



e-paper



Read 3 Time(s)



Jun 24 2017 : The Times of India (Mumbai)

## Welcome home NRIs

Ravi Sinha Tpmfeedback

**With a slew of reforms taking place globally and the emergence of de-globalisation, is now simply the right time for NRIs to return to their motherland? How will it impact real estate?**

**We find out...**

Call it the magnetism of the economic power of Mumbai or simply the charm of a global lifestyle in the city, but the fact of the matter is that Mumbai is a blessed destination in the wake of globalisation and de-globalisation. Both the waves have only strengthened the investment climate of the city and the first indicator of the change in the global outlook has been registered in the investment pattern of the property market in the city.

A section of analysts is hence, apprehensive over the paradigm shift in the global outlook and wonder whether it would hurt Mumbai's property market. After all, the wave of de-globalisation and the emerging market realities like Trump's stance on visas and jobs (to immigrants), BREXIT and the Australian visa policy, indicate that the matured economies of the world that were job magnets for the NRIs are today, driving the NRIs back to India. The reality nevertheless, is that the wave might prove to be a blessing in disguise for Mumbai's property market. After all, most of the NRIs returning to India, have two major considerations before investing quality housing in a good neighbourhood and the availability of good job opportunities. Most of the industry stakeholders are hence, going that extra mile to tap these wealthy Indians. From overseas property shows to online channels for booking, the developers don't want to leave any stone unturned to tap the sizeable chunk of this expected investment.

Srinivasan Gopalan, group CEO, Ozone Group, admits that today, virtually every developed economy is talking of protecting their own labour force, thus leading to a threat to the Indians who are employed and those who are seeking employment in these countries. We are increasingly coming across terms like de-globalisation and protectionism, which are used mainly by politicians across the world. "De-globalisation is a reality today and advanced economies like US, UK, some European countries and the Middle East, have made policies that make it much harder for Indians to seek employment while creating a cause for concern for existing NRIs who are employed in these countries. The NRIs are increasingly looking at not only Mumbai but also Chennai, Bengaluru and Hyderabad for real estate investment," says Gopalan.

Vipul Shah, managing director, Parinee Group agrees that Mumbai would be the biggest magnet for the NRIs. Mumbai's real estate market has always been lucrative and with the implementation of RERA, it is more transparent, lucrative and safer to invest in a property here. "Compared to any tier-I city, Mumbai has always given good returns as far as real estate is concerned. With the government agencies enforcing regulatory bodies and directly monitoring the developments in Maharashtra, it has become more beneficial for any investor to put their money in Mumbai's property market," says Shah.

Confirming the trend, Shrikant Shinde, a property agent in Malad, admits that the enquiry level of the NRIs, in the last two quarters, have been on a high. According to him, Mumbai and Bangalore are the two cities where most of the investment by these NRIs will take place and the reasons are pretty clear luxury of a good lifestyle and economic opportunities.

"As of now, most of the NRIs are evaluating the potential of the market and it may take another couple of quarters before we finally see NRI investment taking place in Mumbai's property market. Most of these expat Indians who have enquired about the property have also asked about either the job opportunities or the availability of Grade A office spaces," says Shinde.

Most of the analysts believe that real estate, as an asset class, has been more or less stagnant over the last three-four years in Mumbai, with not much price appreciation after running up sharply in the preceding years. Further, with the implementation of RERA, investor interests are better protected, which is a plus point to attract the NRIs who are anyway looking at protecting and growing their investments. Additionally, with the scope of REITs coming into the picture soon, the market will bring an additional investment opportunity for NRIs to participate in Mumbai's real estate market. Mumbai is also gearing up for the future infrastructure requirements with the commissioning of the Metro III, NhavaSheva Trans-Harbour Sea Link, Navi Mumbai International Airport, among others.

Thus, in a nutshell, the global realities of de-globalisation, protectionism by some of the key nations and lesser jobs overseas, clearly suggest that India has suddenly emerged as the new destination for NRI investment. Mumbai, being the financial capital, is all set to get the lion's share of the investment. The price point of most of the quality housing projects and Grade A offices also suggest that it is advantageous for NRIs to invest in the city's property market now. Add to it, the reforms in the sector that promise more transparency!



e-paper



Read 3 Time(s)



MARKET WILL BRING AN ADDITIONAL INVESTMENT OPPORTUNITY FOR NRIs TO PARTICIPATE IN MUMBAI'S REAL ESTATE MARKET.



**MUMBAI'S REAL ESTATE MARKET HAS ALWAYS BEEN LUCRATIVE AND WITH THE IMPLEMENTATION OF RERA, IT IS DESTINED TO BE A LOT MORE TRANSPARENT AND INVESTOR-FRIENDLY.**



**WHY COME BACK TO INDIA...**

- The wave of de-globalisation and emerging market realities such as Trump's stance on visas and jobs (to immigrants), BREXIT and the Australian visa policy, indicate that the matured economies of the world, that were once job magnets for the NRIs, are instead today, driving the NRIs back to India.

**MUMBAI: DRIVEN BY INFRASTRUCTURE**

- Mumbai is geared up for future infrastructural introductions with the commissioning of projects such as Metro III, Nhava-Sheva Trans-Harbour Sea Link, Navi Mumbai International Airport, etc.

**DE-GLOBALISATION IS LEADING NRIs BACK TO MUMBAI'S PROPERTY MARKET:**

- Economic opportunities and lifestyle-driven quality housing are Mumbai's USPs;
- Reforms in the sector, thus leading to trust and transparency and compelling NRIs to invest;
- An attractive price point. Post reforms/REITs, the market is expected to give sizeable appreciation.

[About Us](#) | [Advertise with Us](#) | [Terms of Use](#) | [Privacy Policy](#)  
 Copyright © 2010 Bennett, Coleman & Co. Ltd. All rights reserved.  
 Site best viewed in 1024 \* 786 resolution



**e-paper**



Read 3 Time(s)

