

ADVANTAGES OF INVESTMENT IN REAL ESTATE IN GUJARAT

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**INDIAN PROPERTY SHOW AT LONDON
APRIL 2016**

INDIA: WORLD'S LEADING GROWTH ECONOMIES

- **India: The emerging global icon, one of the fastest growing economies in the world**
- **India continues to be praised for its steady advancement, positive and broad outlook and its determination to succeed**
- **India is the 3rd largest economy in terms of GDP at Purchasing Power Parity (PPP): USD 5.06 trillion**
- **India is the 10th largest economy in terms of GDP (Nominal): USD 1.89 trillion**
- **India is ranked the 3rd most attractive destination for FDI**
- **India is ranked 2nd among developing economies for FDI**

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- **India has an incremental GDP growth rate of >6% which is highest among the leading economies of the world**
- **World's largest democracy with a population of 1.2 billion**
- **Enabling business environment with greater global participation**
- **Access to technology as a consequence of the IT revolution**
- **Simplification and rationalization of Direct and Indirect Tax structure**
- **Well established Financial system and Strong Market fundamentals**
- **Land of abundant natural resources and diverse climatic conditions**
- **Competitively priced highly skilled and innovative manpower**

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INVESTMENT OPPORTUNITIES IN GUJARAT

- **Gujarat's commendable growth has made it one of the most trustworthy places for Global Investors.**
- **The world is a beauty contest of investments and investors go to where it is reliable to invest. Gujarat is one of the better places for serious investors.**
-H.E. Mr. Michael Steiner, Ambassador of Germany to India
- **My visit to Gujarat was an eye opener on progress the state has made.**
-H.E. Mr. Takishi Yogi Ambassador of Japan to India
- **The world has high expectations from India and these are being met in Gujarat. Gujarat is setting Global standards.**
-H.E. Mr. Freddy Svane Ambassador of Denmark to India

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GUJARAT: LAND OF OPPORTUNITIES

- **Strategically located on the West Coast of India, Gujarat Is well connected to the major cities of the world by air and sea routes**
- **A strong economy with the State Domestic Product (SDP) rising at an average growth rate of 10.1% since 2005 to 2013, more than the national average**
- **Gujarat achieved an annual growth rate of 9.51% during the 11th plan (2007-2012)**
- **Ranked 1st in India for "Economic freedom among States Economic Freedom of the States of India 2013**

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- **FDI equity inflows - USD 9.5 billion; Outstanding investments are around USD 255.4 billion**
- **Gujarat, with a coastline of 1600 km is well connected to all the major port-based trade routes, such as USA, Canada, Europe, Australia, China, Japan, Korea, Gulf & African countries and other major trade cities of the world by air route.**

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GUJARAT'S SHARE IN INDIA

- **A population of 60 million, i.e. 5% of India's Population**
- **6% of India's geographical area**
- **7.5% of India's GDP**
- **9.5% share in India's work force**
- **13% Net Value (manufacturing)**
- **10% of India's factories are in Gujarat**
- **30% share in India's Stock Market Capitalization**

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- **25% of India's export**
- **40% of total Indian Port Cargo was handled by Gujarat's Port**
- **Gujarat attracted 131 FDI proposals worth USD 3.7 billion over 2011-2012 and became the state with the second highest number of FDI proposals.**

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ADVANTAGE GUJARAT

- **Income tax benefits to the buyers as well as developers.**
- **Liberal policies adopted by The Banks & The Housing Finance Companies in sanctioning projects & financing to individuals.**
- **Rent Control Act simplified.**
- **Govt. decision to initiate private companies & reduce supply of public housing.**
- **Steps towards system improvisation, like affixing photographs during sale deed.**

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- **State Government simplified few of the age old revenue laws like 8 km restriction for buying agriculture land, New tenure to old tenure conversion for agriculture purpose and repeal of ULC Act.**
- **Reduction in stamp duty by state government from 11.2% to 8.4% & and further downward revision of 4.9% (In just 2 years time)**
- **Prompt implementation of TP Schemes.**
- **Plan sanction procedure through E-governance by AMC**
- **Speedy Approvals from AUDA**
- **Single Urban Development Monitoring Authority enacted by increasing the AMC Limit**

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Unique Urban Planning advantage

Urban Planning Advantage

- TP Scheme mechanism (Micro-level Planning)
- Land Pooling through PP Partnership.
- Serviced land
- Development precedes occupancy
- Unique Public-private partnership model
- Self-sufficient for infrastructure

Development Plan

- Controls Speculation
- Controls Haphazard development
- Prepared by overlapping on the previous plan (Continuity)
- Facilitates long term investments.

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OPPORTUNITY AHMEDABAD

Attractive legal measures

- **Amendment in the Rent Control Act.**
- **Repeal of ULC Act**
- **Amendment in Gujarat Town Planning & Urban Development Act, 1976.**
- **System improvisation in obtaining non-agricultural permissions for land.**
- **System improvisation in Stamp Duty Registration.**
- **Simplifying few of the age old revenue laws like 8 km restriction for buying agriculture land and New tenure to old tenure conversion for agriculture purpose.**
- **Reduction in stamp duty by state government.**
- **E-governance by AMC.**
- **Proactive measures for rain water harvesting**

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Advantage Gujarat

- More Investment Driven
- High Private and FDI funding.
- Economic incentives from Central Govt.
- High Population Growth
- Massive Infrastructure Requirements & growth.
- Pressure on Land and Housing (more demand)
- High Environmental Awareness
- Job growth
- Improved Services (medical, recreational, etc.)
- New Policies and reforms
- More public-private Partnerships
- Competitive Price Advantage

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Final Word

The fundamentals for investing in property markets remain strong in India,

REASONS

- **Relatively low interest rates**
- **Strong capital flows**
- **High employment growth**
- **Abundant liquidity,**
- **Attractive demographics (young population and migration from West),**
- **Increase in affordability, large supply of stock to keep up with demand and focus on quality.**
- **Unique Co-operative, freehold setup to chose from.**

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INVESTMENT IN REAL ESTATE IN GUJARAT

Investing in real estate in today's market is all about spotting the right opportunity. Gujarat promises to be the right place for investment in Real Estate on account of the following factors:

- Land of entrepreneurs
- Economic and financial growth, Infrastructural development and Growing job opportunities promises good returns in real estate sector
- Surat, Ahmedabad, and Vadodara have witnessed one of the highest population growth rates in the last decade in India
- Ahmedabad / Surat / Vadodara / Rajkot known as the “Vibrant Cities” are located on a stretch of 300 km and hence have lesser geographical spread than other well established industrial bases in India.

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- In 2010, Forbes list of world's fastest growing cities included Ahmedabad at number three
- Gujarat has the world's largest grassroots petroleum refinery at Jamnagar
- India's only Liquefied Natural Gas (LNG) terminals at Hazira and Dahej
- Surat and Vadodara are also one of the fastest growing cities in the world on account of the diamond and textile industries and more particularly because of the proximity with Maharashtra
- Gujarat boasts the contributes significantly to the country's diamond processing (80%), plastic industry (65%), and pharmaceuticals (45%)
- Availability of land and that too at considerably cheaper rate as compared to other states

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- High demand for both residential and commercial properties with a significant portion of growing middle class
- Highest investor interest in setting up new industries with major infrastructure projects under execution
- One of most proactive governance and the government policies are being made to sustain the growth momentum
- Better per capita income as compared to other states
- Higher population base and higher urbanization rates as compared to other states.
- Expected to be among the most developed states in the country by 2020 and is heavily relied upon to contribute significantly to country's GDP.

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