Street' format located largely in Colaba, Kemps Corner, Linking Road. In year 2000, with the development of Crossroads Mall, Mumbai witnessed the organized retail development. Since then, Mumbai has observed a rise in organized retail across major locations like Lower Parel, Andheri, Goregaon, Malad, Kurla, Thane and Navi Mumbai. These malls are primarily concentrated in suburban locations due to availability of land and proximity to high density residential development and commercial hubs. High Street Phoenix and Palladium in Lower Parel, Jio World Drive Mall in BKC, Phoenix Market City in Kurla, Infinity Mall in Andheri and Malad, Oberoi Mall in Goregaon, Inorbit Mall and Infinity Mall in Malad, Korum and Viviana Mall in Thane and Inorbit Mall and Seawoods Grand Central in Navi Mumbai, Jio World Plaza in BKC has international brands and large format retail stores. Oberoi Sky City in Borivali is an upcoming mall which is expected to be completed by mid 2025. Refer Annexure 2 for Retail Market Spread.



5.1.4. MMR Residential Real Estate Overview

The MMR markets have been classified into 9 submarkets. South Mumbai, Central Mumbai, Western Prime, Western Suburbs and Eastern Suburbs together fall under MCGM Limits. Owing to the large size of the city, MMR's residential market can be divided into 9 submarkets i.e. South Mumbai, Central Mumbai, Eastern Suburbs, Western Prime, Western Suburbs, Western – Extended, Thane, Thane – Extended, Navi Mumbai.

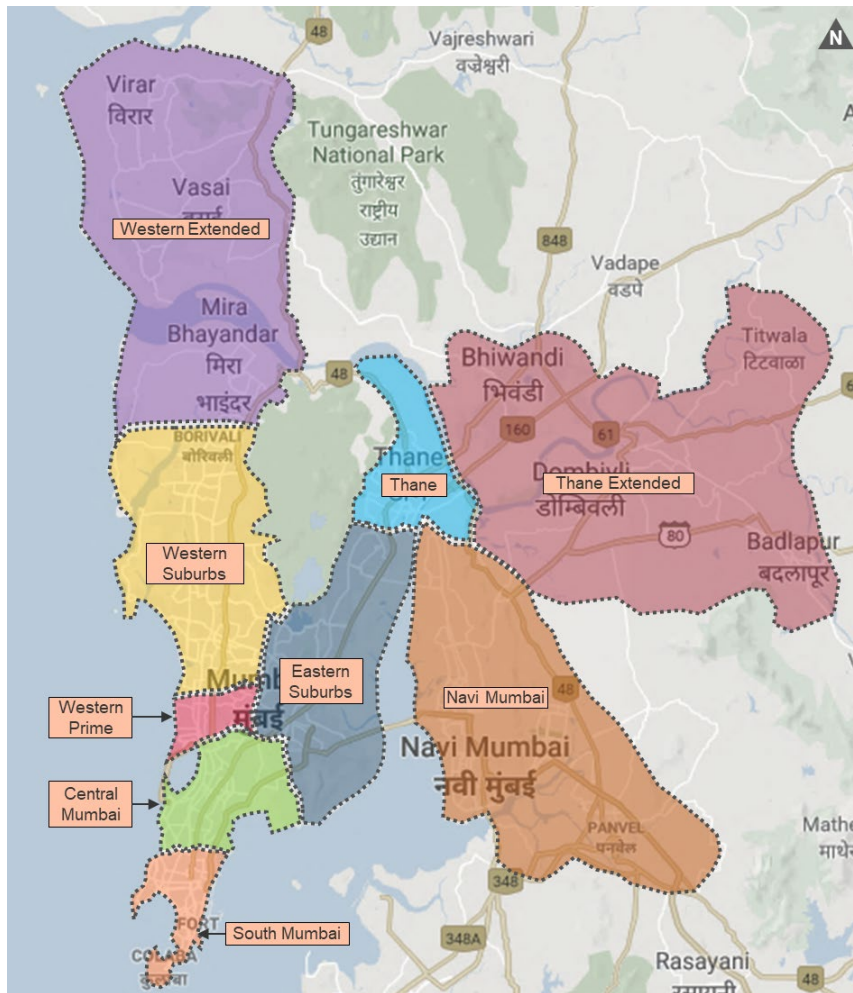
Table 4

Submarket Name	Locations Included
South Mumbai	Colaba, Fort, Churchgate, Charni Road, Grant Road, Marine Lines, Masjid, Napeansea Road, Sandhurst Road
Central Mumbai	Byculla, Dadar, Lower Parel, Mahalaxmi, Mahim, Matunga, Mumbai Central, Parel, Sewri, Sion, Tardeo, Wadala
Western Prime	Bandra, Khar
Western Suburbs	Vile Parle, Santacruz, Juhu, Andheri, Jogeshwari, Goregaon, Malad, Kandivali, Borivali, Dahisar
Western – Extended	Bhayander, Mira Road, Naigaon, Nalasopara, Vasai, Virar
Eastern Suburbs	Kurla, Chandivali, Chembur, Powai, Ghatkopar, Kanjurmarg, Bhandup, Mulund, Nahur, Tilak Nagar, Vidyavihar, Vikhroli
Thane	Thane East, Thane West, Ghodbundar Road, Pohkran Road, Kolshet, Majiwada
Thane – Extended	Dombivali, Kalyan, Bhiwandi, Diva, Karjat, Neral, Ambarnath, Ambivli,
Navi Mumbai	Ghansoli, Kalamboli, Kharghar, Panvel, Seawoods, Taloja, Ulwe

Source: C&W Research



Figure 19



Source: C&W Research

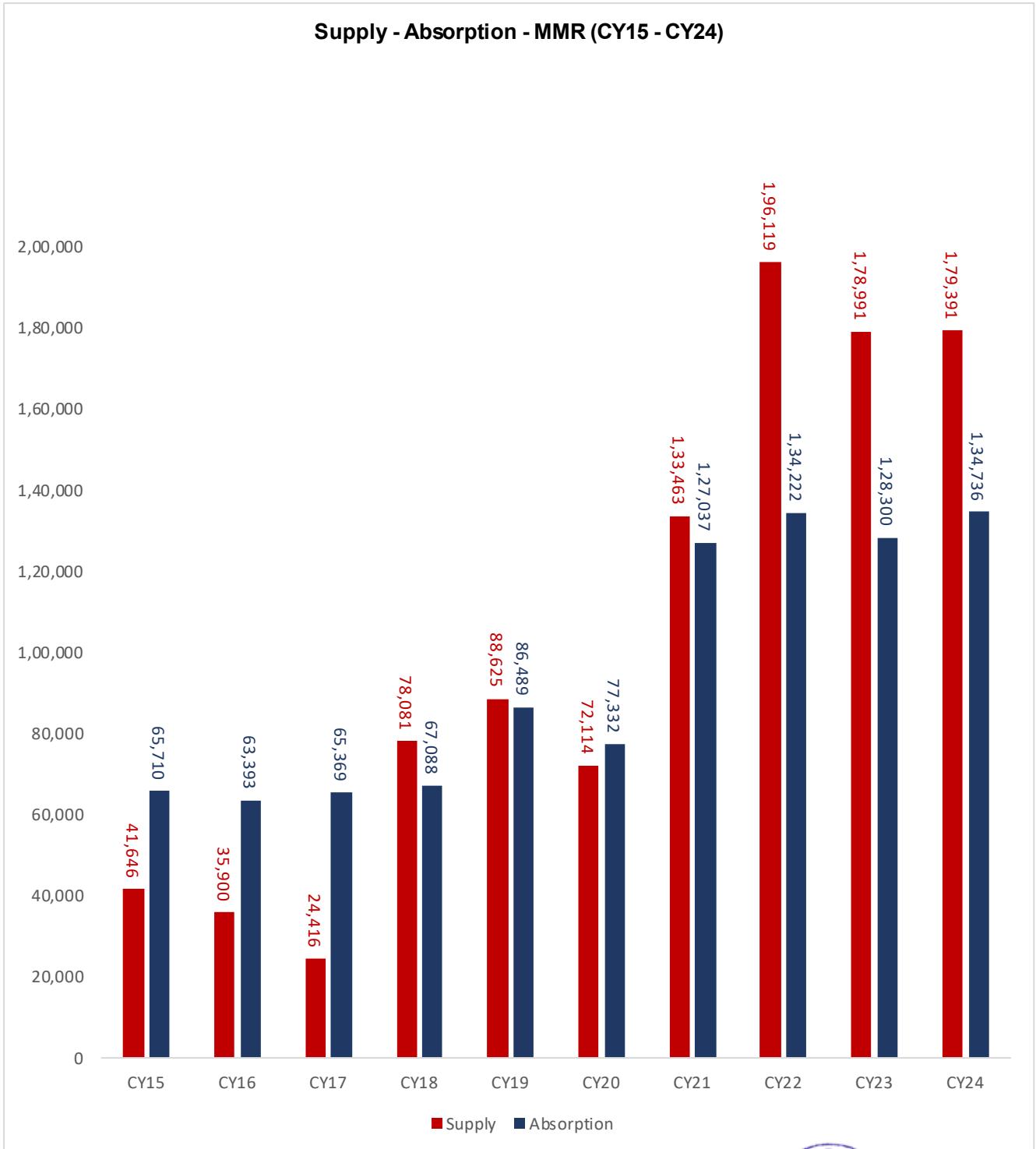
Each of the submarkets comprises of distinct market dynamics as well as project categories e.g. South Mumbai comprises of mainly premium and super premium segment housing while markets such as Western and Eastern Suburbs, Thane and Navi Mumbai have typically mid-mass and aspirational housing projects.

MMR witnessed supply of ~ 10,28,746 units between CY15 – CY24 with CY22 recording the highest launches (~1,96,119 units). While the new launches declined in CY16 owing to demonetization & implementation of RERA and again in CY20 due to the pandemic of COVID-19. However, the new launches have been set on growth trajectory since CY21 which recorded 85% growth over the previous year. The absorption has also increased steadily over these years. While the decline in new launches and absorption in CY20 can largely be attributed to the lock-down which stalled all market activity for almost two quarters ie. Q2 & Q3 of CY20. The market sentiments, however, remain positive with both absorption and



new launches gaining momentum immediately from Q4 of CY20, as lock-down rules were being relaxed. Also, with the relaxation in the stamp duty percentage till March 2021 and reduced home loan interest rates, CY21 witnessed new launches.

Figure 20



Source: Maha RERA, C&W Research

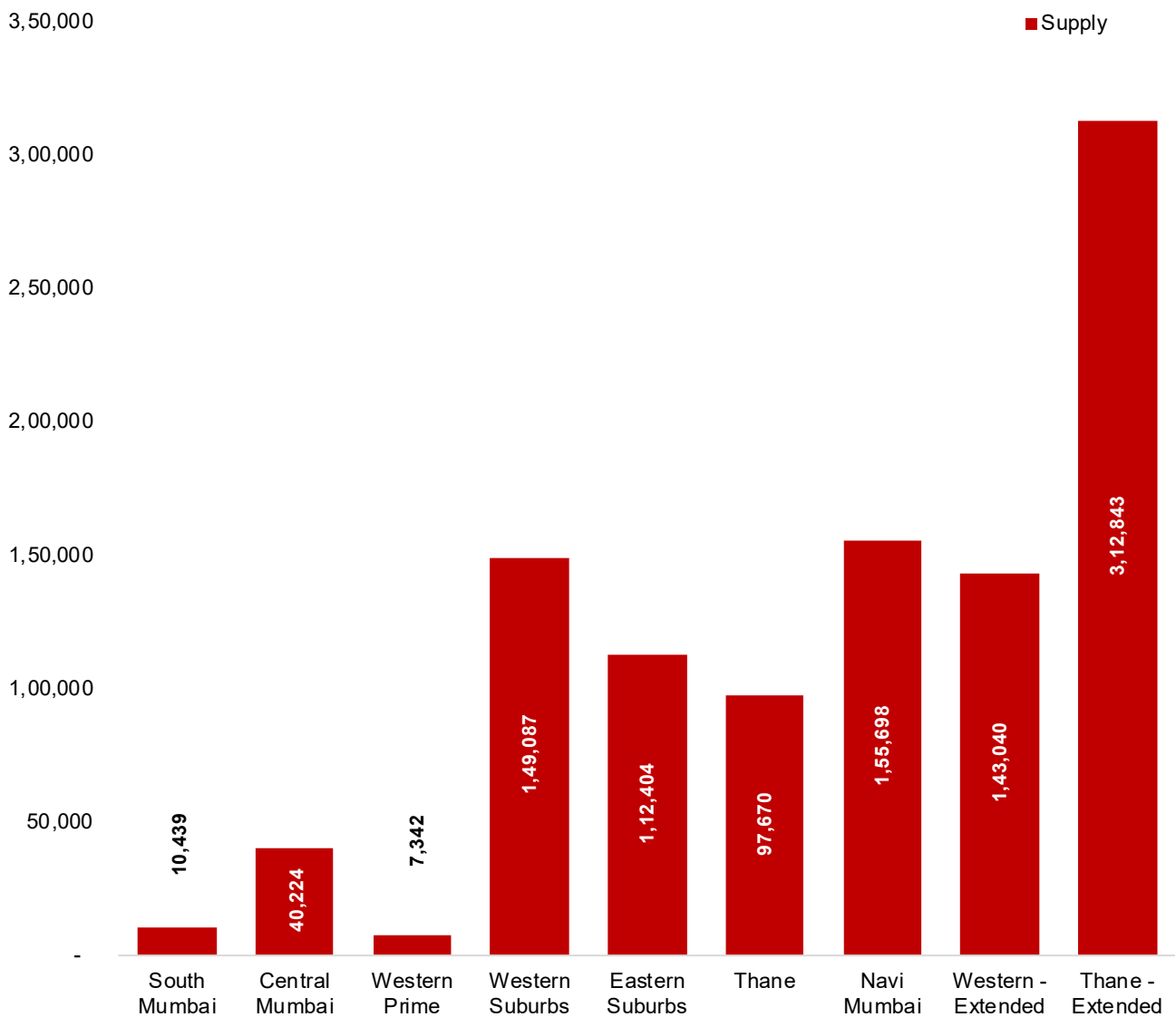


Due to availability of land almost 30% of the units are concentrated in Thane Extended submarket due to the upcoming township level projects.

While residential development in the South Mumbai and Central Mumbai is restrained due to limited land availability, residential development has increased in the Western and Eastern Suburbs. **In terms of redevelopment, Western Suburbs contribute to the highest share of 42% followed by Eastern Suburbs with 31%.**

Figure 21

Submarket-wise Supply - (CY15 - CY24)



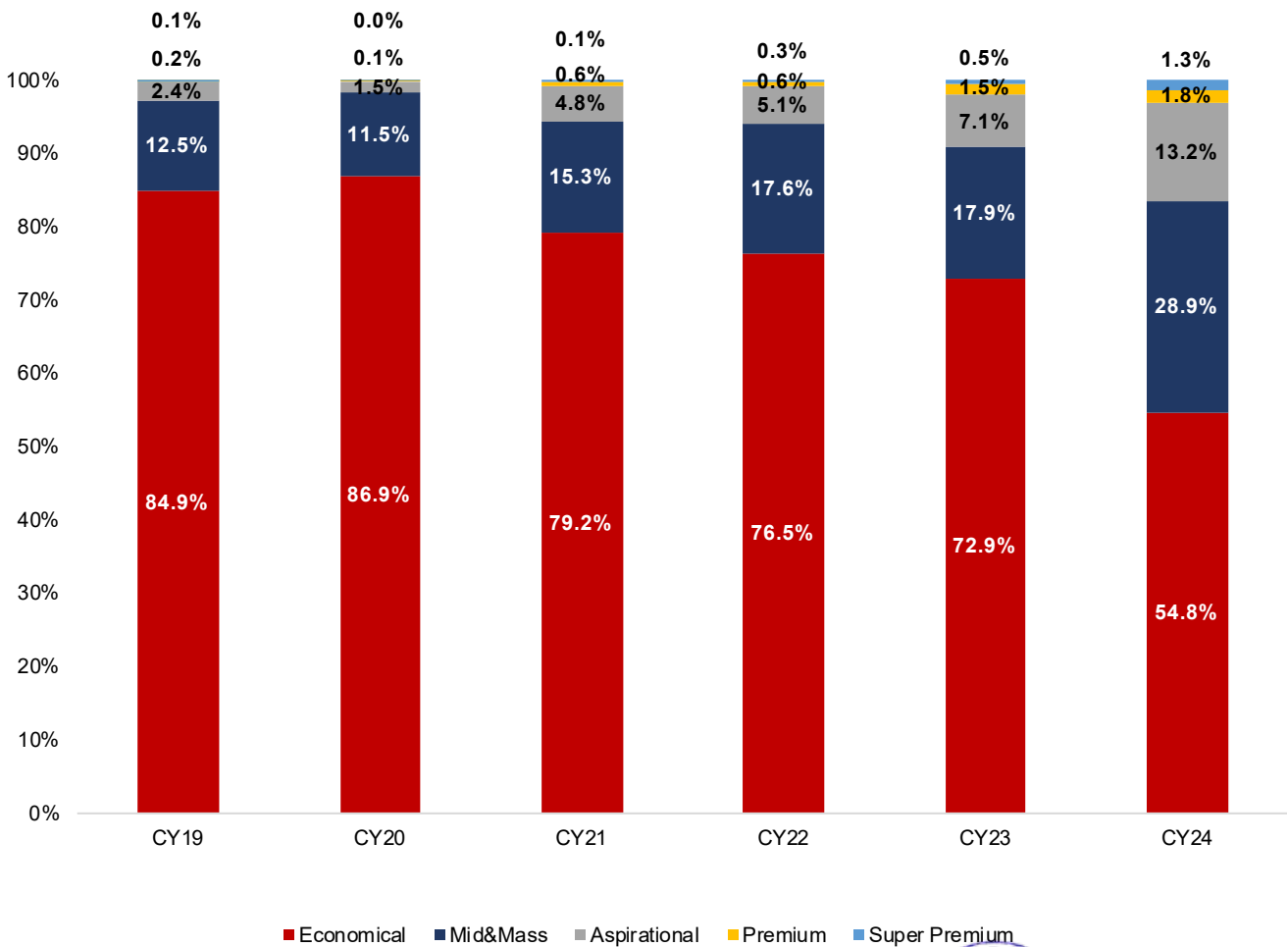
Source: Maha RERA, C&W Research



On an average 98.8% of the units launched between CY19 and CY24 were in the Economical, Mid & Mass, Aspirational segment. In CY2024 Economical segment contributed to the highest share of ~54.8%, followed by Mid & Mass with 28.9% and Aspirational with 13.2%. Borivali, Kandivali, Goregaon, and Malad have emerged as the most prominent markets in western suburbs. The Premium, Super Premium segment² units have witnessed significant YoY growth post CY20 owing to the increased demand for separate study rooms due to extended work from home during pandemic. On an average, this segment together contributes to 1.2 % of the total units launched between CY19 and CY24.

Figure 22

Segment-wise Supply - (CY19 - CY24)



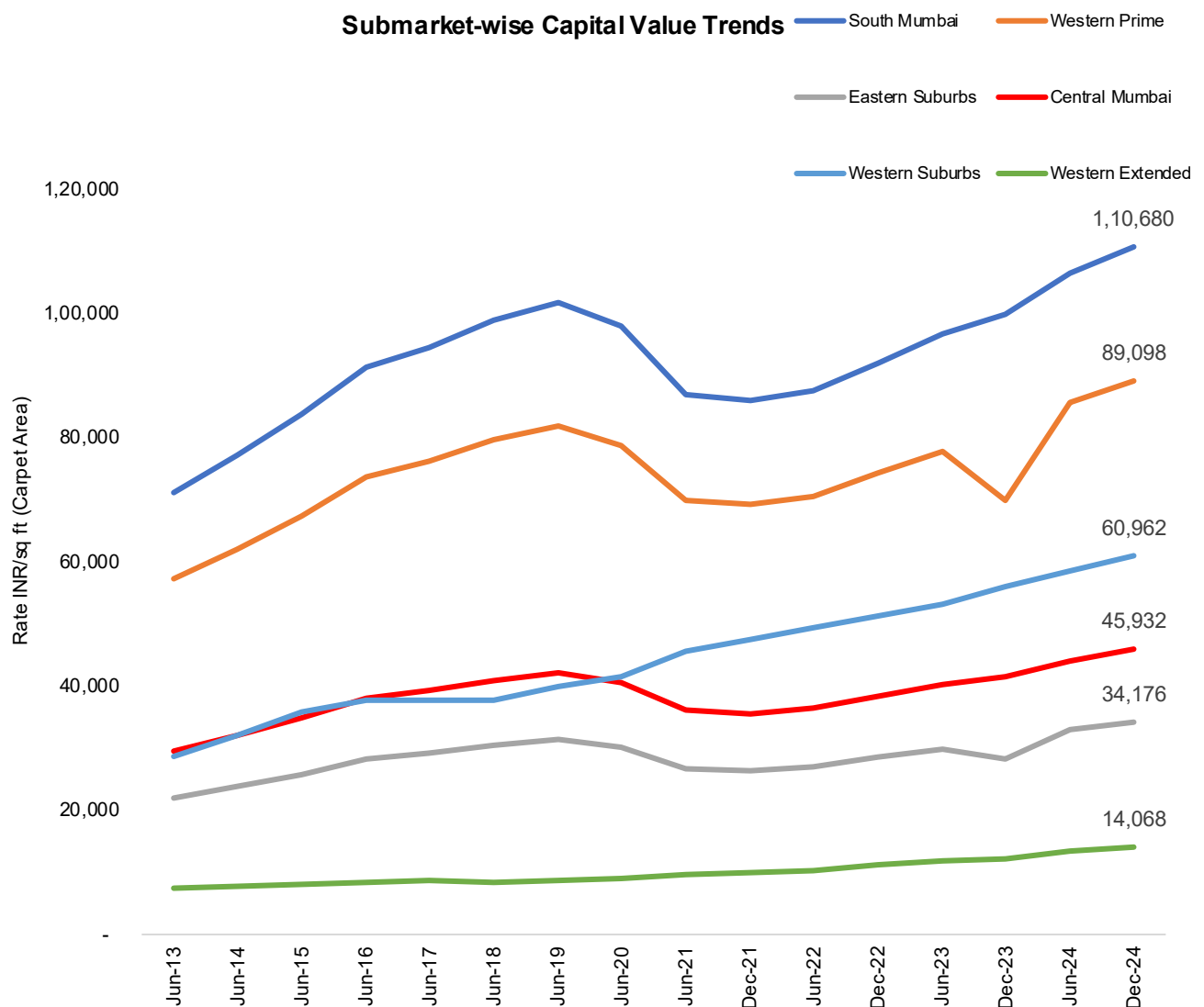
Source: Maha RERA, C&W Research



² Economical: up to 1.5 Cr, Mid & Mass: 1.5-3.0 Cr, Aspirational:3.0 -7.0 Cr, Premium:7.0-12.0 Cr, Super Premium: above 12.0 Cr

The capital values in Mumbai have grown gradually over the last 5 years in locations with low supply such as South Mumbai and Western Prime Suburbs. While the average property prices in South Mumbai are about 1,10,600 per sq ft on carpet area the suburban locations have significantly lower prices than South Mumbai. With improved MID aspirational and premium supply in Western Suburbs, the property prices in western suburban locations are slightly higher than Central Mumbai. Western Suburbs command higher average price of 60,962,750 per sq ft on carpet area compared to Central Mumbai with average price of 45,932 per sq ft on carpet area.

Figure 23



Source: C&W Research



5.1.5. Overview of Redevelopment Projects in Mumbai

Scarcity of land across Mumbai limits the potential for greenfield developments. This problem is exacerbated across the Island City and Western Suburbs which has led to a surge in redevelopment opportunities for developers especially in these submarkets. In a bid to encourage redevelopment of old residential properties (tenanted and non-tenanted), slums, textile mills, the State Government has also undertaken various initiatives making available, additional & incentive FSI schemes.

Benefits of Redevelopment:

- **Financial Gains for Owner/Landlord:** Due to the rent restrictions under the Rent Control Act, the owner/landlord of tenanted properties struggle to maintain their premises, which results in reduction of capital value of such properties. Redevelopment of tenanted premises offers lucrative opportunities to the landlord in the form of monetary gains or in the form of new apartments with larger floor area with better amenities and safety standards or a combination of both being monetary gains and new apartments.
- **Financial Gains for Developer:** Scarcity of clear titled vacant plots for development brings in substantial opportunities for redevelopment where there is no cost for procurement of land there by making it an asset lite business model. Further additional FSI available as per prevailing norms enables the developers to construct additional housing units termed as 'sale flats' which not only generate funds for reconstruction but also yield a respectable profit margin with enhanced IRR and making it a highly attractive business opportunity from a risk adjusted investment perspective.
- **Revitalization of communities:** The tenants of old chawls or members of old societies face problems related to physical infrastructure, poor sanitation, and habitable conditions. Redevelopment benefits the tenants/members not only in the form of larger floor area but also in terms of accessibility to better living standards, better basic amenities, better safety standards etc. Redevelopment of tenanted premises also provides for ownership rights to the tenants resulting in creation of a capital asset for the tenants. Neglected urban areas can be revitalized through



Redevelopment of old buildings leading to the resurgence of a thriving and vibrant community living.

- **Higher Standard of living:** The housing society owners are eligible for larger floor areas through incentive FSI with modern amenities, improved public spaces, and better security measures leading to a better quality of life in the case of society redevelopment.
- **Increased housing options:** Old residential properties are present in well-developed localities where supply is limited. Redevelopment creates new and economical housing options thereby addressing the housing shortages.
- **Risk-adjusted Return:** Redevelopment projects have relatively shorter project cycles, which enhances investor IRR and facilitates early financial closure, making it highly attractive from a risk-adjusted investment perspective.
- **Increase property value and lifespan:** Redeveloping a building can improve its overall aesthetics, making it more visually appealing and attractive to potential buyers or tenants, resulting in higher resale or rental income potential.
- **Environmental benefits:** Redevelopment projects can incorporate green building practices, such as energy-efficient design and use of sustainable materials thereby reducing carbon footprint and promoting environmental stewardship.

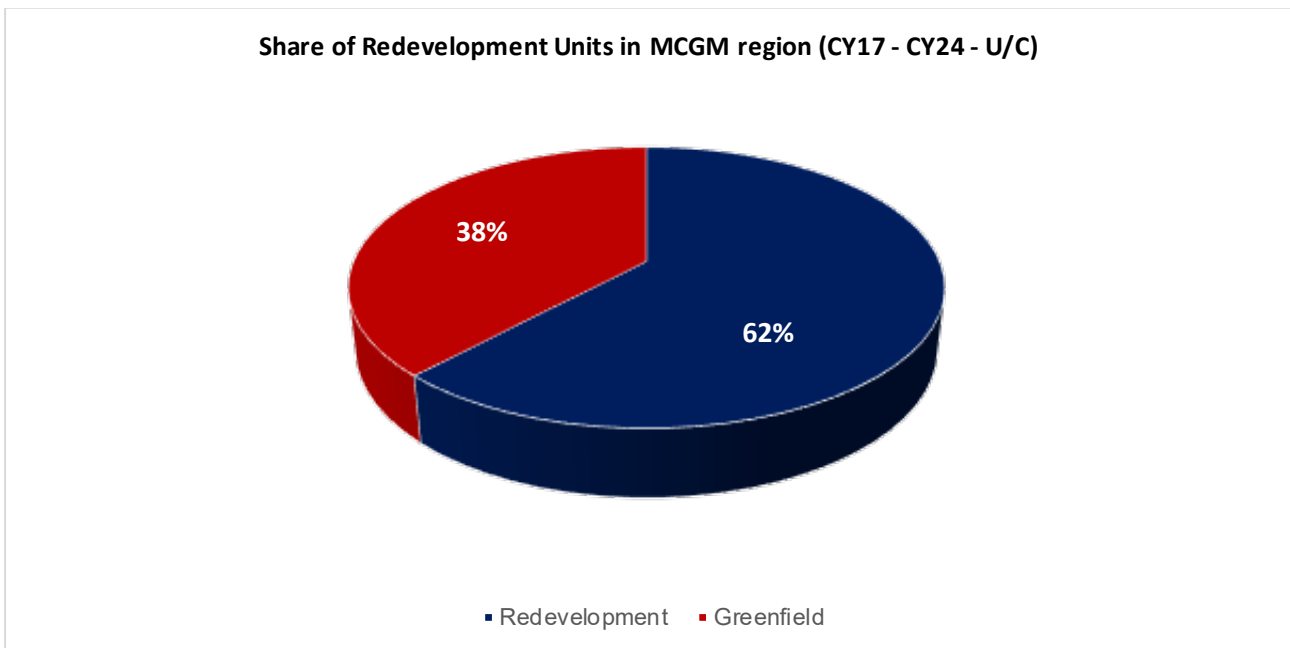
In summation, better living standards, no hassle of land acquisition, efficient usage of existing infrastructure and increased capital value of the property are some of the major benefits of redevelopment project.



5.1.6. Redevelopment Projects overview within MCGM region

Of the total supply³ of under construction projects which are launched from CY17 till CY24 in the **MCGM region (205,218 units)**, greenfield developments account for 38% (77,742 units) whereas a large majority of 62% are redevelopment projects (127,476 units). We have analyzed under-construction projects, launched between CY17 and CY24 with unsold inventory that is available for marketing for the analysis in this section (SRA redevelopment projects have been excluded in this analysis).

Figure 24



Source: Maha RERA, C&W Research

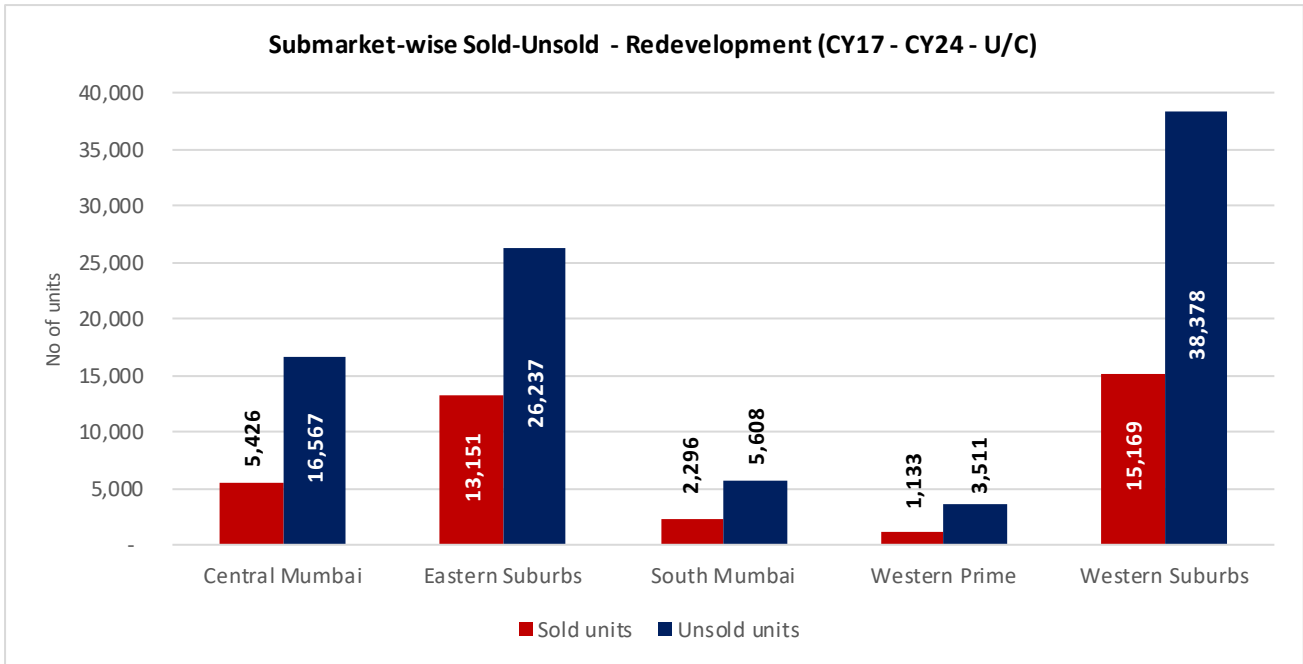
The total redevelopment supply in MCGM region as on CY24 stood at **127,476 units** with Western Suburbs accounting for the largest share at 42% (53,547 units) followed by Eastern Suburbs (39,388 units) and Central Mumbai (21,993 units) with 31% and 17% respectively. South Mumbai and Western Prime together contributed to 10% (12,548 units) of the total redevelopment supply. As on CY24, it was observed that nearly 29% (37,175 units) of the redevelopment supply pipeline in MCGM region was absorbed. Western Suburbs recorded the highest absorption with 41% of the total sold units in MCGM region followed by Eastern Suburbs and Central Mumbai accounting for 35% & 15% respectively. Whereas South Mumbai and Western Prime contributed to 9% of the total absorption.

³ For this section, Under Construction projects which are launched from CY17 till CY24 and are currently being marketed and sold have been considered (SRA redevelopment projects have been excluded from the redevelopment section analysis).



The following graph shows sold-unsold redevelopment units across submarkets in MCGM region.

Figure 25



Source: Maha RERA, C&W Research

Redevelopment projects within MCGM region have been classified into MHADA, Mill Redevelopment, MMRDA and MCGM Redevelopment. MCGM Redevelopment projects contribute to the highest redevelopment supply with 62% (78,509 units) followed by MHADA at 33% (42,095 units). Similar trends are also observed with absorption data with MCGM Redevelopment projects accounting for 56% (20,943 units) of all units sold, followed by MHADA at 38% (14,225 units).

Table 5

MCGM Region (U/C - Projects launched between CY17-CY24)				
Redevelopment Type	Total Units	Supply Share	Sold units (%)	Absorption Share
MHADA	42,095	33%	14,225 (34%)	38%
Mill Redevelopment	3,443	3%	1,275 (37%)	3%
MMRDA	3,429	3%	732 (21%)	2%
MCGM - Redevelopment	78,509	62%	20,943 (27%)	56%
Total	127,476	100%	37,175 (29%)	100%

Source: Maha RERA, C&W Research



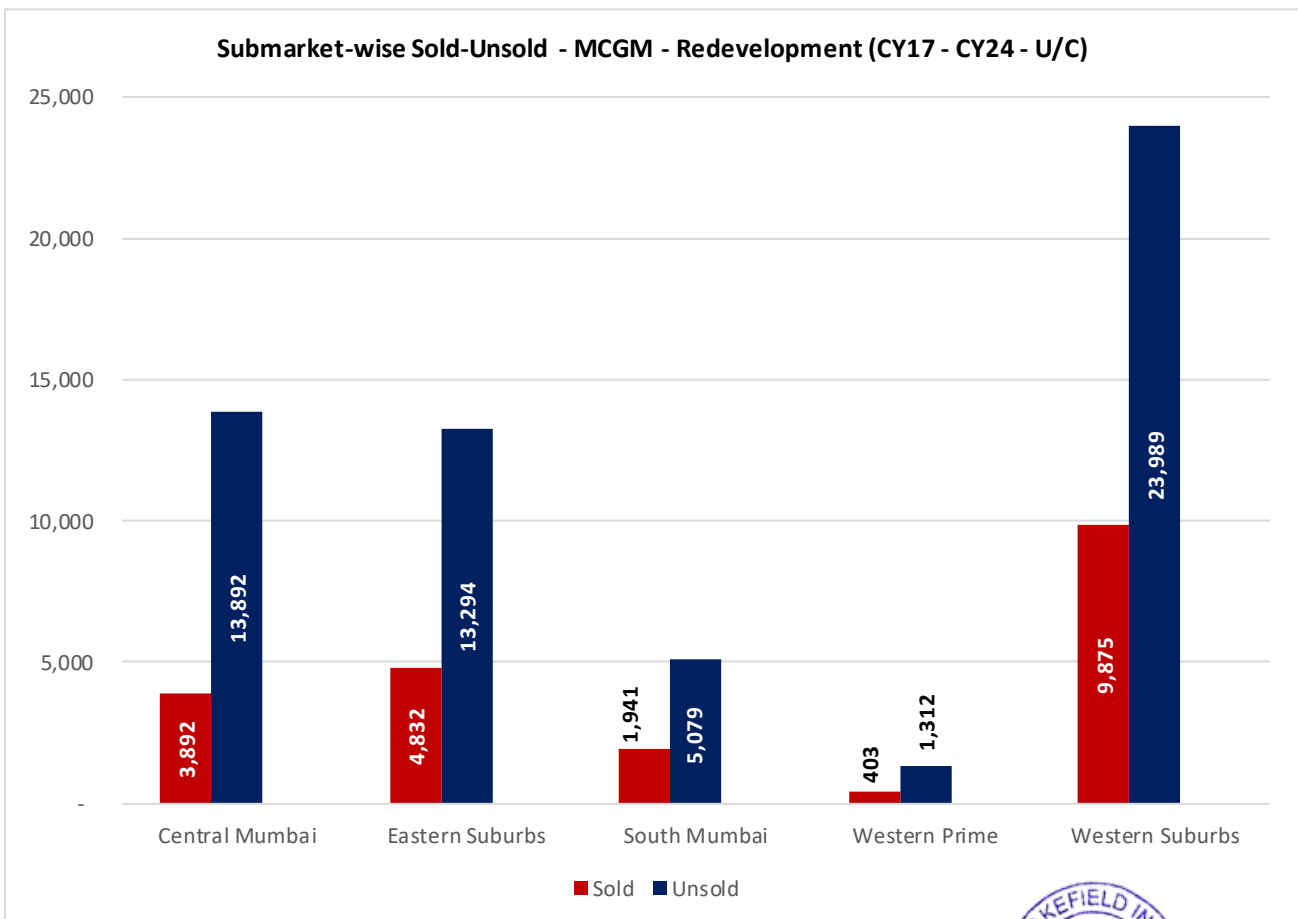
5.1.7. MCGM - Redevelopment overview

The total MCGM - Redevelopment supply as on CY24 stands at 78,509⁴ units.

Western Mumbai as a micro-market (Western Suburbs & Western Prime) has the highest supply of MCGM – Redevelopment projects with 45% (35,579 units) of the total units concentrated in this geography, followed by Central Mumbai (17,784 units) and Eastern Suburbs (18,126 units) with 23% each. South Mumbai contributes to a mere 9% (7,020 units) of the total MCGM - Redevelopment supply.

27% (20,943 units) of the total MCGM - Redevelopment supply within MCGM region has been absorbed as on CY24 whereas Western Mumbai (Western Suburbs & Western Prime) has witnessed an absorption of 29% (10,278 units) as on CY24.

Figure 26



Source: Maha RERA, C&W Research



⁴ For this section, Under Construction projects which are launched from CY17 till CY24 and are currently being marketed and sold have been considered (SRA redevelopment projects have been excluded from the redevelopment section analysis).

Having analyzed under construction and completed MCGM - Redevelopment projects between CY17 and CY24 we have established that the top 5 players in MCGM region including Pranav Constructions Limited contributed to 9,836 units across 51 MCGM Redevelopment Projects. With 15% of these units, Pranav Constructions Limited ranks 4th amongst the top 5 players in terms of supply contribution under MCGM Redevelopment during this period. Since CY17 till CY24, Pranav Constructions Limited has commenced 28 (under construction and completed) redevelopment projects while other developers launched between ~1-10 projects in the said period. This is indicative of the requisite processes as well as the necessary bandwidth Pranav Constructions Limited possesses to execute multiple redevelopment projects at any given point of time.

The following table shows top 5 players across MCGM region with the highest supply of MCGM - Redevelopment projects with under construction and completed projects launched between CY17 and CY24.

Table 6

Top 5 developers basis supply (MCGM - Redevelopment - U/C and Completed - Projects from CY17-CY24)			
Developer Name	Total Projects	Total Units	Submarket
Developer 1	1	3,561	Central Mumbai
Developer 2	5	1,879	Central Mumbai, Eastern Suburbs and South Mumbai
Developer 3	10	1,633	Western Suburbs, Western Prime, Central Mumbai, Eastern Suburbs and South Mumbai
Pranav Constructions Limited	28	1,523	Western Suburbs, Western Prime
Developer 5	7	1,222	Western Suburbs, Western Prime
Total	51	9,836	

Source: Maha RERA, C&W Research



The MCGM - Redevelopment supply witnessed a multifold increase post covid from ~4,375 units launched in CY20 to ~15,165 units in CY22 and ~12,215 units in CY3. Whereas, ~20,010 units were launched in CY24.

We have thus analyzed MCGM - Redevelopment projects post the Covid period ie. between CY21 and CY24 further. Pranav Constructions Limited has emerged as the top player in MCGM during this period in terms of supply. Pranav Constructions Ltd accounted for 26% of the units brought in by the top 5 developers, helping it secure the top position in terms of total supply. This total supply brought in by Pranav Constructions Limited constituted 21 under construction and completed redevelopment projects. In the same period other developers have launched ~1-4 redevelopment projects.

The following table shows top 5 players across MCGM region with the highest supply of MCGM -Redevelopment with under construction and completed projects from CY21 till CY24.

Table 7

Top 5 developers basis supply (MCGM - Redevelopment - U/C and Completed - Projects from CY21-CY24)			
Developer Name	Total Projects	Total Units	Submarket
Pranav Constructions Limited	21	1,176	Western Suburbs, Western Prime
Developer 2	1	932	Eastern Suburbs
Developer 3	4	865	Central Mumbai, South Mumbai
Developer 4	4	786	Western Suburbs, Western Prime
Developer 5	3	763	Western Suburbs, Eastern Suburbs
Total	33	4,522	-

Source: Maha RERA, C&W Research



5.1.8. Redevelopment Projects overview within Western Suburbs⁵

Pranav Constructions Limited have an established presence in Western Suburbs submarket with reference to redevelopment projects. On analyzing the Redevelopment Projects in Western Suburbs, it is seen that on-going MCGM - Redevelopment projects have the highest redevelopment supply contributing to 63% (33,864 units) followed by MHADA at 31% (16,678 units).

Table 8

Western Suburbs (U/C - Projects launched between CY17-CY24)				
Redevelopment Type	Total Units	Supply Share	Sold Units (%)	Absorption Share
MHADA	16,678	31%	4,656 (28%)	31%
MMRDA	3,005	6%	638 (21%)	4%
MCGM - Redevelopment	33,864	63%	9,875 (29%)	65%
Total	53,547	100%	15,169 (28%)	100%

Source: Maha RERA, C&W Research

5.1.9. MCGM - Redevelopment overview within Western Suburbs⁶

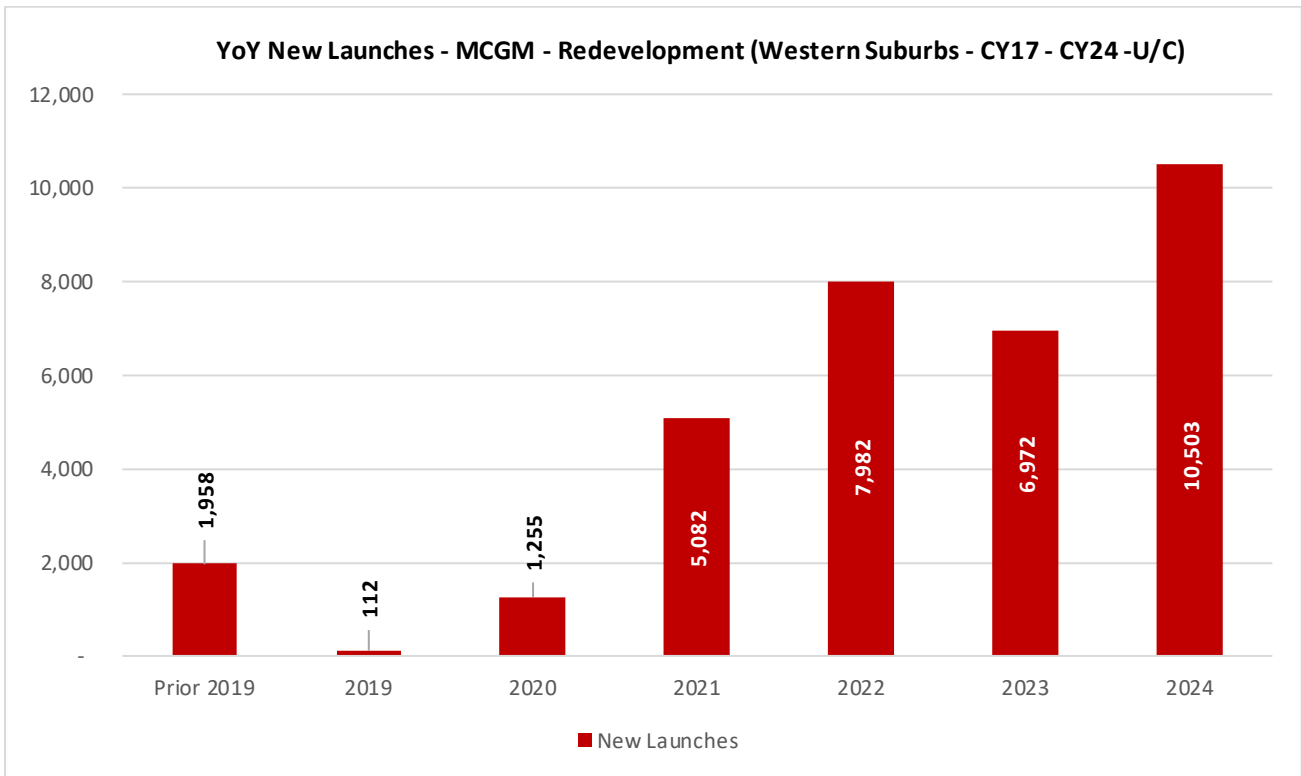
Western Suburbs has the highest share in MCGM - Redevelopment. The submarket has witnessed a supply of approx. **33,864 redevelopment units** in the last 5-6 years. 90% of which 30,539 units have been launched from CY21-CY24. The submarket has witnessed an average supply of ~7,630 units annually in the last 4 years. CY20 witnessed about 1,255 new launches which increased to 10,503 units in CY24.



⁵For this section, Under Construction projects which are launched from CY17 till CY24 and are currently being marketed and sold have been considered (SRA redevelopment projects have been excluded from the redevelopment section analysis).

⁶For this section, Under Construction projects which are launched from CY17 till CY24 and are currently being marketed and sold have been considered (SRA redevelopment projects have been excluded from the redevelopment section analysis).

Figure 27



Source: Maha RERA, C&W Research

Having analyzed the top developers in Western suburbs across MCGM – Redevelopment projects, Pranav Constructions Limited consistently ranks in the top 5 position for under construction as well as completed MCGM – Redevelopment projects.

The following table shows the top 5 players across Western Suburbs with the highest supply in completed and under construction MCGM - Redevelopment projects from CY17-CY24. The top 5 developers including Pranav Constructions Limited contribute to ~5,131 units that translate to ~15% of the entire Western Suburbs - MCGM - Redevelopment (33,864 units). These players are largely concentrated in Borivali, Malad, Santacruz, Dahisar, Goregaon, Andheri and a few also have a presence in Vile Parle and Kandivali.

Pranav Constructions Limited is the leading real estate company, based on the supply of units and number of completed and under construction MCGM - Redevelopment projects in the Western Suburbs, with a total of 1,503 units and 27 MCGM – Redevelopment projects (completed and under construction) whereas other developers have 2 to 7 MCGM - Redevelopment projects, each launched between CY17-CY24.



Table 9

Top 5 developers basis supply (Western Suburbs - MCGM Redevelopment - U/C and Completed – Projects from CY17-CY24)		
Developer Name	Total Projects	Total Units
Pranav Constructions Limited	27	1,503
Developer 2	6	1,189
Developer 3	7	978
Developer 4	4	808
Developer 5	2	653
Total	46	5,131

Source: Maha RERA, C&W Research

As seen earlier, the MCGM – Redevelopment supply has witnessed a significant increase post covid. In the Western Suburbs there were roughly about 1,255 new launches in CY20 that increased to ~8.4 times ie. 10,503 units in CY24, indicating a substantial growth in MCGM – Redevelopment supply.

We have thus analyzed MCGM - Redevelopment projects within the Western Suburbs alone between CY21 and CY24. In this micro-market, Pranav Constructions Limited, and other 4 developers were identified as the top 5 players.

The following table lists the top 5 players across Western Suburbs with the highest supply of MCGM -Redevelopment with under construction as well as completed projects launched between CY21 and CY24. These players together account for a supply of 3,674 units which is a 11% market share (Western Suburbs - MCGM - Redevelopment supply). Pranav Constructions Limited ranks 1st in terms of supply with 1,156 units and 20 MCGM – Redevelopment projects which is nearly 5 times the projects that have been undertaken by competing developers individually.



Table 10

Top 5 developers basis supply (Western Suburbs - MCGM Redevelopment - U/C and Completed – Projects from CY21-CY24)		
Developer Name	Total Projects	Total Units
Pranav Constructions Limited	20	1,156
Developer 2	3	753
Developer 3	2	653
Developer 4	1	650
Developer 5	4	462
Total	29	3,674

Source: Maha RERA, C&W Research



5.1.10. About Pranav Constructions Limited

Pranav Constructions Limited had started its redevelopment vertical in 2012 and since then it has established itself as a trusted pure play redeveloper in the Mumbai. Pranav Constructions Limited is amongst the top redevelopment companies based out of Mumbai predominantly undertaking redevelopment projects in the Western Suburbs focusing on economical, mid and mass, and aspirational homes.

Having analyzed the top developers in MCGM Region and Western suburbs across redevelopment projects, Pranav Constructions Limited consistently ranks in the top 5 position across project phases (i.e., under construction & completed).

Pranav Constructions Limited ranks 1st in the MCGM Region for having the highest combined supply in MCGM Redevelopment projects launched between CY21 and CY24. Pranav Constructions Limited commenced with 21 (under construction and completed) redevelopment projects with 1,176 units in the same period whereas other developers launched ~1-4 redevelopment projects between CY21 and CY24, contributing to 26% of the redeveloped units supplied by the top 5 developers in MCGM.

Whereas between CY17 and CY24 Pranav Constructions Limited ranks 4th in the MCGM region for having the highest supply in MCGM Redevelopment projects. Pranav Constructions Limited contributes to 15% of the redeveloped units supplied by the top 5 developers with 28 MCGM Redevelopment projects as compared to developers having ~1-10 MCGM Redevelopment projects between CY17 and CY24.

Pranav Constructions Limited ranks 1st in terms of redeveloped supply in the Western Suburbs between CY17 and CY24 with 1,503 units & CY21 and CY24 1,156 units.

In the Western Suburbs, Pranav Constructions Limited contributed to 30% of the redeveloped units supplied by the top 5 developers between CY17 and CY24 with 27 MCGM Redevelopment projects as compared to developers having ~2-7 MCGM Redevelopment projects in the same period.

Whereas between CY21 and CY24 Pranav Constructions Limited contributes to 31% of the redeveloped units supplied by the top 5 developers with 20 MCGM Redevelopment projects



as compared to developers having ~1-4 MCGM Redevelopment projects between CY21 and CY24.

Pranav Constructions Limited has a team of 139 employees comprising among others, architects, civil engineers, lawyers, chartered accountants, marketing personnel and sales representatives. Their team includes 18 Architects for planning and designing the projects based on applicable rules and regulations, society requirements and marketability of the project units. A dedicated group of employees is assigned to each project to achieve end-to-end responsibility and timely completion.

As of December 31, 2024, the company's portfolio included 26 completed redevelopment projects, with a combined total area of 1.25 Mn square feet, achieving an average project construction cycle of 26 months which demonstrates a robust presence in the redevelopment market. Despite the challenges posed by the COVID-19 period, Pranav Constructions Limited has successfully achieved timely completion of its projects.

The company has received recognition as **Best Realty Brand 2024** by ET Edge and The Times Group. They have also been awarded for being **“An Iconic Developer for Timely Delivery of Redevelopment Projects”** by the "Times Group in Times Real Estate Conclave for the year 2022-2023" and Mid-day Maharashtra Gaurav Awards honored the Company as an **Iconic Redevelopment Developer**.

Pranav Constructions Limited has established its presence in Malad, Goregaon, Kandivali, Borivali, Santacruz, micro-markets within Western Suburbs and Bandra within Western Prime with reference to redevelopment projects. Further, the company has various upcoming projects planned in its established markets and in the emerging markets of Andheri, Vile Parle, Khar, Mahim, Matunga and Chembur.

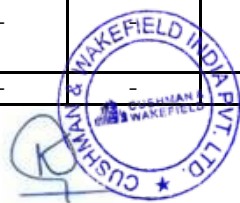
Pranav Constructions Limited has a portfolio of 58 redevelopment projects spread across 12 different micro-markets of the MCGM Region. These projects are in different stages of construction viz., Completed, Under Construction, and Upcoming, spanning from CY12 to CY24.



The following table shows the list of Pranav Constructions Limited Project Portfolio

Table 11

Pranav Constructions Limited Overview							
Sr No	Project Name	Location	Status	Launch Date	End Date	Total Residential Units	Total Commercial Units
1	Plot 229	Goregaon (W)	Completed	Sep-12	Jan-14	30	-
2	Prachiti CHSL	Goregaon (W)	Completed	Jun-14	Sep-15	28	-
3	Ashutosh CHSL	Borivali (W)	Completed	Sep-15	Oct-16	20	-
4	New Lata Apartments CHSL	Goregaon (W)	Completed	Mar-16	Jun-17	33	-
5	The Malad Rajhans CHSL	Malad (E)	Completed	Aug-16	Apr-19	55	-
6	Rajendra Apartments CHSL	Malad (W)	Completed	Nov-16	Feb-18	26	-
7	Deep (Sunder Lane) CHSL	Malad (W)	Completed	Dec-16	Feb-19	26	5
8	Ulka CHSL	Borivali (W)	Completed	Nov-17	May-19	29	-
9	Navchandrakunj CHSL	Goregaon (W)	Completed	May-18	Mar-20	20	3
10	Abhiram CHSL	Kandivali (W)	Completed	Nov-18	Oct-21	58	-
11	Pravesh CHSL	Borivali (E)	Completed	May-19	Aug-22	114	-
12	Mettivilla CHSL	Goregaon (W)	Completed	Feb-20	Sep-22	25	-
13	Malad Amber CHSL	Malad (W)	Completed	Mar-20	Oct-23	34	4
14	Borivali Shivdarshan CHSL	Borivali (W)	Completed	Oct-20	Apr-23	67	17
15	Pushpawadi CHSL	Borivali (W)	Completed	Jan-21	Sep-22	32	-
16	Gala Apartments CHSL	Malad (E)	Completed	May-21	Mar-24	77	2
17	Sparsh CHSL	Malad (W)	Completed	Oct-21	Jan-24	52	-
18	Silverene CHSL	Malad (W)	Completed	Nov-21	Sep-23	30	-
19	Ramesh Mandir CHSL	Malad (W)	Completed	Dec-21	Mar-24	97	-
20	Rushabh Mahal CHSL	Malad (E)	Completed	Mar-22	Mar-24	43	-
21	Plot 212	Goregaon (W)	Completed	Mar-22	Nov-23	25	-
22	Gold Coin CHSL	Malad (W)	Completed	Mar-22	Mar-24	26	1
23	New Shalimar Apartments CHSL	Malad (W)	Completed	Mar-22	Mar-24	61	-
24	Popular Terrace CHSL	Borivali (W)	Completed	Apr-21	Apr-24	40	7
25	Malad Marudhar CHSL	Malad (E)	Completed	Dec-21	Jul-24	56	6
26	Tiara CHSL	Malad (W)	Completed	Apr-22	Oct-24	80	-
Sub-Total (A)						1,184	45
27	Kesar Niketan CHSL	Borivali (E)	U/C	Jul-22	-	74	7
28	Pearl Palace	Santacruz (W)	U/C	Mar-23	-	24	3
29	Union Bank of India Employees' Ankur CHSL	Malad (W)	U/C	Aug-23	-	63	7
30	Lakshman Tower CHSL	Borivali (W)	U/C	Sep-23	-	50	-
31	Shining Star CHSL	Santacruz (W)	U/C	Sep-23	-	102	-
32	Samrat CHSL	Santacruz (W)	U/C	Oct-23	-	38	-
33	Jamuna Mahal CHSL	Santacruz (E)	U/C	Nov-23	-	72	-
34	Falcon Crest CHSL	Malad (W)	U/C	May-24	-	116	10
35	Kaveri CHSL	Malad (W)	U/C	Jun-24	-	114	8
36	Om Manikanta CHSL	Goregaon (W)	U/C	Jun-24	-	63	-
37	Citizen Apartments CHSL	Bandra (W)	U/C	Nov-24	-	20	-
Sub-Total (B)						736	35
38	State Bank of India Employees (Navjeevan) CHSL	Borivali (W)	Upcoming	-	-	39	-
39	Rajesh Mandir CHSL	Kandivali (W)	Upcoming	-	-	70	-



40	Shree Santoshi Nagar CHSL	Malad (W)	Upcoming	-	-	84	7
41	Rajnigandha CHSL	Goregaon (W)	Upcoming	-	-	156	139
42	Daulatrao Desai Nagar CHSL	Andheri (W)	Upcoming	-	-	70	-
43	You and I CHSL	Andheri (W)	Upcoming	-	-	43	-
44	Allahabad Bank Staff Nutan CHSL	Andheri (E)	Upcoming	-	-	50	-
45	Nirmal Bhavan CHSL	Vile Parle (W)	Upcoming	-	-	32	-
46	Vile Parle Anupam CHSL	Vile Parle (W)	Upcoming	-	-	25	-
47	Amarhind CHSL	Vile Parle (E)	Upcoming	-	-	62	-
48	Priyadarshini CHSL	Santacruz (W)	Upcoming	-	-	34	4
49	Sompuri Market Premises CSL	Santacruz (W)	Upcoming	-	-	39	22
50	Kirti Manor Premises CSL	Santacruz (W)	Upcoming	-	-	37	4
51	The Bandra Gul-E-Baug CHSL	Bandra (W)	Upcoming	-	-	68	-
52	Kirti Mandir CHSL	Mahim (W)	Upcoming	-	-	47	6
53	Yashoda Bhuvan	Matunga (E)	Upcoming	-	-	41	-
54	Joe Henriques Bungalow	Malad (W)	Upcoming	-	-	21	-
55	New Moonlight CHSL	Andheri (E)	Upcoming	-	-	35	77
56	Common Men CHSL	Goregaon (W)	Upcoming	-	-	54	1
57	Shanti Niketan	Chembur (E)	Upcoming	-	-	29	2
58	Humsafar CHSL	Khar (W)	Upcoming	-	-	21	-
Sub-Total (C)						1,057	262
Total (A+B+C)						2,977	342
Grand Total						3,319	

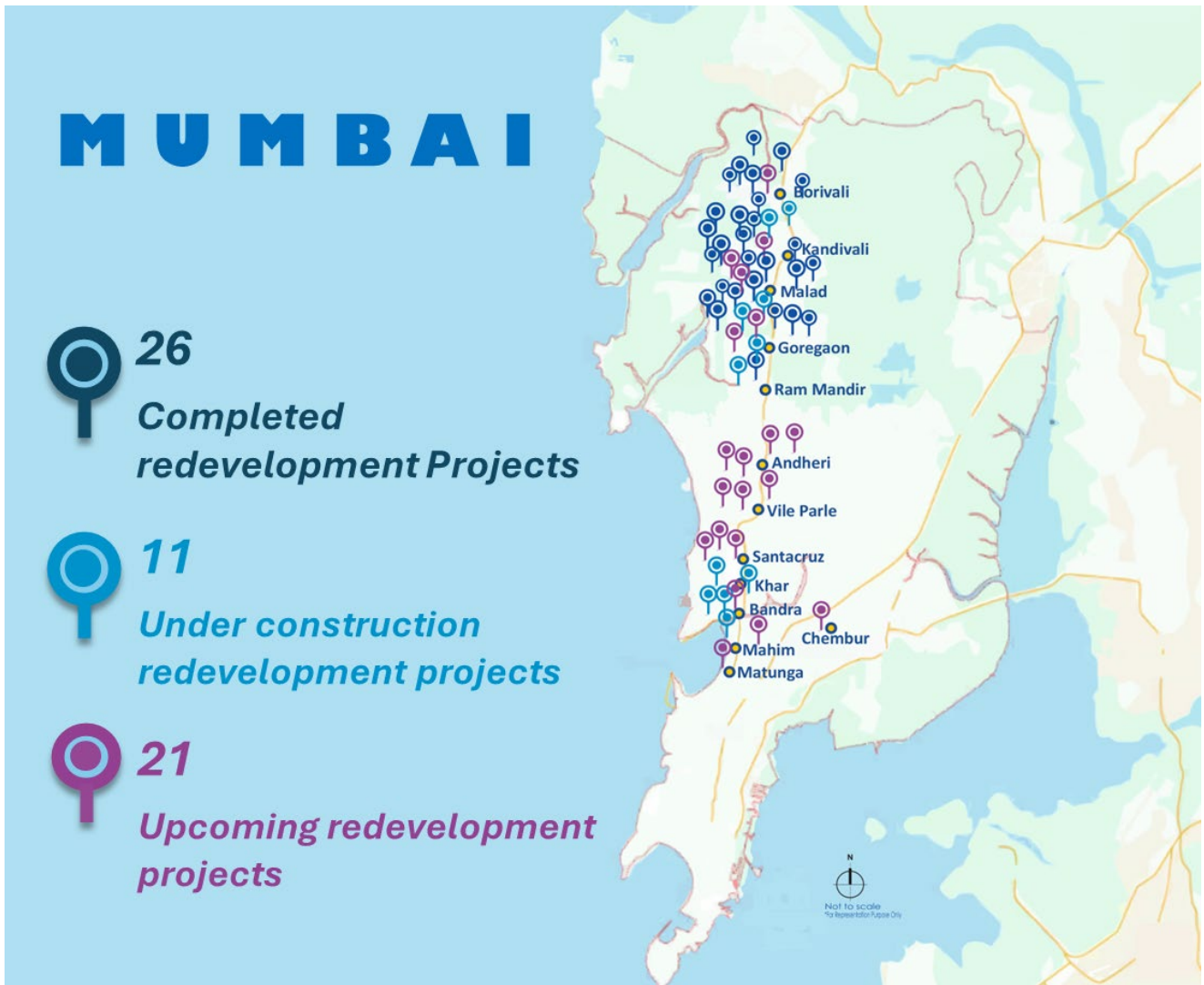
Source: As provided by Pranav Constructions Limited⁷



⁷For analysis, only Residential units have been considered (SRA, MHADA, Commercial units have been excluded from the redevelopment section analysis).

The map below shows an overview of completed, under construction and upcoming redevelopment projects by Pranav Constructions Limited.

Figure 28



Source: As provided by Pranav Constructions Limited



Pranav Constructions Limited has a proven track record of timely completion in their completed redevelopment projects, with strong execution capabilities and have become a trusted and reliable brand in the Western Suburbs resulting in strong brand recall. The map below shows completed redevelopment projects by Pranav Constructions Limited.

Figure 29



Source: As provided by Pranav Constructions Limited



The map below shows under construction redevelopment projects by Pranav Constructions Limited.

Figure 30



Source: As provided by Pranav Constructions Limited



The map below shows upcoming redevelopment projects by Pranav Constructions Limited.

Figure 31



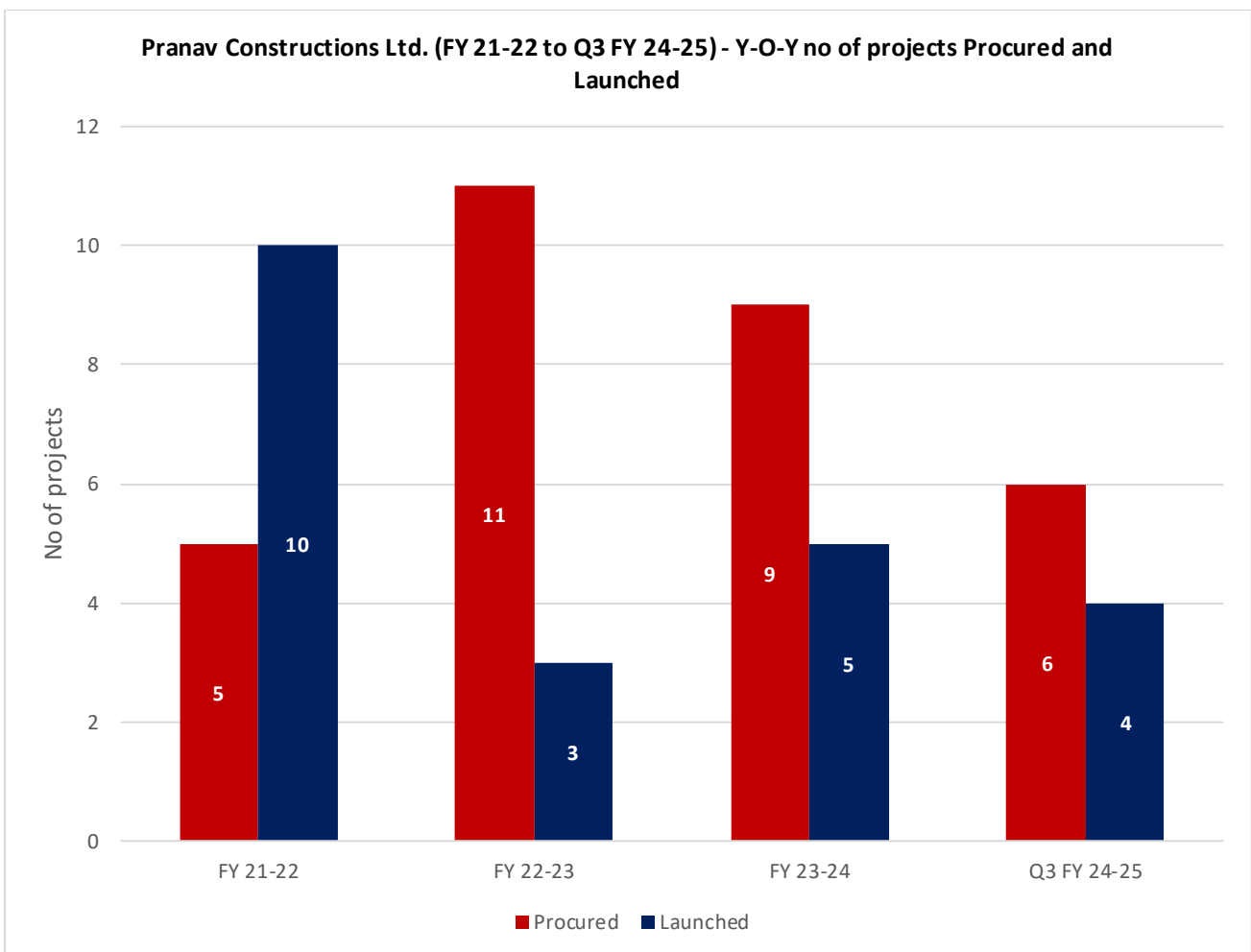
Source: As provided by Pranav Constructions Limited



Pranav Constructions Limited (FY 21-22 to Q3 FY 24-25) - Y-O-Y no of projects Procured and Launched⁸

The graph below shows no. of projects procured and launched between FY 21-22 to Q3 FY 24-25 by Pranav Constructions Limited. In FY 21-22, 5 projects were procured, whereas in FY 22-23, 11 projects were procured and in FY 23-24, 10 projects followed by 6 projects upto Q3 FY 24-25 were procured. It can be seen that Pranav Constructions Limited has consistently procured redevelopment project over the years with an average procurement of ~8-9 projects year on year. Similarly, Pranav Constructions Limited has been constantly launching redevelopment projects over the years.

Figure 32



Source: As provided by Pranav Constructions Limited

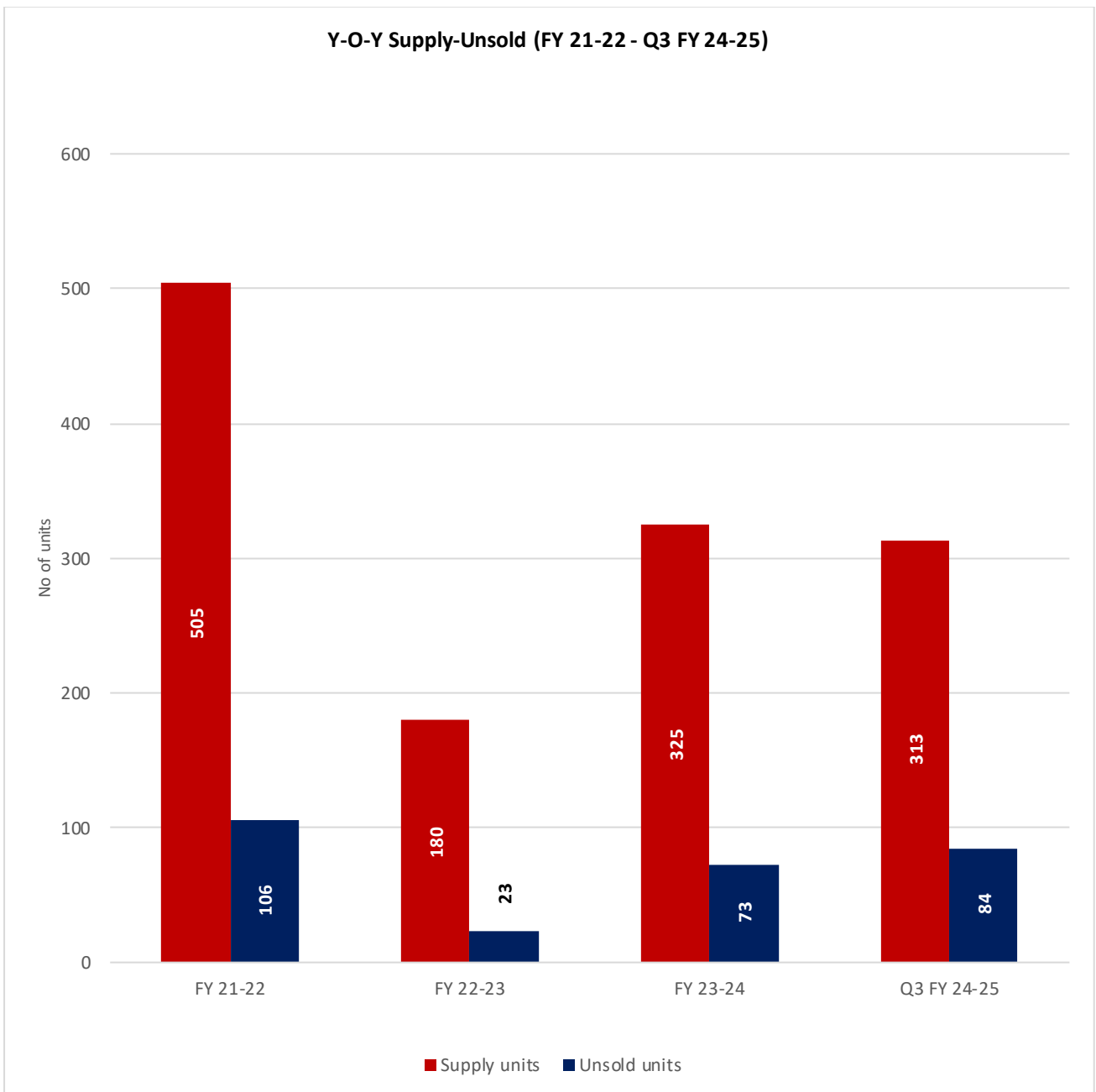
⁸ "Procured" means where the company has received the letter of Appointment from the Society "Launched" means where the Company has started construction of the projects which has been procured



Pranav Constructions Limited (FY 21-22 to Q3 FY 24-25) - Y-O-Y Supply - Unsold

The graph below shows supply and unsold inventory between FY 21-22 and CY24 across projects launched by Pranav Constructions Limited. In FY 21-22, Pranav Constructions Limited had 106 unsold units out of the 505 units launched. Only 84 unsold units of the 1,323 units that were launched during FY 21–22 and Q3 FY 24-25 indicate strong sales.

Figure 33



Source: As provided by Pranav Constructions Limited

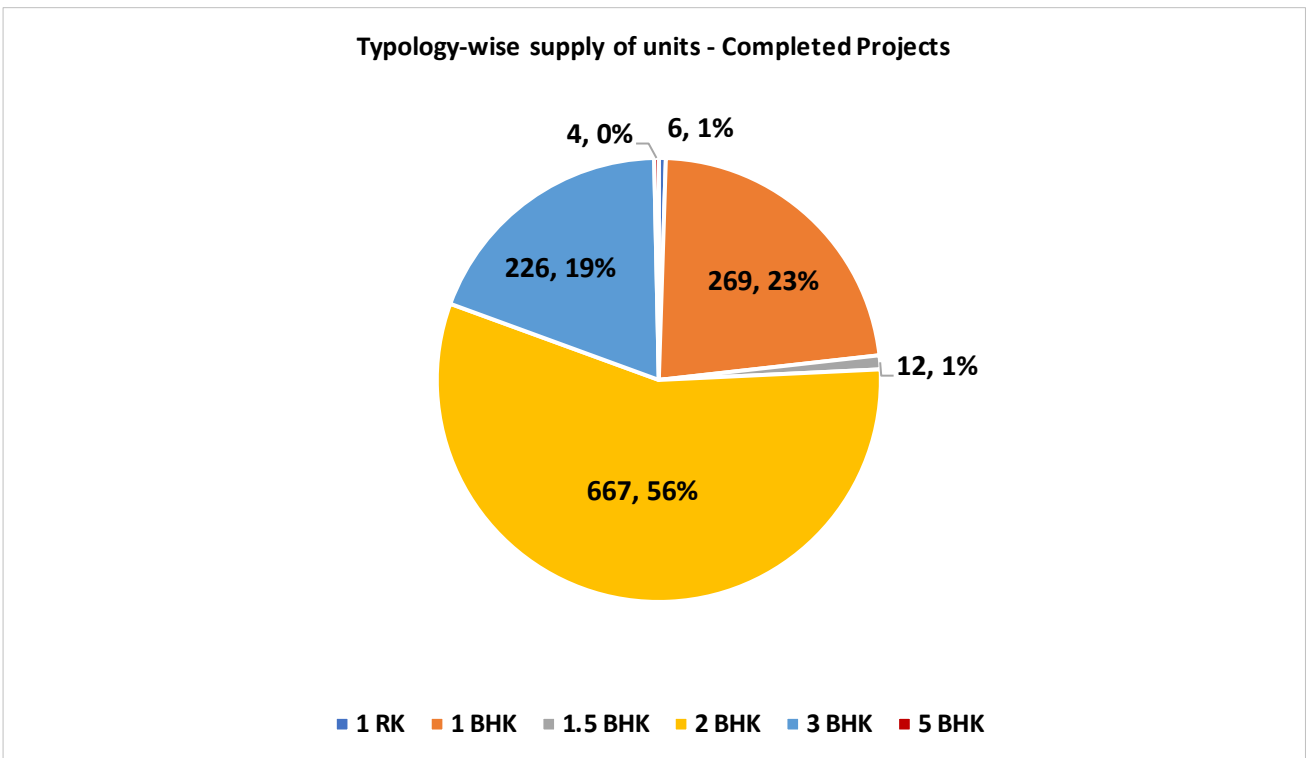


Typology-wise supply of Pranav Constructions Limited – Completed Projects

Pranav Constructions Limited has been predominantly offering units having typologies ranging from 1BHK to 3BHK across all project phases (ie. completed, under construction and upcoming).

The pie chart below shows typology-wise supply across all completed projects of Pranav Constructions Limited. 99% of the total supply comprises 1BHK, 2BHK & 3 BHK totaling 1,174 units out of the 1,184 completed units.

Figure 34



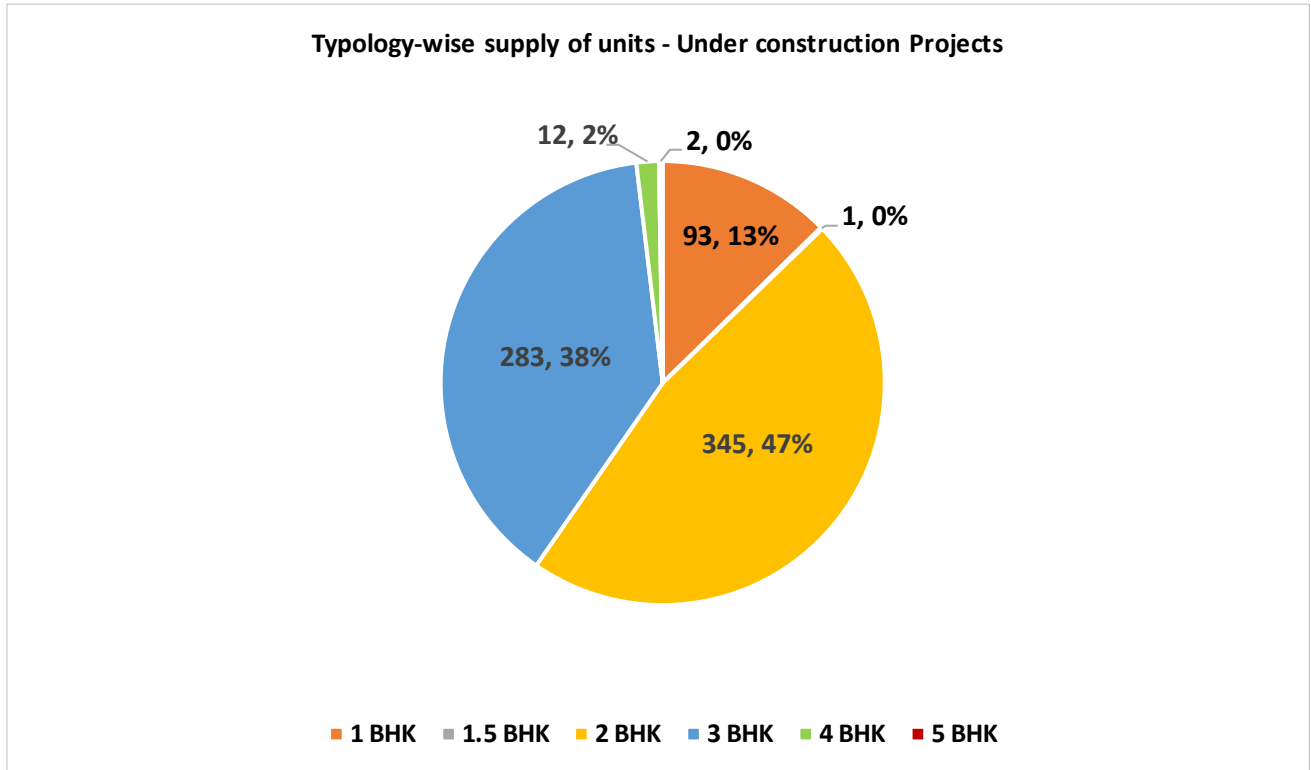
Source: As provided by Pranav Constructions Limited



Typology-wise supply of Pranav Constructions Limited – Under construction Projects

The pie chart below shows typology-wise supply across all under construction projects by Pranav Constructions Limited. 98% of the total supply comprises 1BHK, 2BHK & 3BHK totaling 722 units out of the 736 under construction units.

Figure 35



Source: As provided by Pranav Constructions Limited

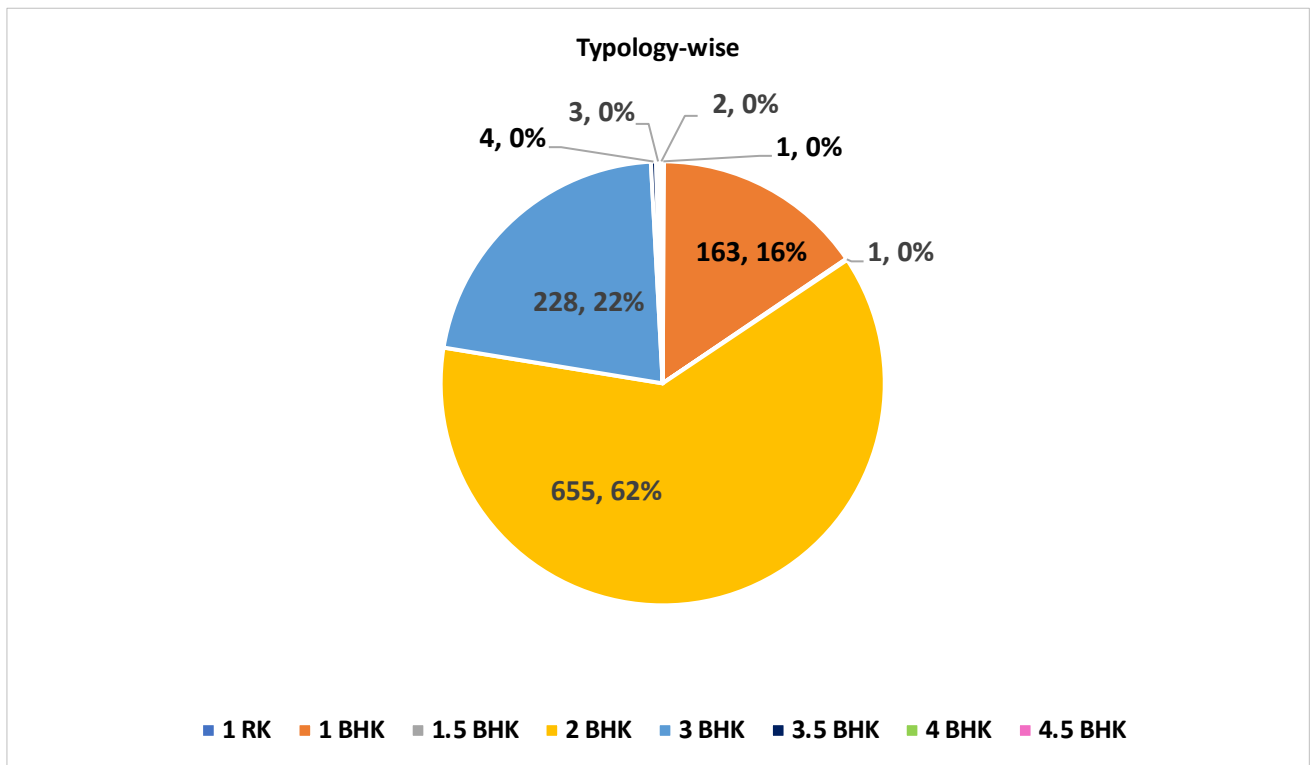
From the above pie charts, it can be seen that more than 95% of the units supplied by Pranav Constructions Limited are of the typology having the highest absorption. (1BHK, 2BHK & 3 BHK comprises 96% of the total supply across MCGM - Redevelopment in the micro-markets of Malad, Goregaon, Borivali, Santacruz and Bandra from under construction and completed projects launched in the period of CY21– CY24).



Typology-wise supply of Pranav Constructions Limited – Upcoming Projects

Pranav Constructions Limited has made a concerted effort to target the economical as well as mid & mass and aspirational consumer cohorts and this is reflected in their typologies provided. The pie chart below shows typology-wise supply across all upcoming projects by Pranav Constructions Limited. 99% of the total supply comprises 1BHK, 2BHK & 3BHK totaling 1,044 units out of the 1,057 upcoming units.

Figure 36



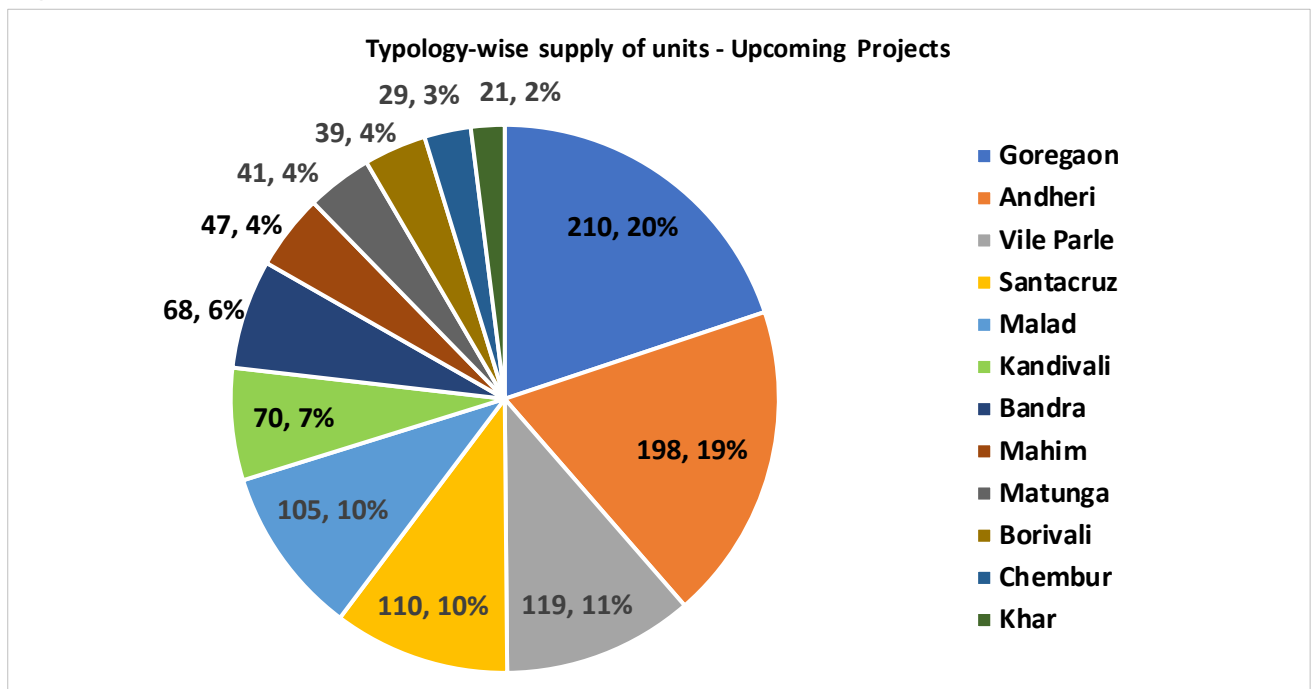
Source: As provided by Pranav Constructions Limited



Micro-market wise supply of Pranav Constructions Limited – Upcoming Projects

Having built a strong foothold across the micro-markets of Malad, Goregaon, Kandivali & Borivali, Pranav Constructions Limited has further diversified into other pockets of the city creating a strong presence across most major residential markets in the city. The pie chart below shows the upcoming supply across micro-markets by Pranav Constructions Limited. 70% of the total upcoming supply is from established markets of Malad, Goregaon, Andheri, Vile Parle and Santacruz. Further Pranav Constructions Limited has 43% of its total upcoming supply in the neighboring emerging markets.

Figure 37



Source: As provided by Pranav Constructions Limited

On analyzing Pranav Construction Limited’s data for upcoming projects, it can be seen that Pranav Constructions Limited has expanded into more recent micro-markets and intends to supply inventory with a high absorption typology.



Micro-market wise capital value ranges

Borivali West, Goregaon West and Malad West in the same order, have the highest capital value in the range of INR 25,000-47,000 per sq ft on carpet area. Whereas Kandivali West and Borivali East are in the range of INR 23,000-43,000 per sq ft on carpet area. Malad East ranges between INR 24,000-38,000 per sq ft of carpet area.

Whereas Santacruz East is in the range of INR 30,000 – 48,500 per sq ft on carpet area and Santacruz West and Bandra West are in the range of INR 47,500 – 89,000 per sq ft on carpet area.

Pranav Construction Ltd has a well-established presence in these micro-markets.



The map below shows residential capital value ranges for Goregaon, Malad, and Borivali (INR per sq ft on carpet area).

Figure 38



Source: CW Research



Threats & challenges

The Real Estate developers face several challenges that include the following:

Time and cost overrun due to delay in getting clearances:

Project durations might be significantly extended by delays in regulatory approvals. Efficiency in project timelines is crucial for real estate developers as it minimizes financing expenses and lowers overhead expenditures. The capacity to precisely predict project completion is also impacted by delays, which influences sales and revenue estimates.

RERA, which is aimed at protecting homebuyers and increasing transparency, has increased compliance burdens for developers. While it is beneficial in the long term but has also led to delays and increased costs for many projects. Non-compliance with RERA regulations can lead to penalties and legal issues, impacting developers' profitability and project timelines.

High Property prices:

Rapid escalation in property prices lead to significant challenges, particularly for economical and mid & mass groups. This scenario drastically reduces housing affordability, which in turn diminishes overall demand and can result in a slowdown of market activity. Moreover, the heightened property values often lead to heightened demand for rental properties, consequently driving up rental rates and exacerbating housing affordability challenges even further.

High Capital requirements:

The real estate sector faces significant threats due to its high capital requirements, which are predominantly driven by substantial costs associated with infrastructure development and equipment procurement. The complexity of managing these expenses and ensuring operational efficiency further complicates market dynamics within the real estate industry.

Economic Instability:

Economic instability, characterized by fluctuations in GDP growth, interest rates, inflation, and consumer confidence, directly impacts real estate market dynamics. Uncertain economic conditions can lead to erratic property valuations, affecting both residential and commercial sectors. Investors and developers face heightened risk and uncertainty, impacting investment decisions and project feasibility.



5.1.11. Micro-market wise MCGM - Redevelopment Projects overview in Western Suburbs and Western Prime⁹

Further we have analyzed the evolution of MCGM - Redevelopment across Western Suburbs & Western Prime, and the impact of prominent developers in this micro-market. We have considered projects at under construction and completed stage, launched between CY21 and CY24 and are currently being marketed and sold.

Malad, Goregaon, Borivali, Santacruz and Bandra:

Pranav Constructions Limited has a significant presence in the micro-markets of Malad, Goregaon, Borivali, Santacruz and Bandra and accordingly we have further analyzed these micro-markets.

The total supply within Malad East & West, Borivali East & West, Goregaon West, Santacruz East & West and Bandra West across MCGM – Redevelopment projects launched between CY21 and CY24 stands at 19,243 units, which is 54% of the total Western Suburbs and Western Prime MCGM – Redevelopment supply.

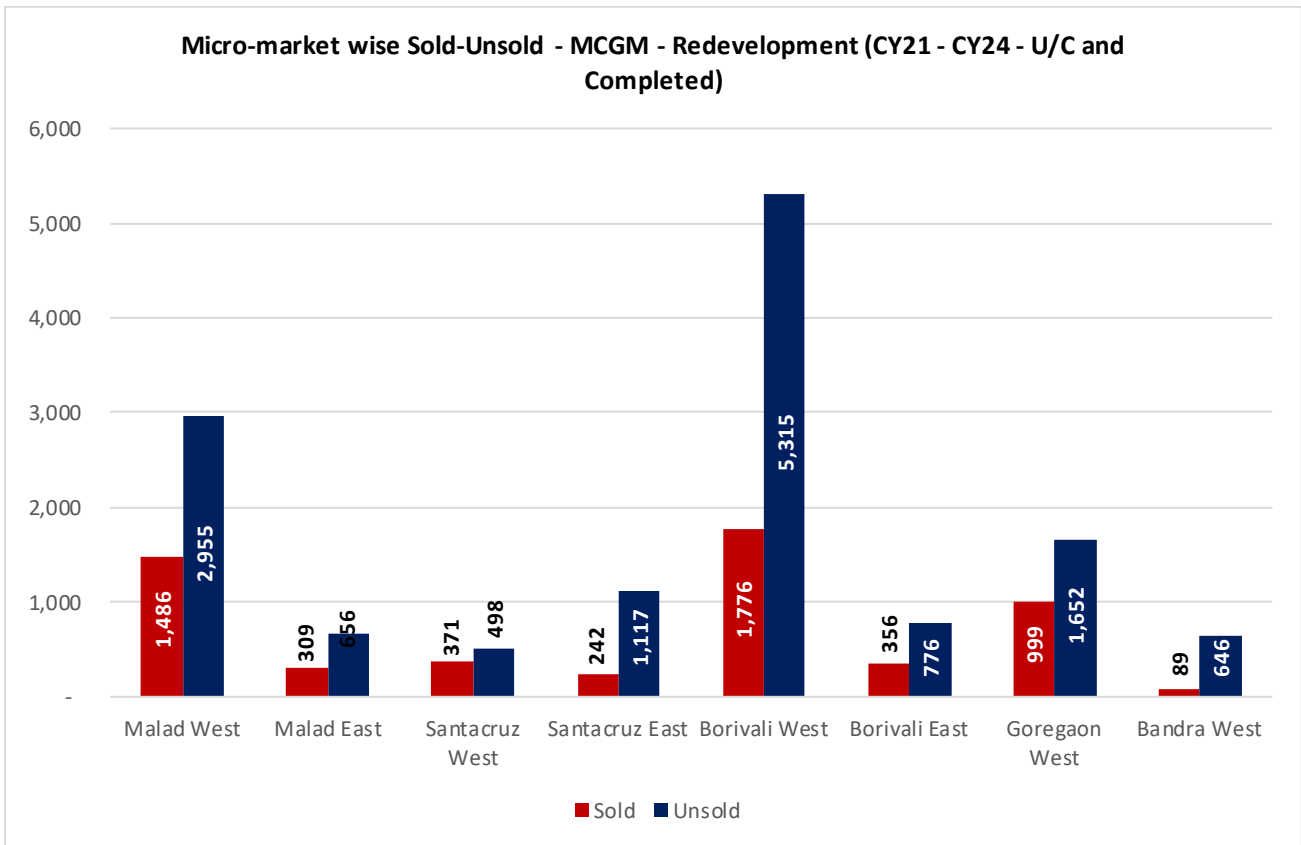
Borivali East & West has the highest supply accounting for 43% (8,249 units) followed by Malad East & West with 28% (5,406 units), Goregaon West with 14% (2,651 units), Santacruz East & West with 12% (2,228 units) and Bandra West with 4% (735 units).

As on CY24 about 29% (5,628 units) of the total supply has been absorbed. Goregaon West witnessed an absorption of 38% (999 units) of the total available supply (2,651 units) followed by Malad East & West (33%), Santacruz East & West (28%) Borivali East & West (26%) and Bandra West (12%).



⁹ For this section, Under Construction & Completed projects, launched from CY21 till CY24 and are currently being marketed and sold out have been considered (SRA redevelopment projects have been excluded from the redevelopment section analysis).

Figure 39



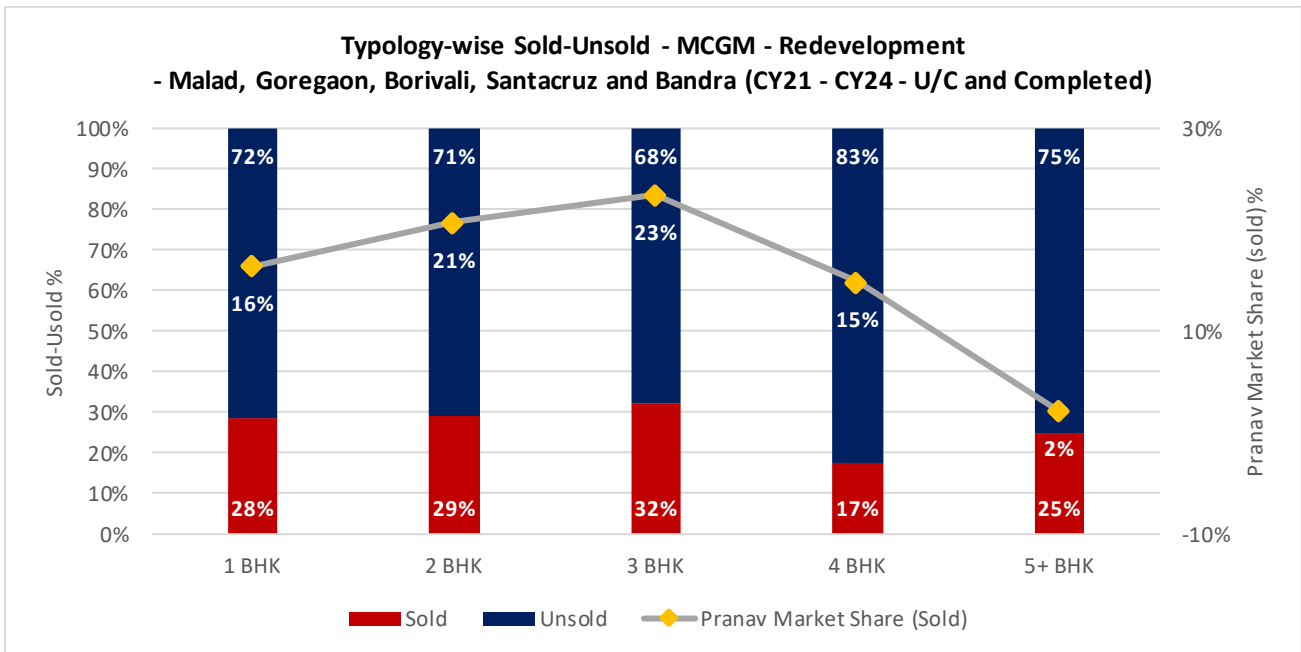
Source: Maha RERA, C&W Research

2BHKs are dominant typology across Malad East & West, Borivali East & West, Goregaon West, Santacruz East & West and Bandra West micromarkets, accounting for 50% (9,616 units) of the total supply followed by 1BHK and 3BHK 27% and 19% respectively between CY21 and CY24. These three typologies together constitute 96% of the total market with an almost similar spread in terms of absorption as well wherein 50% of the total units sold are 2BHKs followed by 1BHK (26%) and 3BHK (21%).

Pranav Constructions Limited has a market share of ~5% of 1BHK, ~6% for 2BHK, ~9% for 3BHK and ~3% for 4BHK out of the total typology-wise supply of the combined markets of Malad, Goregaon, Borivali, Santacruz and Bandra between CY21 and CY24. In terms of absorption in the combined markets of Malad, Goregaon, Borivali, Santacruz and Bandra, 3BHK have a market share of 23%, followed by 2BHK with 21%, 1BHK with 16% and 15% for 4BHK between CY21 and CY24. This signifies Pranav Construction Limited's strength in terms of market understanding and being able to deliver products that are well accepted by the end consumer.



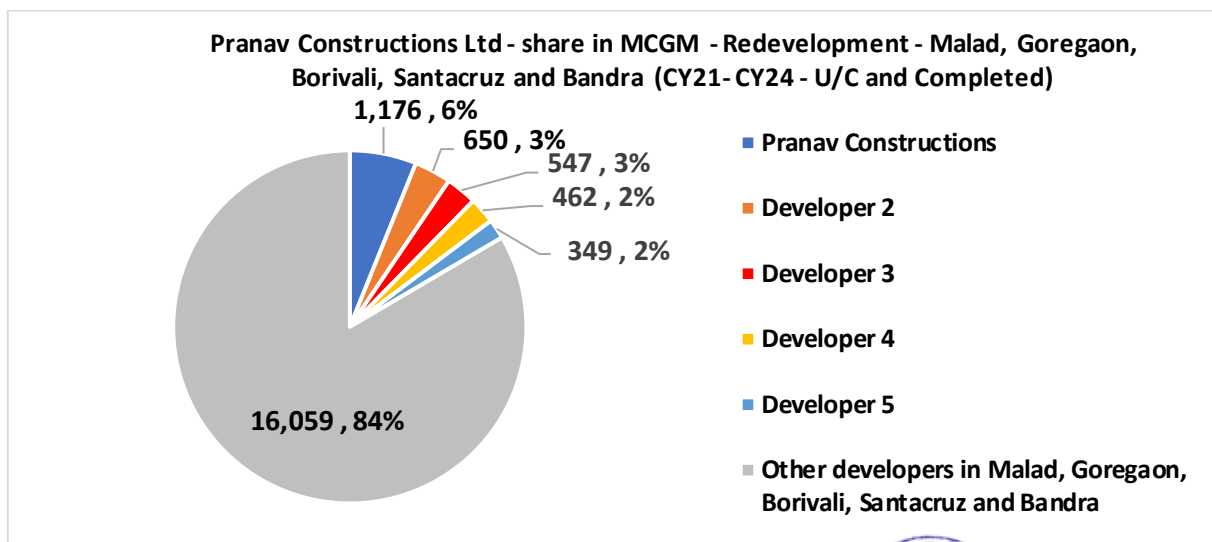
Figure 40



Source: Maha RERA, C&W Research

The following graph represents percentage share of MCGM - Redevelopment projects from CY21 to CY24 in Malad, Goregaon, Borivali, Santacruz and Bandra localities. With limited availability of land and soaring prices in these micro-markets, it is dominated by redevelopment supply. Top 5 players across these markets including Pranav Constructions Limited have a presence mainly in Malad, Goregaon and Borivali. Whereas top 3 players including Pranav Constructions Limited, also have a good presence in Santacruz.

Figure 41



Source: Maha RERA, C&W Research



Top 5 developers contribute to 17% (3,184 units) of the total MCGM - Redevelopment supply (18,762 units) in these micro-markets. Pranav Constructions Limited alone accounts for a share of 6%, clearly positioning it as a market leader in the micro-markets of Malad, Goregaon, Borivali, Santacruz and Bandra in terms of supply with 1,176 units.

Pranav Constructions Limited has commanded a market share of 13% in the micro-markets of Malad followed by Santacruz with 11% in terms of supply with MCGM - Redevelopment projects launched between CY21 and CY24.

Additionally, Pranav Constructions Limited has an upcoming supply of 532 units in these micro-markets which will further solidify Pranav Constructions Limited’s position as one of the leading developers in Malad, Borivali, Goregaon, Santacruz and Bandra micro-markets.

Table 12

Top 5 developers basis supply (Malad, Borivali, Goregaon, Santacruz and Bandra – MCGM - Redevelopment - U/C and Completed - Projects from CY21-CY24)	
Developer Name	Total Units
Pranav Constructions Limited	1,176
Developer 2	650
Developer 3	547
Developer 4	462
Developer 5	349
Total	3,184

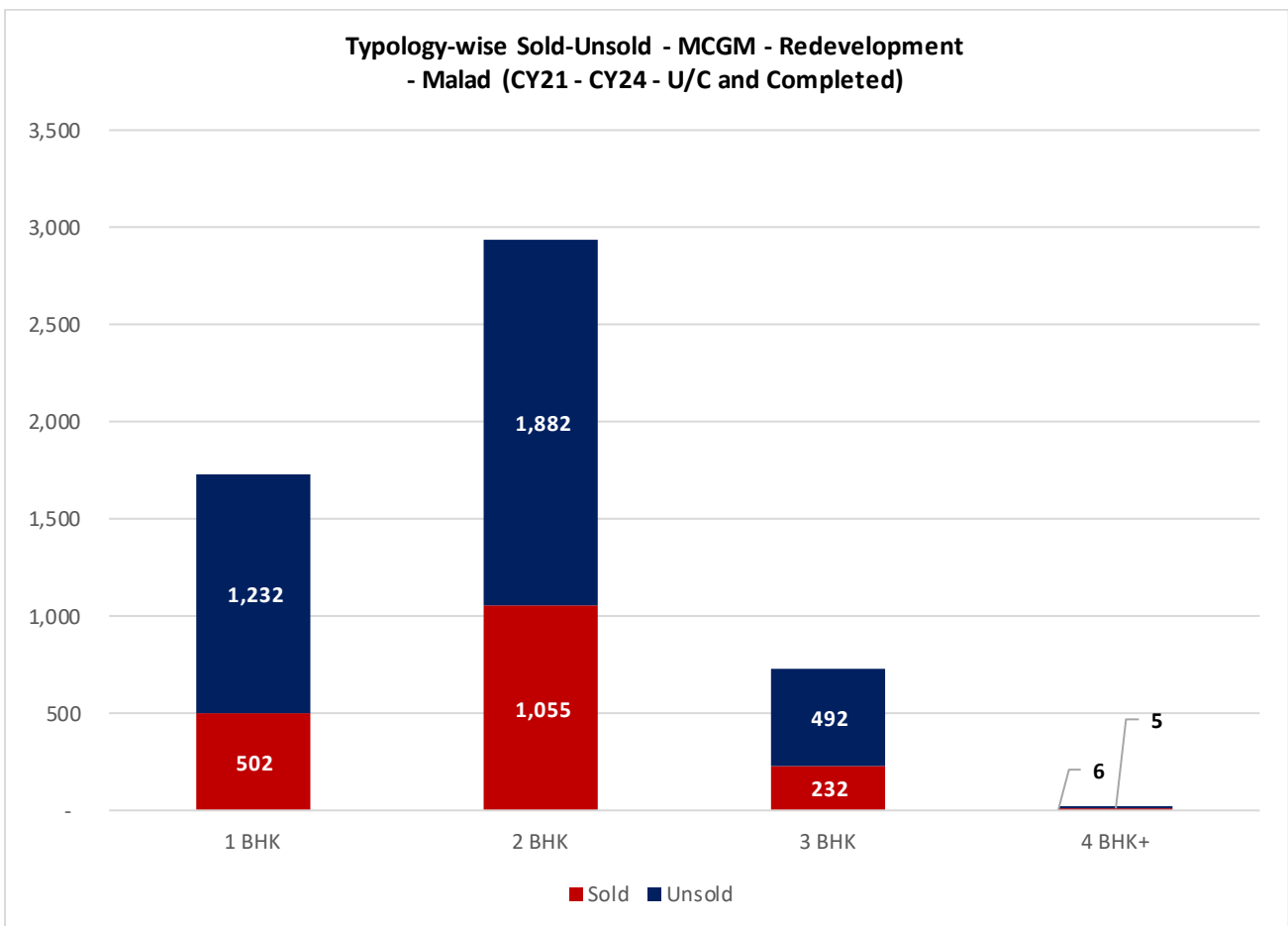
Source: Maha RERA, C&W Research



Malad:

The Malad micro-market comprises 5,406 units launched between CY21 and CY24 and classified within the MCGM – Redevelopment. 1BHK, 2BHK and 3BHK have witnessed healthy average absorption levels (32%) in the market with majority share (99%) of these typologies in terms of supply. 2BHK contributes to the highest share in terms of supply (54%), followed by 1 BHK (32%). 2BHK also has witnessed the highest absorption with 59% of the total sold units, followed by 1 BHK with 28%.

Figure 42



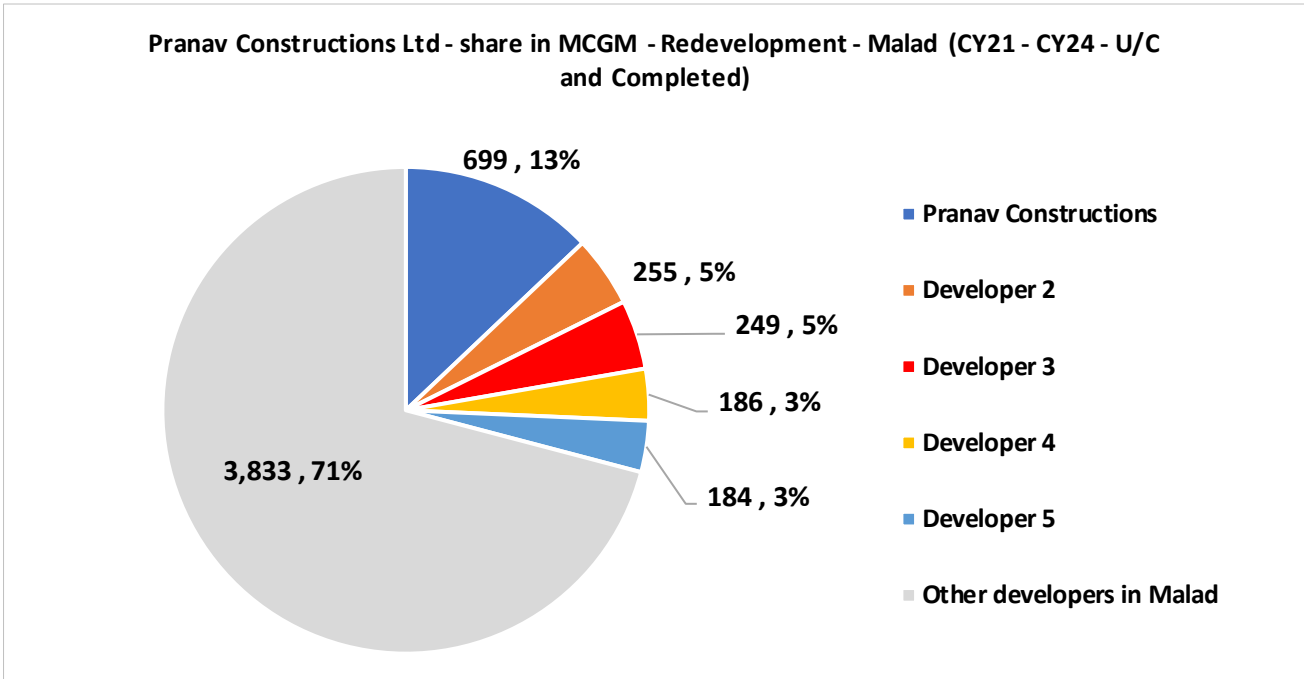
Source: Maha RERA, C&W Research

Taking a close look at the data for Malad micro-market the following graph indicates the top 5 developers in terms of projects launched between CY21 & CY24. Pranav Constructions Limited is a well-established name in the Malad micro-market market with 11 projects accounting for 13% (699 units) of the total supply in the said period. Additionally, 105 units



will be added by Pranav Constructions Limited which will help Pranav Constructions Limited in continuing its dominant positioning in the micro-market.

Figure 43



Source: Maha RERA, C&W Research

The following table shows the top 5 players across Malad with the highest supply of MCGM - Redevelopment projects launched between CY21 and CY24. These players together have a total supply of 1,573 units with 29% market share. Pranav Constructions Limited ranks 1st in the Malad micro-market in terms of supply.

Table 13

Top 5 developers basis supply (Malad – MCGM - Redevelopment - U/C and Completed - Projects from CY21-CY24)	
Developer Name	Total Units
Pranav Constructions Limited	699
Developer 2	255
Developer 3	249
Developer 4	186
Developer 5	184
Total	1,573

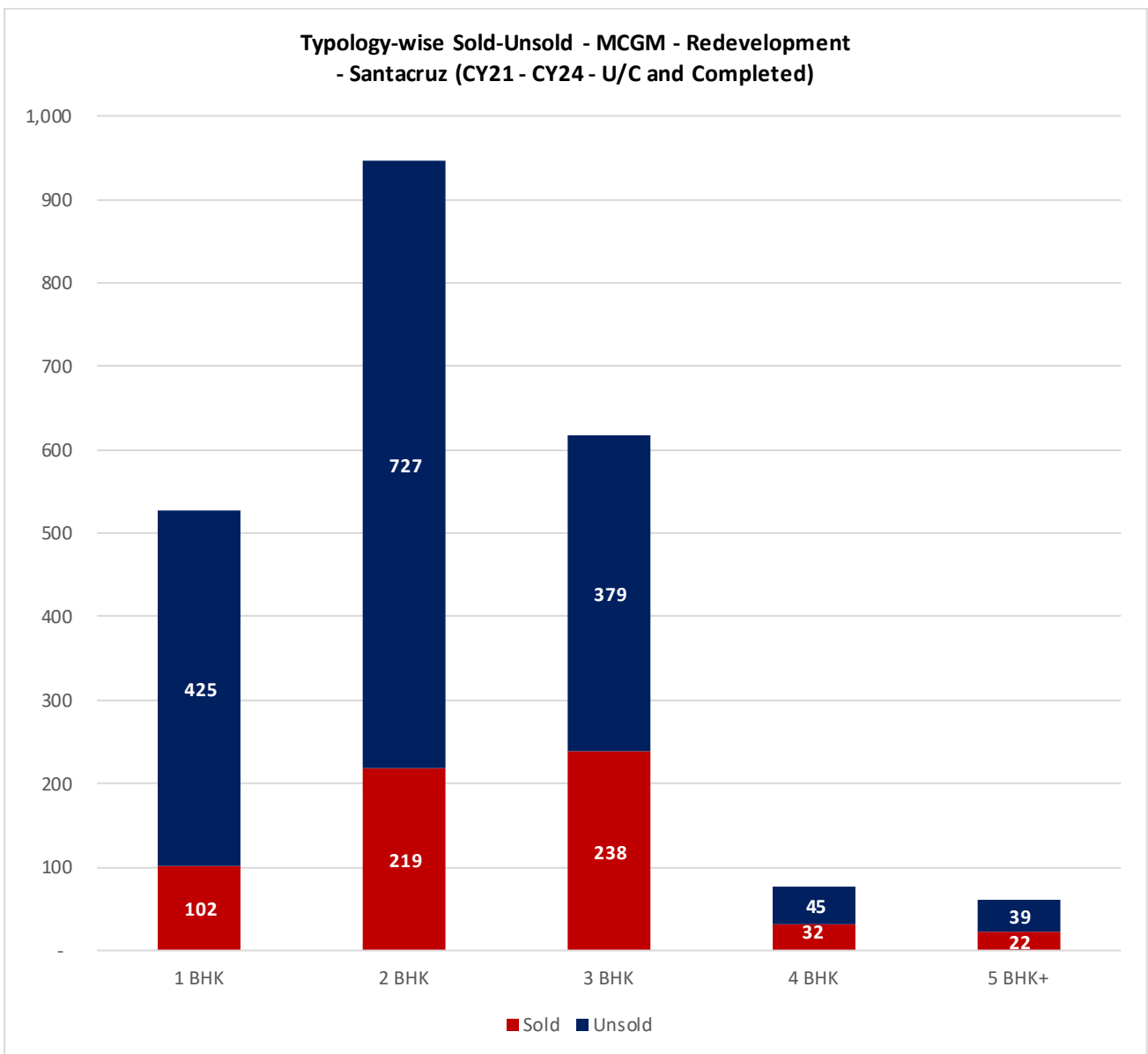
Source: Maha RERA, C&W Research



Santacruz:

The Santacruz micro-market consists of 2,228 units under MCGM – Redevelopment projects launched between CY21 and CY24. 2BHK, 3BHK and 4BHK have witnessed healthy average absorption levels (34%) in the market while also accounting for 74% of the total supply. 2BHK contributes to the highest share in terms of supply (42%), followed by 3BHK (28%). 2BHK & 3BHK have witnessed high absorption of 36% and 39% respectively of the total sold units.

Figure 44

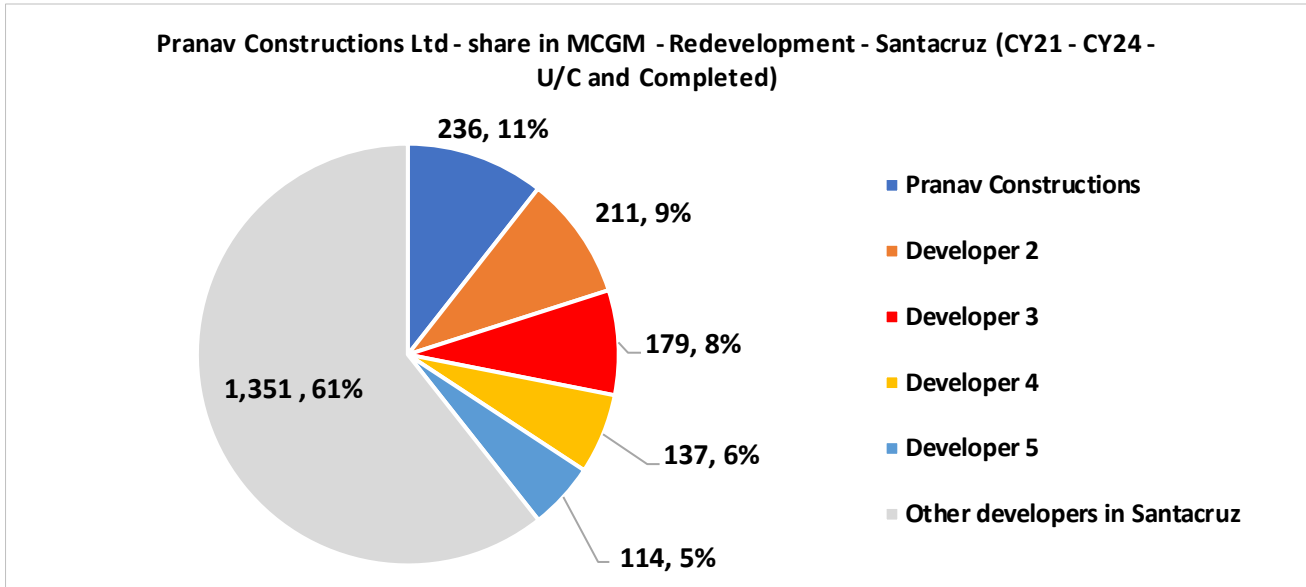


Source: Maha RERA, C&W Research



The graph below shows the share of the top 5 developers in Santacruz micro-market in terms of supply across MCGM – Redevelopment launched between CY21 and CY24. Pranav Constructions Limited accounts for 11% (236 units) of the total supply in Santacruz in the said period. Additionally, 107 units will be added to Santacruz micro-market by Pranav Constructions Limited which will help Pranav Constructions Limited build a stronger foothold in the micro-market.

Figure 45



Source: Maha RERA, C&W Research

The following table shows the top 5 players across Santacruz with the highest supply of MCGM - Redevelopment projects launched between CY21 and CY24. These players together have a total supply of 877 units with 39% market share. Pranav Constructions Limited ranks 1st in the Santacruz micro-market in terms of supply.

Table 14

Top 5 developers basis supply (Santacruz – MCGM - Redevelopment - U/C and Completed - Projects from CY21-CY24)	
Developer Name	Total Units
Pranav Constructions Limited	236
Developer 2	211
Developer 3	179
Developer 4	137
Developer 5	114
Total	877

Source: Maha RERA, C&W Research

5.1.12.



Micro-market wise MCGM – Redevelopment Projects overview for emerging micro-markets

Pranav Constructions Limited has upcoming projects across Andheri, Vile Parle, Khar, Mahim, Matunga and Chembur micro-markets. We have thus further analyzed these emerging micro-markets across Western Suburbs, Western Prime, Eastern Suburbs and Central Suburbs.

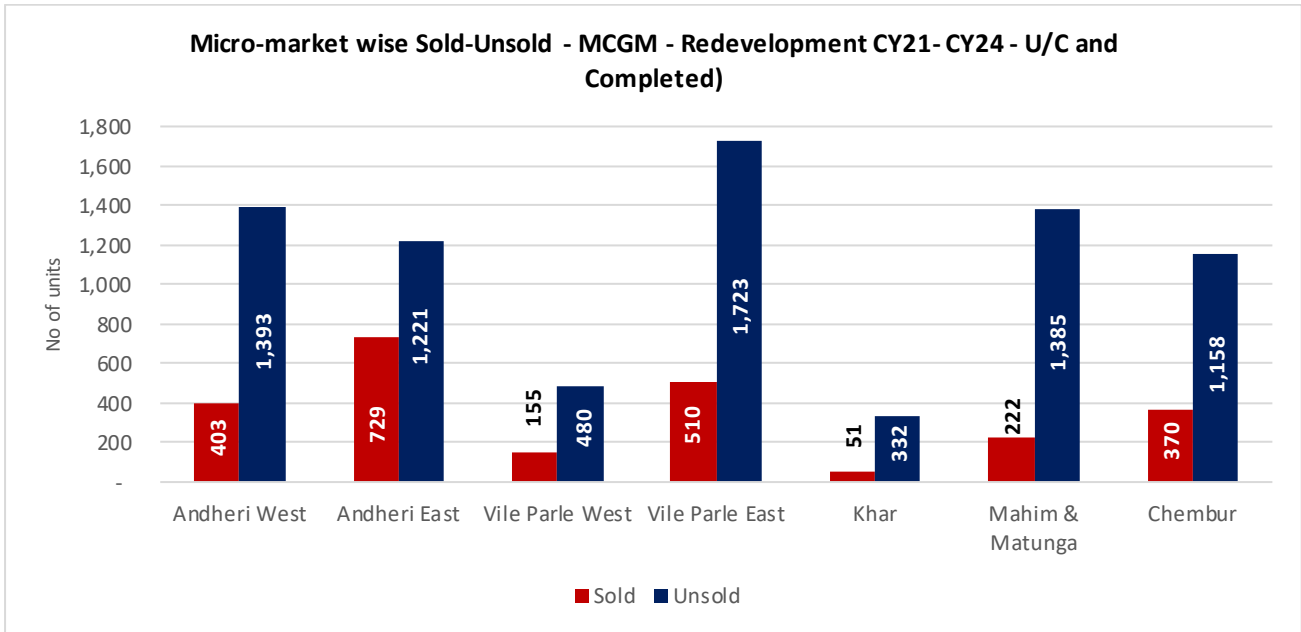
The total MCGM – Redevelopment supply across under construction and completed projects in CY21-CY24 within Andheri East & West, Vile Parle East & West, Khar, Mahim, Matunga and Chembur stands at 10,132 units. Andheri East & West has the highest supply with 37% (3,746 units) followed by Vile Parle East & West (2,868 units), Mahim & Matunga (1,607 units), Chembur (1,528 units) and Khar (383 units) with 28%, 16%, 15% and 4% respectively.

As of CY24, 24% (2,440 units) is absorbed amongst total supply. 46% (1,132 units) of the total sales is absorbed by Andheri East & West followed by Vile Parle East & West (27% with 665 units), Chembur (15% with 370 units), Mahim & Matunga (9% with 222 units) and Khar (2% with 51 units).

Of the total inventory across Andheri, 30% have been absorbed whereas Chembur micro-market has witnessed an absorption of 24% followed by Vile Parle with 23%, Mahim & Matunga with 14% and Khar with 13%.



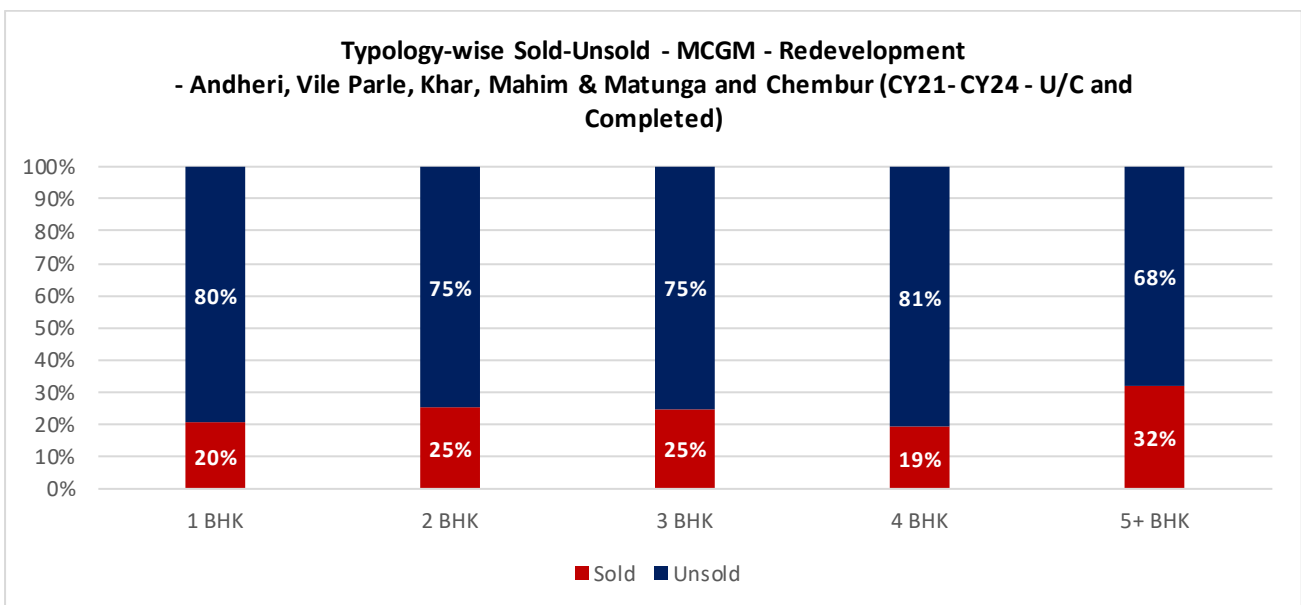
Figure 46



Source: Maha RERA, C&W Research

We have analyzed the typography of these supplies and identified that 2BHK contributes to the highest share of 44% (4,432 units) in terms of supply followed by 1BHK and 3BHK with shares of 25% and 24% respectively. 93% of the total supply comprises of 1BHK, 2BHK & 3 BHK with 46% of the total sold units are 2BHKs followed by 3BHKs (25%) and 1BHKs (21%).

Figure 47



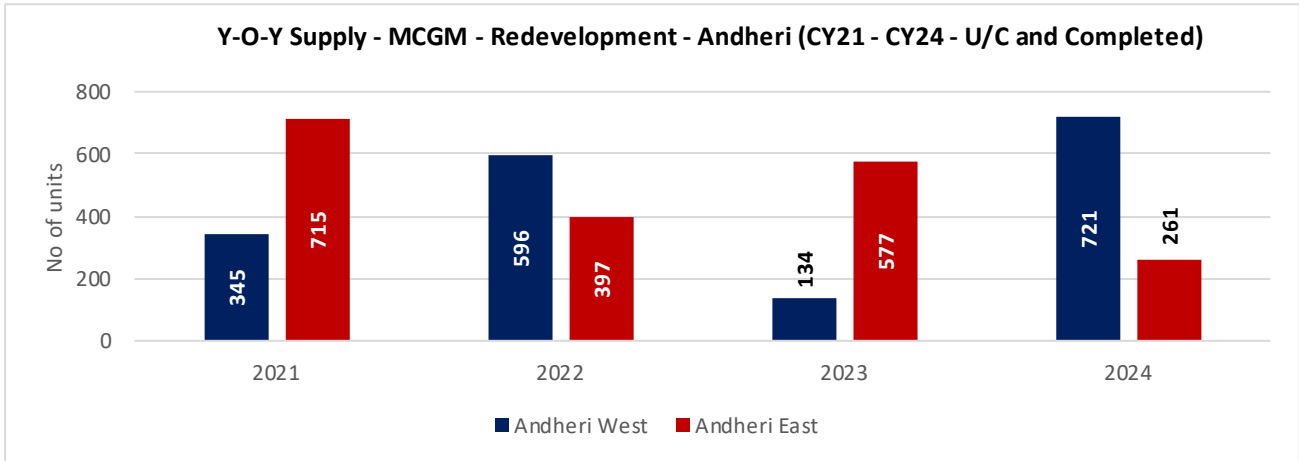
Source: Maha RERA, C&W Research



Andheri:

The micro-market has witnessed a supply of 3,746 MCGM – Redevelopment units in the last 4 years, with an average supply of ~835 units annually. Pranav Constructions Limited has planned a supply of 198 units in the Andheri micro-market for the next calendar year.

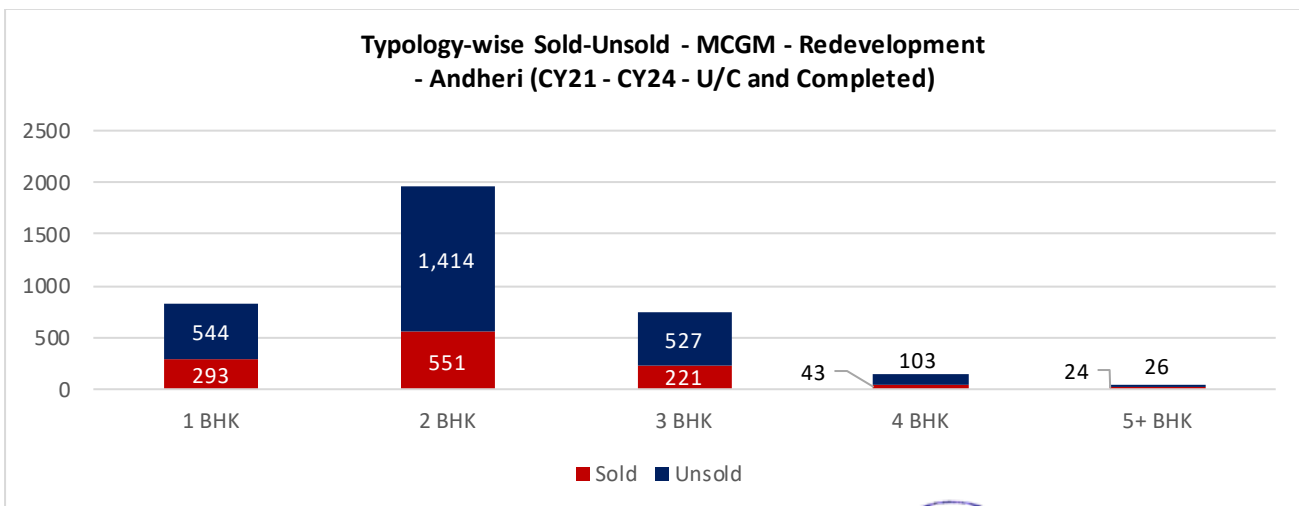
Figure 48



Source: Maha RERA, C&W Research

The total supply of Andheri micro-market is 3,746 units across MCGM – Redevelopment with under construction and completed projects from CY21-CY24. 1BHK, 2BHK, 3BHK have witnessed healthy average absorption levels (31%) in the market with a majority share (95%) of these typologies. 2BHK contributes to the highest share in terms of supply (52%), followed by 1BHK (22%) and 3BHK (20%). 2BHK also has witnessed the highest absorption with 49% of the total sold units, followed by 1 BHK with 26%.

Figure 49



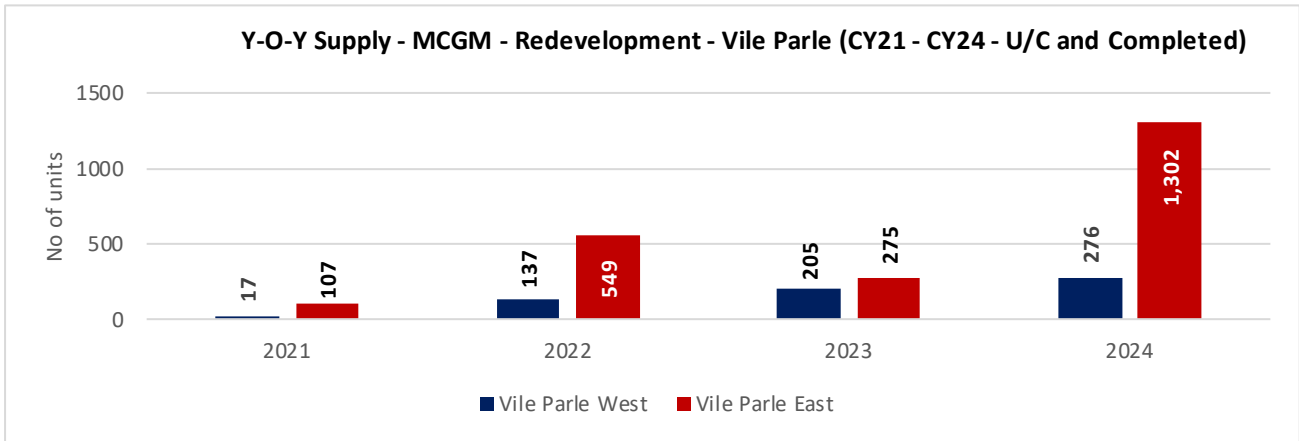
Source: Maha RERA, C&W Research



Vile Parle:

The micro-market has witnessed a supply of 2,868 MCGM – Redevelopment units in the last 4 years, with an average supply of 430 units annually between CY21-CY23. Pranav Constructions Limited has planned a supply of 119 units in the Vile Parle micro-market for the next calendar year.

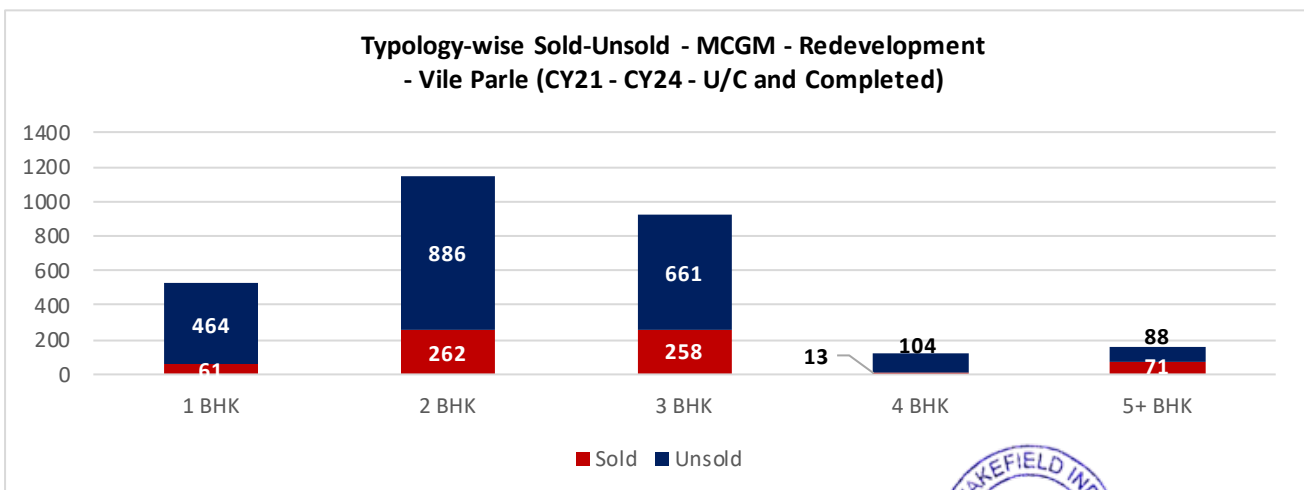
Figure 50



Source: Maha RERA, C&W Research

The total supply of Vile Parle micro-market is 2,868 units across MCGM – Redevelopment with under construction and completed projects from CY21-CY24. 2BHK and 3BHK have witnessed healthy average absorption levels (25%) in the market with a majority share (72%) of these typologies. 2BHK contributes to the highest share in terms of supply (40%), followed by 3BHK (32%) and 1BHK (18%). 2BHK and 3BHK also have witnessed the highest absorption with 39% of the total sold units respectively.

Figure 51



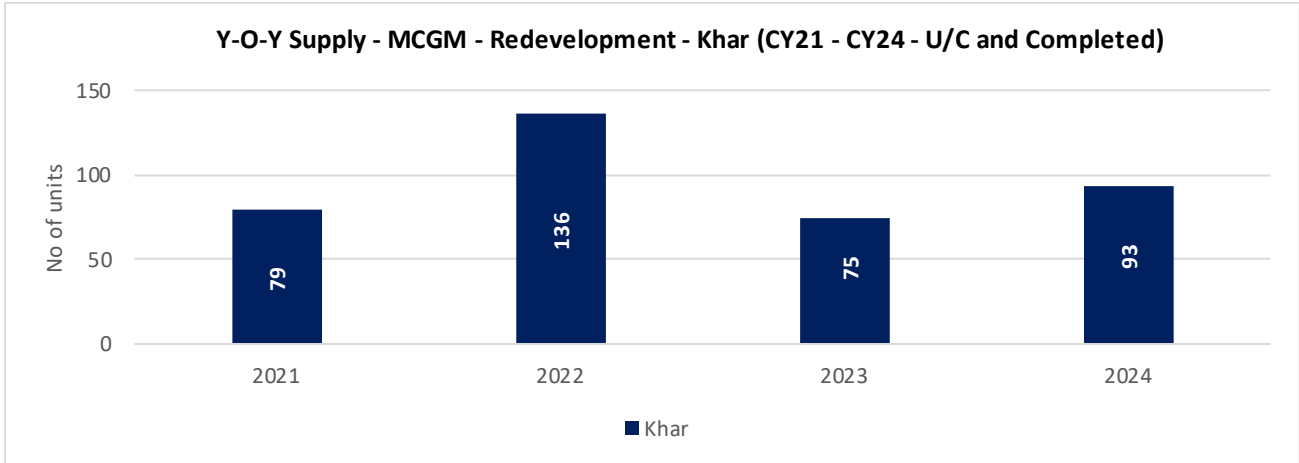
Source: Maha RERA, C&W Research



Khar:

The micro-market has witnessed a supply of 383 MCGM – Redevelopment units in the last 4 years. Pranav Constructions Limited has planned a supply of 21 units in the Khar micro-market for the next calendar year.

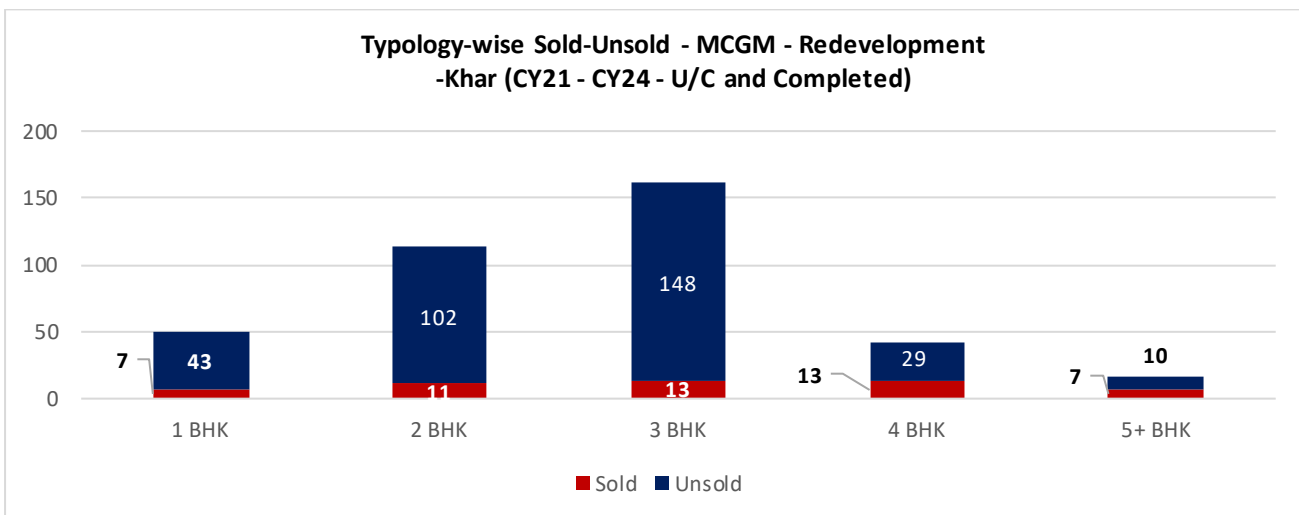
Figure 52



Source: Maha RERA, C&W Research

85% of the total supply in the market is from 1BHK, 2BHK, 3BHK. 3BHK contributes to the highest share in terms of supply (42%), followed by 2BHK (30%) and 1BHK (13%). 3BHK & 4BHK have witnessed the highest absorption with 25% of the total sold units respectively, followed by 2 BHK with 22%.

Figure 53



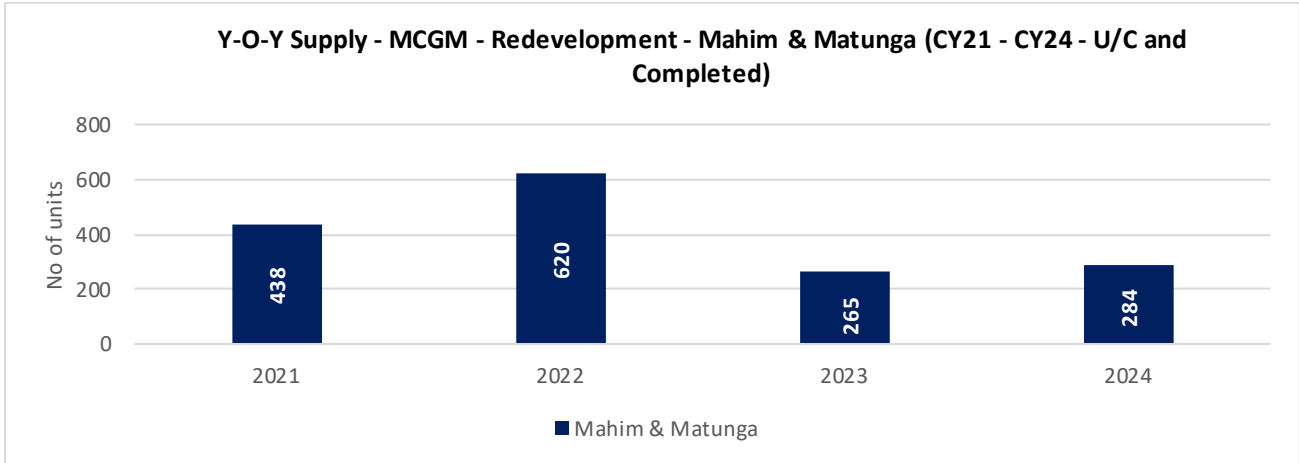
Source: Maha RERA, C&W Research



Mahim & Matunga:

The micro-market has witnessed a supply of 1,607 MCGM – Redevelopment units in the last 4 years. Pranav Constructions Limited has planned a supply of 88 units in the Mahim & Matunga micro-market for the next calendar year.

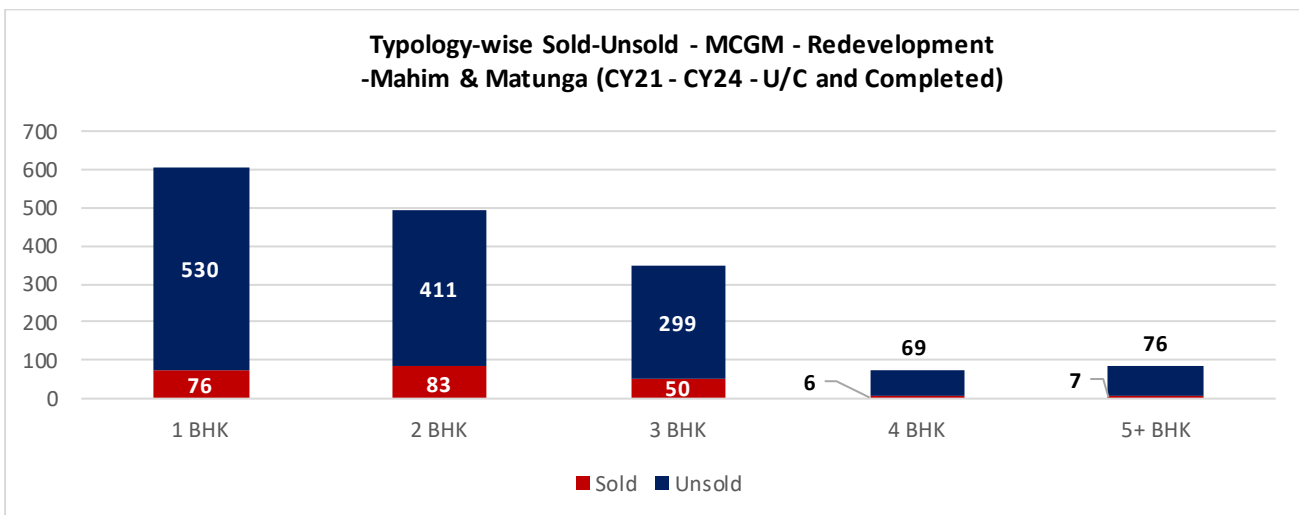
Figure 54



Source: Maha RERA, C&W Research

90% of the total supply in the market is from 1BHK, 2BHK, 3BHK. 1BHK contributes to the highest share in terms of supply (38%), followed by 2BHK (31%) and 3BHK (22%). 2BHK also has witnessed the highest absorption with 37% of the total sold units, followed by 1 BHK with 34%.

Figure 55



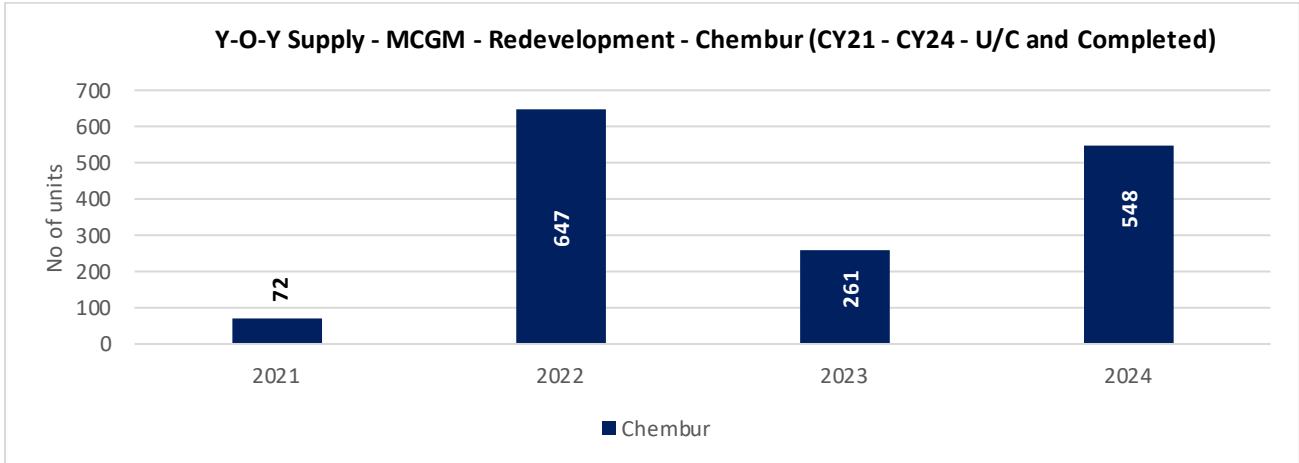
Source: Maha RERA, C&W Research



Chembur:

The micro-market has witnessed a supply of 1,528 MCGM – Redevelopment units in the last 4 years. Pranav Constructions Limited has planned a supply of 29 units in the Chembur micro-market for the next calendar year.

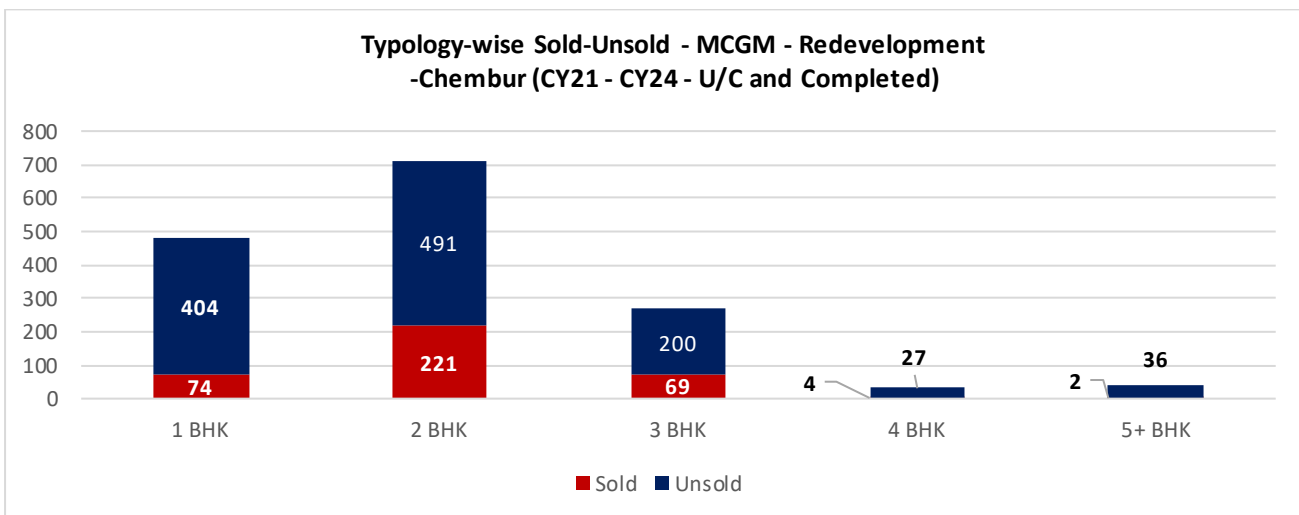
Figure 56



Source: Maha RERA, C&W Research

95% of the total supply in the market is from 1BHK, 2BHK, 3BHK. 2BHK contributes to the highest share in terms of supply (47%), followed by 1BHK (31%) and 3BHK (18%). 2BHK also has witnessed the highest absorption with 60% of the total sold units, followed by 1 BHK with 20% and 3BHK with 19%.

Figure 57



Source: Maha RERA, C&W Research



Under construction supply for emerging micro-markets

We have further analyzed the under construction MCGM – Redevelopment supply. The total MCGM – Redevelopment supply across under construction projects launched between CY21 and CY24 within Andheri East & West, Vile Parle East & West, Khar, Mahim, Matunga and Chembur stands at 10,132 units. Andheri East & West has the highest supply with 37% (3,746 units) followed by Vile Parle East & West (2,868 units), Mahim & Matunga (1,607 units), Chembur (1,528 units) and Khar (383 units) with 28%, 16%, 15% and 4% respectively.

The table below shows Pranav Constructions Limited upcoming supply in the next calendar year across the emerging micro-markets of Andheri, Vile Parle, Khar, Mahim & Matunga and Chembur.

Table 15

Locality	Current Supply from U/C projects	Upcoming supply by Pranav Constructions Limited
Andheri	3,746	198
Vile Parle	2,868	119
Khar	383	21
Mahim & Matunga	1,607	88
Chembur	1,528	29
Total	10,132	455

Source: Maha RERA, C&W Research



ANNEXURE 1: MUMBAI METROPOLITAN REGION INFRASTRUCTURE MAP

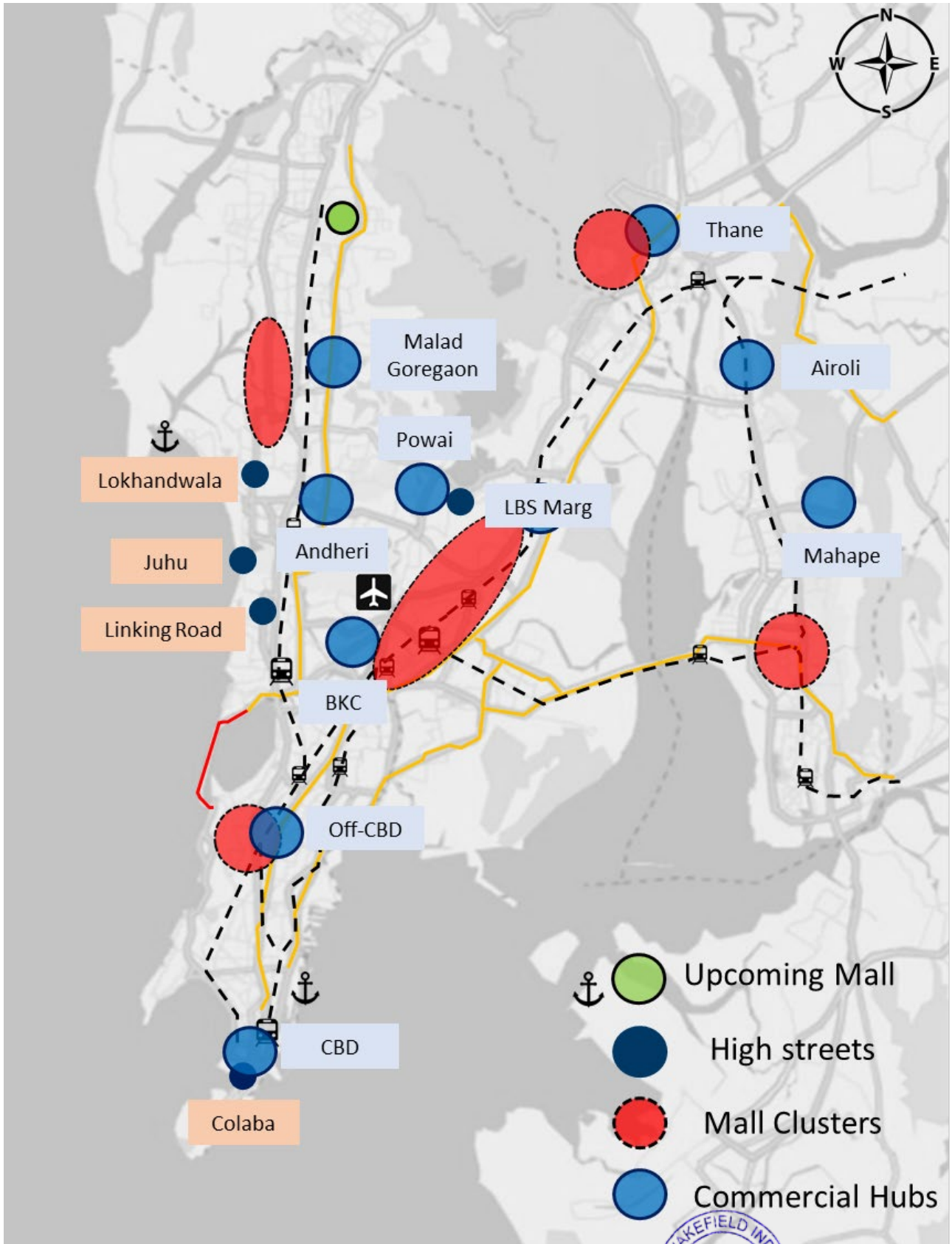
MMR - Upcoming Infrastructure Projects



Source: C&W Research



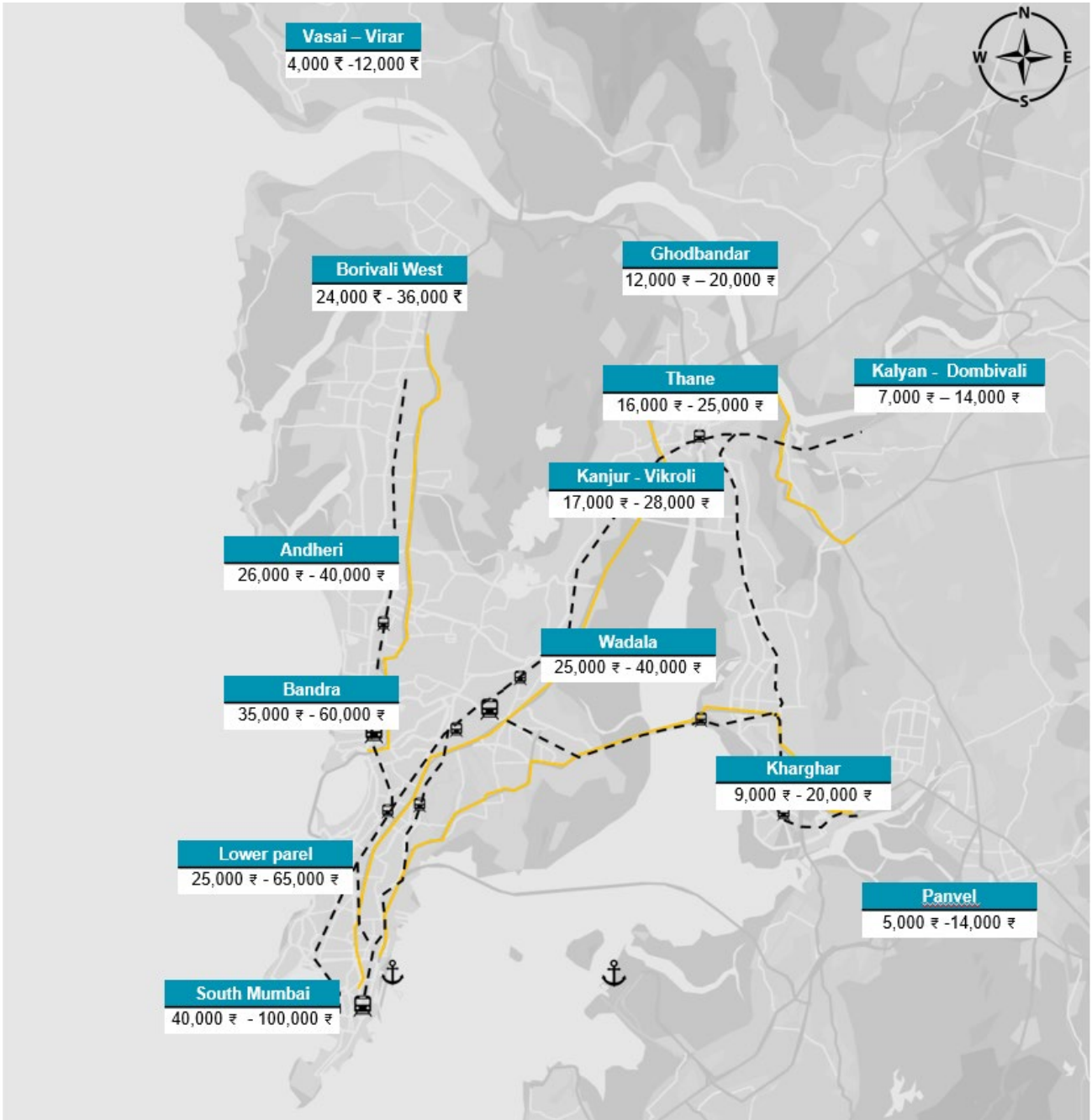
ANNEXURE 2: MUMBAI RETAIL AND COMMERCIAL MARKET SPREAD



Source: C&W Research



ANNEXURE 3: MMR RESIDENTIAL CAPITAL VALUE RANGES (INR per sq ft on carpet area)



Source: C&W Research



CAVEATS & LIMITATIONS

- The 'Industry Report' referred to as the "Report" will not be based on comprehensive market research of the overall market for all possible situations. Cushman & Wakefield India (hereafter referred to as "C&WI") will cover specific markets and situations, which will be highlighted in the Report. C&WI will not be carrying out comprehensive field research-based analysis of the market and the industry given the limited nature of the scope of the assignment. In this connection, C&WI will rely solely on the information supplied to C&WI and update it by reworking the crucial assumptions underlying such information as well as incorporating published or otherwise available information.
- In conducting this assignment, C&WI will carry out analysis and assessments of the level of interest envisaged for the property(ies) under consideration and the demand-supply for the residential sector in general. C&WI will also obtain other available information and documents that are additionally considered relevant for carrying out the exercise. The opinions expressed in the Report will be subject to the limitations expressed below.
 - C&WI endeavors to develop forecasts on demand, supply and pricing on assumptions that would be considered relevant and reasonable at that point in time. All these forecasts will be in the nature of likely or possible events/occurrences and the Report will not constitute a recommendation to **Pranav Constructions Limited** (hereafter referred to as the "Client") or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which forecasts have been generated and is not recommended as an input to a financial decision.
 - Changes in socio-economic and political conditions could result in a substantially different situation than those presented at the stated effective date. C&WI assumes no responsibility for changes in such external conditions.
 - In the absence of a detailed field survey of the market and industry (as and where applicable), C&WI will rely upon secondary sources of information for a macro-level analysis. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis.
 - The services provided will be limited to the Industry Report and will not constitute an audit, a due diligence, tax-related services or an independent validation of the projections. Accordingly, C&WI will not express any opinion on the financial



information of the business of any party, including the Client and its affiliates and subsidiaries. The Report will be prepared solely for the purpose stated and should not be used for any other purpose.

- While the information included in the Report will be believed to be accurate and reliable, no representations or warranties, expressed or implied, as to the accuracy or completeness of such information is being made. C&WI will not undertake any obligation to update, correct or supplement any information contained in the Report.
- In the preparation of the Report, C&WI will rely on the following information:
 - Information provided to us by the Client, its affiliates, subsidiaries and third parties;
 - Recent data on the industry segments and market projections;
 - Other relevant information provided to us by the Client and its affiliates and subsidiaries at C&WI's request;
 - Other relevant information available to C&WI; and
 - Other publicly available information and reports.
- The Report will reflect matters as they currently exist. Changes may materially affect the information contained in the Report.
- All assumptions made in the Industry Report will be based on information or opinions as current. In the course of the analysis, C&WI would be relying on information or opinions, both written and verbal, as current obtained from the Clients as well as from third parties provided with, including limited information on the market, financial and operating data, which would be accepted as accurate in bona-fide belief. No responsibility is assumed for technical information furnished by the third-party organizations, and this is bona-fidely believed to be reliable.
- No investigation of the title of the assets will be made and owners' claims to the assets will be assumed to be valid. No consideration will be given to liens or encumbrances, which may be against the assets. Therefore, no responsibility is assumed for matters of a legal nature.
- The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from C&WI for any purpose without prior consent from C&WI and should take all reasonable precautions to protect such information from any sort of disclosure. The information or data, whether oral or in written form (including any negotiations, discussion, information or data) forwarded by C&WI to the Client may comprise confidential information and the Client undertakes to keep such information strictly confidential at all times.

