

Realtors in play to make space for retail giants

December 17, 2012 08:34 IST

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Even if retail biggies are still waiting and watching before setting up shop in India, it's action time for real estate players.

Many developers claimed they were engaged in talks with foreign retail chains to customise front-end stores as per their demand along with the back-end and commercial requirement of the players.

For instance, Noida-based developer Supertech is in touch with Swedish furniture maker IKEA and is showing them space in the NCR region, next to Delhi. Recently, the Foreign Investment Promotion Board (FIPB) approved the Euro 1.5-billion FDI proposal of IKEA.

"We are showing IKEA space in our project 'Upcountry' in Greater Noida and 'Sports City' in Meerut", said RK Arora, CMD, Supertech. He said that the Swedish chain wants a large format standalone store and is not considering space in malls. "We are assessing their requirement right now. Our team is currently in talks with a foreign multi-brand chain as well," he added.

Another real estate company Raheja Developers is in talks with multi-brand players like Woolworths from Australia and UK's Sainsbury's and Tesco. "Our retail team is in touch with three multi-brand foreign retailers and these chains want large spaces with a lot of height", said Navin Raheja, CMD, Raheja Developers.

Raheja said the company would make customised stores for foreign brands. "We have over 5 licences for commercial with us, which will help us take care of the commercial space demand that comes up."

Yet another developer, AMR Infrastructures, said that the group was in dialogue with foreign retail players, but declined to name any. "They are interested in picking up large chunks of commercial space from us", said Kapil Agarwal, managing director, AMR Infrastructures.

Mumbai-based Mantri Realty said it was getting demand more for back end than front end at the moment. "As retail policy gains more clarity and as foreign retailers feel more comfortable on India, then certainly we will see more demand for front end stores", said Sunil Mantri, chairman, Mantri Realty.

However leading real estate players like DLF and Unitech denied being in talks with any foreign brands, saying that the multi-brand policy still needs further clarity.

"There is still not much clarity on multi-brand retail for players to start coming in. Even if they plan to come in, they would be in talks with domestic retailers for tie ups than developers", said Rajeev Talwar, executive director, DLF.

R Nagaraju, vice-president (corporate planning) said that since they are not into retail business, foreign chains are not in touch with them.

"Foreign chains must be engaging with retailers at this point. Talks with developers come later, so we will see as and when demand comes up," he said.