

2 BHK Resale flat off Radial Road

A resale flat
2 BHK comprising 958 sqft
Located on first floor
Exclusive 2 car parkings
On Indrajit Avenue off Radial road, behind Radiance Realty and Jones residential project.

For more information and details, contact
Raghav Realty Consultancy
Tel. 9384836698 or
Email: raghavrealty@gmail.com
(TN/Agent/0353/2022 dated 21.05.2022)

CHENNAI PROPERTY

Triplicane Vyasaraja Mutt
Triplicane, Chennai

Sri Vyasaraja Math is one of the three premier Dvaita Vedanta monasteries descended from Jagadguru Sri Madhvacharya through, Rajendra Tirtha and their disciples. Vyasaraja Math, along with Uttaradi Math and Raghavendra Math, are considered to be the three premier apostolic institutions of Dvaita Vedanta and are jointly referred as Mathatraya. Chennai's Triplicane based Vyasaraja Mutt development work has been undertaken and the construction cost has been estimated at Rs 2.5 crore. Devotees are requested to contribute their mite for the noble cause.

Contribute through GPay No. 9789990188
Call Mr N Ramakrishna Achar on 9940317614 or 9444802951 for more information.

TRENDS

INSTITUTIONAL INVESTMENTS UP 47% YOY

Institutional investments in Q1 2025 reached USD 0.81 billion, marking a 47% year-on-year increase. This significant uptick reflects the strong fundamentals of the real estate sector and a renewed sense of confidence among investors.

As investments approach the billion-dollar mark in Q1 2025, the residential sector has emerged as the frontrunner, dominating with 62% of the total share —up from 41% in the same period last year. In value terms, investments reported an annual increase of 125%, reaching USD 506.1 Million in Q1 2025.

Quarters	Institutional Investments (USD Billion)	Quarterly Change %
Q1 2024	0.55	-31%
Q2 2024	3.10	464%
Q3 2024	0.96	-69%
Q4 2024	2.22	129%
Q1 2025	0.81	-63%

Source: Vestian Research

Commercial assets witnessed investments worth USD 307.2 Million in Q1 2025, accounting for 38% of the total investments received during the quarter. While the share declined from 42% in Q1 2024 to 38% in

Investments soared amid global macroeconomic uncertainty; Foreign investors' confidence resurrected, says Vestian survey

Asset Type	Institutional Investments (USD Million)			% Share		% Change		
	Q1 2025	Q4 2024	Q1 2024	Q1 2025	Q4 2024	Q1 2025 vs Q4 2024	Q1 2025 vs Q1 2024	
Commercial	307.2	848.5	231.6	38%	38%	42%	-64%	33%
Residential	506.1	908.5	225.0	62%	41%	41%	-44%	125%
Industrial & Warehousing	Negligible	303.3	58.9	Negligible	14%	11%	NA	NA
Diversified	Negligible	156.0	36.6	Negligible	7%	6%	NA	NA
Total	813.3	2,216.3	552.1	100%	100%	100%	-63%	47%

Note: Commercial assets include office, retail, co-working, and hospitality projects. Source: Vestian Research

Q1 2025, investments surged by 33% in value terms during the same period. Interestingly, the industrial & warehousing sector did not record any significant investment in Q1 2025. However, it is expected to garner investments in the future on the back of the rapidly growing e-commerce sector and a reduction in logistics costs.

While domestic investors remained confident about India's growth story, the participation of foreign investors increased

during Q1 2025. The share of foreign investors jumped from 2% in Q1 2024 to 43% in Q1 2025, fueled by a stabilizing global economy, India's robust economic growth compared to the major economies of the world, and rapid infrastructure development. In value terms, foreign investments skyrocketed by 3,054% annually, reaching USD 346.9 Million in Q1 2025 from USD 11 Million a year earlier.

On the other hand, domestic investors dominated with 57% share in Q1 2025.

However, their share dropped from 98% a year earlier. In terms of value, domestic investments stood at USD 466.4 Million, registering an annual decline of 14%.



Shrinivas Rao, FRICS, CEO, Vestian said, "Investor confidence in India's growth story remains strong, with both foreign and domestic players

Continued on Page 2

High-end residential apartment project in the heart of Mylapore (off PS Sivasamy Salai)

First, second and third floors, 2 units on each floor
Size ranging from 2,162 sqft to 2,214 sqft.
Two covered car parking, terrace garden
100% power back-up.




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TRENDS

SURGE IN HOUSING SALES IN Q1

The Chennai residential real estate market opened 2025 on a positive note, as highlighted in the Q1 2025 report released by CREDAI Chennai. The latest figures reflect a strong recovery and rising buyer confidence, with sharp growth in unit registrations, steady sales, and continued leadership by CREDAI Chennai developers. The quarter also reflected measured optimism from developers, a more discerning buyer segment, and firm steps toward a well-balanced, resilient housing market.

The number of residential units registered in Chennai during Q1 2025 stood at 8,042, reflecting an 88% increase over Q4 2024 (4,286 units) and an 11% rise over the same quarter in 2024 (7,218 units). Notably, CREDAI Chennai members accounted for 92% of these registrations, up from 6,346 in Q1 2024 to 7,412 in Q1 2025—a 17% year-on-year increase.

Sales momentum remained steady with 3,783 units sold in Q1 2025, up 7% quarter-on-quarter and 27% year-on-year from 2,983 units sold in Q1 2024. Of these, CREDAI developers accounted for 80% of the sales volume. Projects nearing completion or ready-to-occupy continued to be the preferred choice, reflecting an increasingly discerning buyer base focused on quality and timely delivery. The recent reductions in the repo rate and the Central Government's revised income tax slabs have further supported buyer sentiment, particularly among first-time home seekers.

Project registration activity remained stable, with 61 new residential projects registered in Chennai during the quarter. This marked a slight moderation from the 78 projects recorded in Q1 2024.

CREDAI maintained a strong regional presence, leading with 4,309 registered units in South Suburbs and 1,518 units in North Suburbs, along with consistent contributions in West and Central Chennai. Across Tamil Nadu, total project registrations spanning both buildings and layouts rose steadily month-on-month, with Q1 2025 seeing 1,436 registrations in total.

The south suburbs accounted for 31% of total project registrations and 56% of all unit registrations in the city. The spike was driven by improved infrastructure, Metro Phase II progress, and interest in emerging corridors including Parandur, Minjur, Chengalpattu, and Sriperumbudur. These locations are expected to witness continued momentum in upcoming quarters as integrated township models and decentralised planning gain traction.

As of March 2025, unsold residential inventory in completed projects stood at 7,872 units, reflecting stable levels compared to the previous quarter. CREDAI members held 5,937 of these units. The steady inventory numbers highlight efficient supply alignment, especially in a



Credai Chennai's survey signals renewed investor confidence in housing sector

climate where end-user demand continues to lead the market.

Across Tamil Nadu, 84 residential projects were registered in Q1 2025, with 61% attributed to CREDAI developers. Total residential unit registrations in the state reached 9,480 units, 90% of which were from CREDAI developers. Compared to Q4 2024, this marks a 34% increase, and a 24% increase compared to Q1 2024. These

numbers reinforce the broader market rebound, led by strong participation from established developers and an improving policy environment.

The market also benefited from key Government initiatives including the announcement of Master Plans for 136 cities, the launch of the Chennai Shoreline Revitalisation Project, and the development of satellite towns. These moves are

TOTAL RESIDENTIAL PROJECTS REGISTERED WITH TNRERA - CHENNAI - Q1 - 2025

Category	Jan-25	Feb-25	Mar-25	Total
CREDAI	10	16	12	38
Non-CREDAI	9	7	7	23
GOV - TNHB	0	0	0	0
Grand Total	19	23	19	61

TOTAL RESIDENTIAL UNITS REGISTERED WITH TNRERA - CHENNAI - Q1 - 2025

Jan-25	Feb-25	Mar-25	Total
1,951	3,630	1,831	7,412
290	232	108	630
0	0	0	0
2,241	3,862	1,939	8,042

TOTAL RESIDENTIAL UNITS SOLD IN CHENNAI DURING MARCH 2025 (Q1-2025)

Category	Units	Category	Units	Category	Units
CREDAI	3,017	Non-CREDAI	754	Gov - TNHB	12
Total Units : 3,783					

Source: Credai Chennai

Continued from page 1

Institutional Investments up 47% YoY

showing increased commitment to long-term investments. This is evident in the growing share of foreign investors, along with the active participation of domestic investors. As investment activity continues to build momentum, we can expect a notable increase in future inflows, further reinforcing India's position as a dynamic and attractive investment destination."

With key deals reaffirming confidence in the real estate sector, institutional investments are expected to maintain an upward trajectory, supported by rapid infrastructure development and economic stability.

Investor Type	Institutional Investments (USD Million)			% Share			% Change	
	Q1 2025	Q4 2024	Q1 2024	Q1 2025	Q4 2024	Q1 2024	Q1 2025 vs Q4 2024	Q1 2025 vs Q1 2024
Foreign	346.9	1,051.8	11.0	43%	47%	2%	-67%	3,054%
India-dedicated	466.4	458.5	541.1	57%	21%	98%	2%	-14%
Co-investment	Negligible	706.0	Negligible	Negligible	32%	Negligible	NA	NA
Total	813.3	2,216.3	552.1	100%	100%	100%	-63%	47%

Note: Co-investment refers to joint funding by foreign and domestic investors.

Source: Vestian Research

CHENNAI PROPERTY

(A fortnightly publication)

ADVERTISING RATES

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Basic rate (B&W)	Rs 100 pcc
Basic rate (Colour)	Rs 150 pcc
Page 1 (Colour)	Rs 200 pcc
Back page (Colour)	Rs 200 pcc
Ear panel (Colour)	Rs 5,000 per insertion.
Sponsored column	Rs 10,000 per insertion
Advertorial/Special	Rs 50,000
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Classifieds	For the first 25 words - Rs 200, Rs 10 for every additional word.

Chennai Property is published on 1st of every month.

Layout and design : Fairy M. Tel: 9884833854

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Priya Publications
26/10 South Mada Street, Sri Nagar Colony, Saidapet, Chennai 600015.

Tel. 42043857, 91766 27139

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Published by : N Bhanumathy

Editor : V Nagarajan

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expected to spur real estate activity beyond the core city and support long-term housing demand.

The Government's focus on inclusive urban development through schemes and new infrastructure investments in suburban corridors is enhancing liveability and making homeownership more accessible to a wider section of the population. We are seeing measured optimism in the market. Developers are taking a calibrated approach to new launches while strengthening regulatory compliance. The result is a more mature, balanced housing sector ready to scale with upcoming urbanisation," said Mr. A Mohamed Ali, President, CREDAI Chennai.

The recent reductions in the repo rate and the Central Government's revised income tax slabs will further support buyer sentiment, particularly among first-time home seekers. We expect this momentum to carry through into the next quarter as well, especially with infrastructure-led locations attracting renewed investor and end-user interest, said Mr Aslam P Mohamed, Secretary, CREDAI Chennai.

The Q1 2025 report released by CREDAI Chennai confirms that Chennai's residential market is in a phase of strong recovery, with CREDAI members continuing to lead from the front, shaping the sector with consistency, quality, and accountability.

SNAPSHOTS

SPE Mobicity Launched in Sunguvarchathiram

Adjoining Chennai-Bengaluru expressway, an affordable home project SPE Mobicity was launched recently. The site has 23', 30' and 40' wide and broad roads. The plots are surrounded by residential houses, schools, colleges, industries, hospitals and temples. Apartments and villas at affordable prices are made available.

The site is in proximity to Maharishi international schools (10 minutes), Saveetha hospital and medical college (25 minutes), Hyundai (20 minutes), Sriperumbudur bus stand (15 minutes), Sunguvarchathathiram metro station (7 minutes) and greenfield airport in Parandur (30 minutes). Phase 1 of the development involves plot sizes ranging from 1,320 sqft to 3,000 sqft and above.



Self-certification for stilt+2-floors

The government has permitted self-certification for stilt+2 floors and the designs will apply for plots upto 2,500 sqft with a built up area of 3,500 sqft. Among the wide range of self-certification being expanded include for cottage industries and green factories, relaxation in setback areas for row and group housing projects.

Lifetime Achievement Award for Irfan Razack

Prestige group's Chairman and Managing Director, Irfan Razack, has been awarded the Lifetime Achievement Award at the ET Business Awards - a tribute to a legacy built on integrity, perseverance, and purpose.

In that proud moment, Razack's words weren't about personal triumph, but about gratitude - for his team, his family, and the unwavering belief that together led to this prestigious award.

"I am grateful to ET for recognising and giving me Life Time Achievement

Award. What it means to me is that it is for the entire team that is behind me. I am only sort of leading the team and it is the team that really deserves whatever happened. If I have got this award it is only because of their sincerity, integrity and hardwork and their fashion which has culminated in me for just being recognised. It is for the entire team," said Razack with humility and humbleness.



Surrender of old flat not taxable, rules ITAT

The Income-tax Appellate Tribunal has ruled that the compensation received from the builder in the form of a flat for vacating land was non-taxable. The aggrieved party was living in the shed built by him at a time when the redevelopment exercise was undertaken. In exchange for surrendering his portion of the land, the tribunal held that the transaction would be a transfer and entitled for deduction under section 54/54F of the Income-tax Act entitled for tax exemption.

HOSPITALITY SECTOR

INDIAN HOSPITALITY SECTOR POISED FOR GROWTH

The year 2024 unfolded as a powerful reminder of the world's dynamic nature, a blend of geopolitical shifts, climate extremes, and economic recalibrations. Pivotal elections in India, France, the UK, and the US reshaped political narratives. At the same time, global conflicts, from the war in Ukraine to unrest in the Middle East, continued to impact economies and traveler sentiment. Yet, moments of celebration stood tall: the Paris Olympics united nations, the ICC Men's T20 World Cup thrilled cricket fans, and global pop culture events like Taylor Swift's Eras Tour captivated millions. Amid these global currents, India's economic resilience and domestic vibrancy powered its rise on the global stage. With a projected GDP growth of 6.5% and a steady rise in domestic consumption, India's travel and hospitality industry continued to thrive, even as it navigated evolving market dynamics. The year began on a high note with the successful launch of IPOs by Juniper Hotels and Apeejay Surrendra Park Hotels, reflecting strong investor confidence in the sector. Domestic tourism remained the backbone during the year, even though the general elections temporarily slowed corporate travel during the election period. The second half of 2024 was shaped by big-ticket events that redefined demand cycles. The Ambani family's grand wedding celebrations in Mumbai transformed luxury hotels into high-security, high-revenue zones, setting new benchmarks for destination weddings in India. Simultaneously, the live entertainment wave swept across the country. Concerts by Bryan Adams, Dua Lipa, Diljit Dosanjh, and Arijit Singh, among others, and music festivals such as Lollapalooza India drove travel and hotel bookings in host cities.

While inbound tourism recovery remained slower than expected, the hotel sector performed strongly across all key performance metrics. The sector closed the year with a nationwide occupancy of 63-

The outlook for India's hospitality sector in 2025 is not just optimistic; it's electric, says Anarock survey



65%, average room rates (ARR) ranging between ₹7,800-8,000, and revenue per available room (RevPAR) in the range of ₹5,000-5,200, reflecting a 27-29% increase over pre-COVID benchmarks. Encouraged by this growth, hoteliers accelerated development activity, resulting in a historic high in hotel brand signings, surpassing previous records, with a sharp focus on Tier-2, Tier-3, and emerging leisure markets. The outlook for India's hospitality sector in 2025 is not just optimistic; it's electric. The year kicked off with momentum as Coldplay's sold-out concerts in Mumbai and Ahmedabad drew fans from across the country and abroad, highlighting India's growing prominence on the global live events circuit. Soon after, the Maha Kumbh Mela in Prayagraj, which welcomed 66 crore visitors over just 45 days, showcased the unmatched scale of India's religious tourism segment, emphasizing the country's capacity to host some of the largest gatherings in the world. This momentum is expected to continue driven by vibrant calendar of cultural and sporting events, and the continued influx of travelers to spiritual destinations such as Ayodhya, Kedarnath, and Varanasi, and the

growing appeal of wellness and medical tourism. At the same time, the branded economy hotel segment, which accounts for just 5-7% of total supply, is emerging as a high-potential growth Encouraged by the current momentum, we expect nationwide occupancy to reach 70% and average room rates (ARR) to cross the ₹10,000 mark in 2026.

However, to fully capitalize on this growth trajectory, long-awaited policy reforms must be prioritized. Granting industry and infrastructure lending status to hospitality projects, irrespective of investment size, is crucial to unlocking new development in underserved and emerging markets. With rising domestic demand, increasing global visibility, and a new era of experiential travel, India's hospitality sector is no longer just growing, it's gearing up to lead the world. Outlook India's hotel sector is poised for considerable growth in 2025, building upon the strong momentum of the two previous years. This expansion is driven by a thriving domestic tourism market, the rise of niche travel segments, a steady revival in inbound tourism, and significant infrastructure enhancements. With domestic travel continuing its upward

trend, increased spending and demand are set to accelerate the sector's development, further solidifying India's standing in the global hospitality industry. Moreover, ongoing infrastructure improvements and substantial investments in developing key tourist destinations are expected to elevate both tourism and hospitality to new heights. In the FY26 Union Budget, the government announced an outlay of ₹2,541.06 crore for tourism initiatives for FY26 and is also planning to establish 50 new tourism destinations within the country.

Outlook

In parallel, India's commercial office space market is experiencing a notable upswing, contributing significantly to hospitality growth. In 2024, gross leasing reached 89 million sq. ft., with net absorption at 50 million sq. ft. across major cities. The momentum continues into 2025, with leasing activity up 14-16% year-on-year in the top seven cities. Global Capability Centers (GCCs) are emerging as key demand drivers, alongside the continued strength of the IT/ITeS sector and rapid expansion of startups in fintech, healthtech, and e-commerce.

As investor confidence remains high, this commercial boom is fueling a rise in business and MICE travel, spurring demand for quality hospitality infrastructure. Mixed-use developments—integrating Grade-A office spaces with hotels, retail, and lifestyle amenities—are reshaping urban business hubs into vibrant, multi-functional ecosystems, deepening the connection between real estate and hospitality. That said, the evolving global trade and tariff landscape could influence cross-border travel sentiment and is a factor to monitor in the near term. Sustained collaboration between the government and private sector will be critical to navigating these dynamics and securing India's place as a leading global travel destination.

Domestic investments surged by 75% on an annual basis, driving 60% of the total inflows in Q1 2025. Mumbai followed by Bengaluru attracted majority of the real estate investments in Q1 2025

REALTY UPDATE

TOTAL RESIDENTIAL PROJECTS REGISTERED WITH TNRERA - TAMIL NADU (INCLUDING CHENNAI) - Q1 - 2025

Category	Jan-25	Feb-25	Mar-25	Total
CREDAI	15	23	13	51
Non-CREDAI	13	13	7	33
GOV - TNHB	0	0	0	0
Grand Total	28	36	20	84

TOTAL RESIDENTIAL PROJECTS REGISTERED WITH TNRERA - CHENNAI - Q1 - 2025

Category	Jan-25	Feb-25	Mar-25	Total
CREDAI	10	16	12	38
Non-CREDAI	9	7	7	23
GOV - TNHB	0	0	0	0
Grand Total	19	23	19	61

TOTAL RESIDENTIAL UNITS REGISTERED WITH TNRERA - TAMIL NADU (INCLUDING CHENNAI) - Q1 - 2025

Category	Jan-25	Feb-25	Mar-25	Total
CREDAI	2,349	4,241	1,981	8,571
Non-CREDAI	377	424	108	909
GOV - TNHB	0	0	0	0
Grand Total	2,726	4,665	2,089	9,480

TOTAL RESIDENTIAL UNITS REGISTERED WITH TNRERA - CHENNAI - Q1 - 2025

Category	Jan-25	Feb-25	Mar-25	Total
CREDAI	1,951	3,630	1,831	7,412
Non-CREDAI	290	232	108	630
GOV - TNHB	0	0	0	0
Grand Total	2,241	3,862	1,939	8,042

Total Residential Projects Registered with TNRERA in Chennai (Region-Wise) - Q1 - 2025 by CREDAI/Non-CREDAI/TNHB

Category	CREDAI	Non-CREDAI	Gov - TNHB	Grand Total
Central	8	5	0	13
North Central	0	0	0	0
North Suburbs	5	0	0	5
South Central	3	5	0	8
South Suburbs	13	6	0	19
West Central	4	4	0	8
West Suburbs	5	3	0	8
Grand Total	38	23	0	61

Total Residential Units Registered with TNRERA in Chennai (Region-Wise) - Q1 - 2025 by CREDAI/Non-CREDAI/TNHB

Category	CREDAI	Non-CREDAI	Gov-TNHB	Grand Total
Central	59	55	0	114
North Central	0	0	0	0
North Suburbs	1,518	0	0	1,518
South Central	955	75	0	1,030
South Suburbs	4,309	212	0	4,521
West Central	27	58	0	85
West Suburbs	544	230	0	774
Grand Total	7,412	630	0	8,042

Total Residential Projects Registered with TNRERA in Chennai Q1-2024 & Q1-2025 Analysis

Category	Q1-2024	Q1-2025
CREDAI	46	38
Non-CREDAI	32	23
Gov - TNHB	0	0
Grand Total	78	61

Total Residential Units Registered with TNRERA in Chennai Q1-2024 & Q1-2025 Analysis

Category	Q1-2024	Q1-2025
CREDAI	6,346	7,412
Non-CREDAI	872	630
Gov - TNHB	0	0
Grand Total	7,218	8,042

Total Residential Units Sold in Chennai during March 2025 (Q1-2025)

Category	Units
CREDAI	3,017
Non-CREDAI	754
Gov - TNHB	12
Total	3,783

Total Residential Completed Projects Unsold Units in Chennai as on March 2025

Category	Unsold
CREDAI	5,937
Non-CREDAI	1,583
GOV	352
Total	7,872

Total (Building/Layout) Projects Registered with TNRERA (Tamil Nadu) till March 2025

Type	Jan'25	Feb'25	Mar'25	Total
Building	32	38	26	96
Building - Re-Registered	0	0	0	0
Layout	410	384	325	1,119
Layout - Re-Registered	0	0	0	0
Regularisation-Layout	57	122	42	221
Regularisation-Layout - Re-Registered	0	0	0	0
Grand Total	499	544	393	1,436

Source: Credai Chennai

TRENDS IN INDIA'S CO-LIVING MARKET

	2020	2025E	2027F	2030F	2030 vs 2025
Demand (units in millions)	5.8	6.6	7.4	9.1	~1.4X
Stock (units in millions)	0.2	0.3	0.6	1.0	~3X
Penetration (%)	3%	5%	8%	11%	+600 bps
Market size (INR billion)	22	40	100	206	~5X

Note: E is estimated and F stands for forecasted numbers by the end of the year

Source: Colliers India

CITYWISE RENTAL ARBITRAGE: CO-LIVING VS TRADITIONAL RENTAL ACCOMMODATION

City	Co-living rentals (single occupancy) in INR/month	1 BHK rentals in INR/month	Rental arbitrage
Bengaluru	11,700-23,700	15,500-36,500	25-35%
Mumbai	15,200-27,500	19,000-42,000	20-35%
Delhi NCR	11,300-24,000	15,000-37,000	25-35%
Chennai	9,000-14,000	12,000-21,500	25-35%
Hyderabad	10,500-17,300	14,000-26,500	25-35%
Pune	9,500-15,700	12,700-22,500	25-30%

Note: Monthly rentals of traditional 1 BHK apartment units include utility expenses and maintenance charges. Co-living rents are typically inclusive of shared amenity access, utility, housekeeping, and basic furnishing charges etc. Rental arbitrage is a comparison of typical rentals for single occupancy in co-living properties and 1BHK rentals in the same locality.

Source: Industry, Colliers

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Exclusive 2 car parkings

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■ The resurgence of co-living sector with inventory like to reach ~1 million beds by 2030, is being fuelled by rapid urbanisation and migration to cities, especially amongst students and young professional, according to Colliers India survey

Prime LifeSpace Developers

TRANSFORMING THE LANDSCAPE OF NORTH CHENNAI'S PONNERI

ARETE HOMES: Sprawling in an area of 20.25 acres, a prestigious, WELL-PLANNED SMART integrated township project HAS transformed the entire skyline of Ponneri, the impending smart city in Chennai.

With more than 74% open space, arete homes is a pre-certified Platinum Rated Green Building by IGBC that assures best energy management. Phase 1 of the township consists of 7 towers comprising on 2, 2.5, 3 BHK Smart residences - A1-A6: 10 Floors and Arete Homes SKY HIGH Tower: G+1 Retail Spaces and 18 Floors Residential Service Apartments. Along with this a 60,000 Private Ponneri Gymkhana Club. With world class amenities and facilities Prime LifeSpace group offers maximum comfort and conveniences to its residents in their projects.

Currently, 4 towers (320 apartments), Arete Homes SKY HIGH Tower (150 apartments) have been handed over timely and 300+ families are residing at the Smart integrated Township. The fifth tower work is in progress. For amenities Arete Meditation Retreat, Kids Play Area, Garden, Jogging Track and a world Class Private magnificent club: Ponneri Gymkhana Club is ready to welcome you! It is a lifestyle club that caters to your every interest and aspiration. From sports enthusiasts to visionary entrepreneurs, executives, entertainment aficionados to those seeking a luxurious venue for special wedding, social gathering, events – PGC is your gateway to a world of unparallel opportunities and experiences. The club is targeting to rope 4,000 membership in its fold.

Arete Homes SKY HIGH Tower comprising of impeccable mix of 20 Retail Spaces such as

Shopping, HyperMarket, Pharmacy, Dining & Entertainment and 305 flexi-design 2 BHK SKY Residences 690sqft fully furnished with white goods, well-planned with convertible option, for you to customise your way.

3 SKY DECKS as lounge area and café for recreational purposes.



The 5 different design innovations allow variations in private or shared rooms, more bedrooms or spacious living, one or more bath-rooms etc. Making it possible to fit up to 5 beds in every apartment. Chennai's Innovation Masterpiece.

Currently the serviced apartments are occupied by long-term companies Industrial Executives like – Larsen & Toubro, Shimizu, Voltas, Perdaman, Nadi, Mitsubishi, Schuler India, etc and many other Japanese, Korean, German executives from industrial parks nearby. Fetching the highest rental income in the country in the residential segment.

Potential for growth: 'PONNERI – A SMART CITY' An excellent investment opportunity. There is a surge in demand due to industrial development in and around the area. The township is located just opposite Velammal International school, 5mins drive to Origin by Mahindra Industrial park, NH5 express highway, Outer Ring Road, 30 mins drive to Sri city, 40 mins to Ennore port and Chennai Airport. There are 2,000



Rajeev Ajmera, MD



Shyam Sundar, Technical Advisor

industries TADA, Gummidipoondi, SIPCOT 187 industries, 100+ schools and college, 5+ hospitals in the nearby. There is no township like this 'everything under one roof' in the vicinity within 30kms.

In the entire North Chennai area between Madhavaram, TADA to ENNORE, PGC - Ponneri Gymkhana Club is the only multifaceted lifestyle haven. From large gatherings of concert shows, sports tournaments, alumni events, corporate trainings, destination weddings to family and friends weekend leisure getaways, it is fully equipped to host you. 300+ service apartments are ready and functional. 5+ Banquet Halls in 100 - 1000 Capacity, 3 Open Grounds 2000+ Capacity, Multi Sports Area of 10,000 sqft, Gym, Pool, Private Theatre, 'Naturals' Salon & Spa, 'Chai Wala'- Café, Bar, Restaurant, Card Room and much more.

Sports cricket coaching facilities at PGC are coming up in a few months where there will be a hunt for cricketers with skill besides development of talent, thus bringing all the facilities and coaching for physical and mental training to upgrade their skills. "The search for talent hunt involves visiting prime districts including Kanchipuram, Trivellore, Arakonam,

Coimbatore, Salem and Tiruchirappalli. They bring coaches like P C Prakash, A P Suresh Kumar, S Vasudevan, Captain of the Tamil Nadu Winning Ranjit Trophy team in 1988 and D Girish, wicket keeper and batsman of the TN Winning Ranjit Trophy team, for talent hunt across the districts of Tamil Nadu. D Girish, an engineer from CEG and prominent cricketer has also come with innovative sports and psychological product called 'Equilli' which gives psychological and mental guidance for sportsmen.

The peripheral ring road will pave way to get across to OMR cutting down the commuting time from hours to minutes. Within the last 5 years the land prices of Ponneri and surrounding local areas have risen from Rs 800 to Rs 4000. Projects like Arete Homes, SKY HIGH Tower and PGC is a golden opportunity for the investors, government and financial institutions.

The pioneer behind the vision is Chairman and Managing Director, Prime LifeSpace group Rajeev Ajmera. He says, "We excel in boosting liveability quotient, attract global fund and investors and create positive impact on society that endeavours". Shyam Sundar, a technocrat, has been a technical advisor in this massive project.



REALTY UPDATE

Industrial & warehousing demand in Q1 2025 remained robust at 9 million sq ft across top 8 cities, up 15% YoY

With 9 million sq ft of leasing in Q1 2025 at a 15% YoY growth, industrial & warehousing demand across the top eight cities remained robust. Delhi NCR and Chennai led the demand, cumulatively accounting for around 57% of the overall leasing in Q1 2025. The demand for Grade A industrial & warehousing space was particularly impressive in Delhi NCR; the city has already witnessed about half of the leasing activity of 2024 in the first quarter of 2025 alone. Interestingly, across the top eight cities, engineering sector drove demand this quarter, contributing to about 25% of the overall industrial & warehousing space uptake, followed by e-commerce with 21% share. Both these sectors have surpassed the demand from Third Party Logistics (3PL) players, the usual frontrunner. While Chennai and Bengaluru saw strong traction from occupiers in the engineering space, demand from e-commerce players remained significant in Delhi NCR and Mumbai, according to Colliers India survey.

At a micro market level, Bhiwandi in Mumbai led leasing activity in the first quarter with about 1.0 million sq ft of demand, followed by Lohari (0.9 mn sq ft) in Delhi NCR and NH-16 (0.7 mn sq ft) in Chennai. These three micro markets

accounted for significant leasing share in their respective cities during the quarter.

Engineering and e-commerce sectors emerged as key demand drivers

Engineering and e-commerce players drove the bulk of leasing during the quarter, together accounting for about 46% of the demand. With about 2.2 million sq ft of leasing, engineering firms alone accounted for about one-fourth of the Grade A industrial & warehousing demand in Q1 2025. The sector saw over 2X times growth in leasing activity on an annual basis, led by robust demand in Chennai and Bengaluru. E-commerce also saw close to 2 million sq ft of leasing, led by Delhi NCR and Mumbai. Bolstered by institutional capital deployment, improved last-mile delivery, and increasing consumer trust, e-commerce in India is expected to maintain a strong upward trajectory in the coming years. This would further fuel demand for warehousing spaces across Tier I and II markets in the country.

“The strong industrial & warehousing space uptake in the first quarter of 2025 was marked by robust demand across diverse occupier sectors. Engineering and e-commerce sectors emerged as key demand drivers, followed by 3PL, with each

recording close to 2 million sq ft of quarterly demand or more. Automobile players also picked up significant Grade A industrial & warehousing space at 1.3 million sq ft. These are healthy signs of overall growth, reflecting broad-based demand which aligns with domestic macro-economic indicators.” says Vijay Ganesh, Managing Director, Industrial & Logistics Services, Colliers India.

Large sized deals account for about half of the industrial & warehousing space demand

During Q1 2025, large deals (>200,000 sq ft) accounted for 48% of the demand at 4.3 million sq ft. These larger deals were driven by e-commerce companies, followed by engineering and automobile firms. At the city level, Delhi NCR (1.9 mn sq ft) followed by Chennai (1.0 mn sq ft) dominated the proportion of large-sized deals.

“With about 3.1 million sq ft of industrial & warehousing demand in Q1 2025, Delhi NCR saw the highest quarterly leasing in the last 2-3 years. The surge in the region was led by Grade A space uptake in Lohari and Tauru Road micro markets. In terms of occupiers, e-commerce players accounted for around one-third of the quarterly

demand in the region, followed by the automobile & retail sectors. Overall, traditionally strong markets like Delhi NCR and Chennai have provided a strong start to the year. The demand momentum is likely to continue in the upcoming quarters, setting the tone for a strong performance in 2025.” says Vimal Nadar, Senior Director & Head of Research, Colliers India.

New supply in tandem with leasing during the quarter

The first quarter of 2025 saw new supply to the tune of 9.4 million sq ft, a 16% YoY rise. New supply was almost in line with the strong leasing activity during the quarter, indicating improved developer confidence in the industrial & warehousing market. Moreover, in line with demand trends, Delhi NCR and Chennai accounted for the bulk of new supply during the quarter. These two cities cumulatively contributed close to half of the new supply across the top eight cities of the country.

Vacancy levels, however, increased by 250 basis points on account of churns & exits and stood at around 13% at the end of Q1 2025. Average rentals meanwhile rose in most cities, fueled by strong space uptake in prominent industrial clusters.

TRENDS IN GRADE A GROSS ABSORPTION (MILLION SQ FT)

City	Q1 2024	Q4 2024	Q1 2025	YoY change	QoQ change
Ahmedabad	0.3	0.6	0.6	100%	0%
Bengaluru	0.5	1.4	0.8	60%	-43%
Chennai	1.9	0.7	2.0	5%	186%
Delhi NCR	1.4	1.1	3.1	121%	182%
Hyderabad	0.2	0.3	0.3	50%	0%
Kolkata	0.3	1.6	0.5	67%	-69%
Mumbai	1.9	0.8	1.0	-47%	25%
Pune	1.3	1.5	0.7	-46%	-53%
TOTAL	7.8	8.0	9.0	15%	13%

Note: Data pertains to Grade A buildings

Source: Colliers

TRENDS IN GRADE A SUPPLY (MILLION SQ FT)

City	Q1 2024	Q4 2024	Q1 2025	YoY change	QoQ change
Ahmedabad	0.3	1.5	0.5	67%	-67%
Bengaluru	1.4	1.9	0.9	-36%	-53%
Chennai	1.3	0.6	2.0	54%	233%
Delhi NCR	2.3	2.1	2.5	9%	19%
Hyderabad	0.6	0.3	0.2	-67%	-33%
Kolkata	0.3	0.5	0.5	67%	0%
Mumbai	1.0	1.1	1.9	90%	73%
Pune	0.9	1.1	0.9	0%	-18%
TOTAL	8.1	9.1	9.4	16%	3%

Note: Data pertains to Grade A buildings

Source: Colliers

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TAXATION

TAXABILITY OF LEASHOLD RIGHTS UNDER GST

Gujarat Chambers of Commerce and Industry v. Union of India (2025 (1) TMI 516 - Gujarat High Court)

The Gujarat High Court ('High Court') has ruled that the assignment of leasehold rights in land allotted by the Gujarat Industrial Development Corporation ('GIDC') constitutes a transfer of immovable property and, is not subject to GST. This decision held that transactions fall outside the ambit of GST, i.e. it is not a supply of goods or services, in terms of the provisions of Section 7 of the Central Goods and Services Tax Act, 2017 ('CGST Act'). Paragraph 5(a) of Schedule II and Paragraph 5 of Schedule III are also inapplicable in this case.

Background

- The GIDC was established under the Gujarat Industrial Development Act, 1962, to promote industrial growth by developing industrial estates. It leases plots of land to industrial entities for 99 years under agreements containing detailed terms, including premium and lease rent payable.
- The lease agreements allow lessees (including Gujarat Chamber of Commerce and Industry, Petitioner in the case) to assign their leasehold rights to third parties, subject to GIDC's approval. Such assignment involves the transfer of all rights and obligations under the lease arrangement to the assignee.
- GST was introduced on July 1, 2017. Tax authorities issued show cause notices to lessees alleging that the assignment of leasehold rights constitutes a 'supply of services' under Section 7(1)(a) of the CGST Act, and the same is taxable at 18% GST.
- The Petitioners challenged the notices, arguing that leasehold rights are an interest in immovable property. They contended that these assignments are neither supply of goods nor supply of services and are explicitly excluded from GST under Paragraph 5 of Schedule III of the CGST Act (which covers sale of land and, subject to clause (b) of paragraph 5 of Schedule II, sale of building). The exclusion of sale of land and building under Paragraph 5 of Schedule III of the CGST Act has to be interpreted in light of legislative history as well as object and purpose of the statute to include sale of interest in land and benefits arising out of land.
- Further, such rights are land rights, and the intent of the GST Law is not to

Assignment by sale and transfer of leasehold rights of the plot of land allotted by GIDC to the lessee in favour of third party-assignee for a consideration shall be assignment/sale/ transfer of benefits arising out of "immovable property", and not liable for GST, held Gujarat High Court

“ DHRUVA COMMENTS

While the first allotment/ allocation of land by the GIDC would be liable for GST but, exempted (Sr. No. 41 of Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017), the High Court held that subsequent assignment of leasehold rights (as in the present case) was outside the pale of GST, and not taxable.

Interestingly, CBIC vide its Circular No. 44/18/2018- GST dated 02.05.2018 clarified that the activity of transfer of 'tenancy rights' is covered under the scope of supply and is taxable. How this decision will impact other rights and benefits (such tenancy rights) arising out of land and building, will have to be seen.

The judgment provides a much-needed clarity on the taxability of leasehold rights under GST, marking a welcome relief for businesses. The decision reinforces the exclusion of immovable property transactions from GST. It also serves as a precedent for challenging similar GST demands and highlights the importance of distinguishing between transactions involving immovable property rights and those qualifying as services under GST. Given this ruling, the taxpayers

impose tax on transfer of immovable property as was the case even under the erstwhile service tax regime.

The Petitioners also argued that taxing such transactions leads to double taxation, as stamp duty is already paid on assignment of leasehold rights.

- The Revenue Department contended that the assignment of leasehold rights is not explicitly excluded under Paragraph 5 of Schedule III, which only stipulates the sale of land and buildings. They further contended that these assignments are a supply of services since they involve valuable consideration, making them taxable under Section 7(1)(a) of the CGST Act. Additionally, the Revenue emphasized that such transactions fall under tariff headings notified under GST.

High Court's Analysis and ruling

- The High Court analyzed whether assignment of leasehold rights constitutes



a 'supply of services' under the CGST Act. It agreed with the Petitioners that leasehold rights are an interest in immovable property. Assigning these rights involves a transfer of immovable property and, is not a supply of service. The High Court cited the provisions under the Transfer of Property Act, 1882 and precedents including Sri Tarkeshwar Sio Thakur Jiu (1979 (3) SCC 106 (SC)) to affirm that such rights cannot be equated with supply of services under the CGST Act.

- The High Court held what the Petitioner has transferred by way of assignment/ sale is leasehold rights which is over and above the actual physical plot of land and building, encompasses incorporeal ownership rights in such land and building, such as the right to possess, to enjoy the income from, to alienate, or to recover ownership of such right from one

who has improperly obtained the title. Therefore, immovable property includes, in addition to right of ownership, aggregate of rights that are guaranteed and protected by the further agreement or contract between the owner and the lessee.

- The contention of the Revenue Department that the transfer of leasehold rights, as the interest in immovable property, covered by the scope of supply of service is not tenable as transaction of assignment is nothing but absolute transfer of right and interest arising out of the land which would amount to transfer/ sale of immovable property which cannot be said to be "service" as contemplated under the provisions of GST Act.
- The High Court observed that the immovable property is nothing but,

continued on next page



As investments approach the billion-dollar mark in Q1 2025, the residential sector has emerged as the frontrunner, dominating with 62% of the total share —up from 41% in the same period last year. In value terms, investments reported an annual increase of 125%, reaching USD 506.1 Million in Q1 2025, according to Vestian survey

continued from page 7

Taxability of Leasehold Rights under GST

bundle of rights and right to give such property on lease is one of such rights and, further transfer of the right to occupy or possess will continue to remain as supply of service which character will not change merely because lessee of GIDC affects absolute transfer thereof in favor of the assignee leaving no right whatsoever in respect of such leasehold land and building.

• The High Court deliberated on the Allahabad High Court's decision in the Greater Noida Industrial Development Authority (2015 (40) STR 95 (All.)) case, which concerned the levy of service tax on the renting of immovable property. The Allahabad High Court upheld the view that leasing land for commercial purposes constituted a taxable supply of services, irrespective of the lease duration. However, the Gujarat High Court distinguished the said case by emphasizing that the assignment of

leasehold right for a lump sum consideration is not merely a rental service but, a transfer of interest in immovable property and so, is excluded from GST net.

• The High Court referred to the Residents Welfare Association, Noida (2009 (14) SCC 716 (SC)) case, which dealt with the characterization of deeds as either leases or outright sales for determining stamp duty applicability. In the said case, the Supreme Court clarified that leases involve a partial transfer of rights, with ownership reverting to the lessor upon lease termination, while outright sales result in complete ownership transfer. The High Court used this reasoning to distinguish between renting (a service under GST) and outright assignment of leasehold rights (a transfer of immovable property). It concluded that such assignments fall outside the GST ambit as they involve the



transfer of rights in the immovable property, unlike in renting of property.

• The High Court highlighted that taxing these transactions under GST, in addition to stamp duty, results in double taxation, which contradicts the GST regime's objective of reducing cascading tax effects. On the basis of these observations, the High Court allowed the petitions and quashed the impugned show cause notices and orders in original or appeal, as the case may be.

• In conclusion, assignment by sale and transfer of leasehold rights of the plot of land allotted by GIDC to the lessee in favour of third party-assignee for a consideration shall be assignment/sale/transfer of benefits arising out of "immovable property", and not liable for GST.

Courtesy: Dhruva Advisors

Dhruva Advisors has also been consistently recognised as a Tier 1 Firm in India for its Transfer Pricing practice ranking table in ITR's World Transfer Pricing guide.

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