



Reality prices in Andhra, Telangana Soar

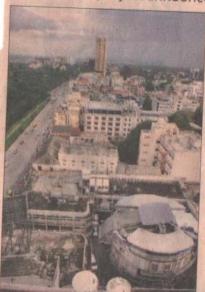
The Economic Times, 21th January 2015

http://articles.economictimes.indiatimes.com/2015-01-21/news/58305934 1 land-prices-telangana-rashtra-samithiagricultural-land

WWW.ECONOMICTIMES.COM 2

Realty Prices in Andhra, Telangana Soar

Slew of infra project announcements in both the states have the effect of electrifying realty market nearly after five years



RajiReddy.Kesireddy@timesgroup.com

Hyderabad: Land prices have shot up in Telangana and Andhra Pradesh after a 5-year da, several smart cities and airports, besides to availability of power and water. hiatus, following announcement of a string building industrial and coastal corridors. of urban and rural development projects by the governments of the two states.

Ever since Telangana was carved out of Andhra Pradesh in June last year, the two states are locked in a battle of one-upmanship as they try to woo foreign as well as domestic investors. Over the last seven months, the Telangana Rashtra Samithi (TRS)-led government in India's newest state has announced plans to develop several new cities, temple towns, industrial parks and other infrastructure projects. This has pushed up realty prices in many towns in the state.

Realty prices in rural areas are also seeing a for pharmaceuticals, aerospace and informaspurt as the TRS government begins the process of buying idle farm land, which it intends to distribute among the landless and marginalised sections of society. In the run-up to polls for the state legislative assembly, the TRS hadpromised that its government will give away, for free, three acres of agricultural land to each landless and marginalised family in the state.

In the neighbouring Andhra Pradesh, the langana are lower compared with Andhra Pra-Telugu Desam Party (TDP)-led government desh, which means they offer scope of appre-

Land prices in and around Hyderabad suffered a fall over the last account of regional agitations, say experts

for investment in industries. The two governments had earlier announced plans to

tion technology, among others. Over the past few months, top leaders and bureaucrats of the two states have extensively toured countries, including Singapore and Malaysia, pitching for big-ticket investments, promising easy approvals and large tracts of land.

According to Veera Babu, head of Cushman & Wakefield in Hyderabad, land prices in Te-

has announced plans to construct a world-ciation to investors. As against this, land class, greenfield capital city near Vijayawa- prices in Andhra have already peaked, thanks

C Shekar Reddy, national president of Con-Moreover, both the Telugu- federation of Real Estate Developers' Associspeaking states are exerting ations of India, says land prices in rural areas pressure on the NDA govern- of undivided AP moved up during 2004-09 after ment at the Centre to fulfil all several decades of lull, thanks to large-scale irprovisions of the AP State rigation projects. "Correction took place with Reorganisation Act, which global meltdown and regional agitations and promised several develop- political uncertainty, leading to a crash in rument projects and incentives ral realty prices. With governments in both the states insisting on a balanced regional growth, we are seeing upward movement in land prices in several pockets," he said. Reddy, however, develop infrastructure for added that land prices will see a correction if large, industry-specific parks there is no corresponding development on the ground. An analyst with a multinational real estate consultancy said land prices in and around Hyderabad suffered a fall over the last 4-5 years, largely on account of regional agitations and disputes over land titles, including those auctioned by the government. "Most of the domestic and global real state players have apprehensions over lands in and around Hyderabad," he said, on condition of anonymity.