

Raheja Developers inks ₹1k cr deal with Arabtec

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DELHI-BASED real estate firm Raheja Developers on Friday announced a deal it has entered into with Dubai-based construction major Arabtec. The deal valued at \$204 million (around Rs 1,020 crore) will see both firms forming a special purpose vehicle (SPV) to construct three upcoming residential projects promoted by Raheja Developers. Of this, two are coming up in Gurgaon and one in New Delhi. All the three projects are

high rises with a minimum of 50 floors.

Arabtec Construction is a leading contractor in the United Arab Emirates and was involved in the construction of the Burj Khalifa, the tallest building in the world. It has a presence in 11 countries and has partnered Raheja Developers exclusively in India.

Navin Raheja, CMD said, "Arabtec brings the kind of expertise we were looking for in the execution of high rise developments, making it an ideal partner for our future plans." The

company has 60 million square feet of executable land bank.

Raheja, in his capacity as president, National Real Estate Development Council (NAREDCO), an autonomous self-regulatory body for the real estate sector, expressed concern at the sudden steep increase in cement prices by almost 55 per cent in the three months since August. Currently, cement is being quoted at Rs 280 per bag. In August, the price was Rs 180 per bag.

"This clearly is evidence of cartelisation by cement

producers. The situation is acute in north India," said Raheja. NAREDCO has filed a complaint with the Competition Commission of India over the issue. He also said that the burden of the increased prices will be passed on to prospective home buyers.

He added that steel and cement are the principal inputs in the real estate industry and questioned the rationale of cement prices shooting upward when steel has not, given that both have a common raw material, coal.