

More and more companies move out of cramped South Mumbai

New commercial hubs draw big Mumbai firms

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Mumbai

BANDRA-Kurla Complex (BKC), Lower Parel and Navi Mumbai are emerging as lucrative realty hotspots for corporates looking to move out of cramped offices in South Mumbai, as these offer ample space and better infrastructure.

"Corporates are shifting from South Mumbai to areas like BKC, Lower Parel and Malad-Goregaon, which has become a BPO hub. The reason being that the quality

of space desired is not easily available in South Mumbai," consulting firm Jones Lang LaSalle Meghraj chairman and country head Anuj Puri said.

"BKC and Lower Parel are more lucrative for their newer buildings, ample car parking space, good infrastructure for wiring, better safety norms and more importantly availability of larger spaces, which South Mumbai does not offer," he said.

Confirming the trend, Sunil Mantri, founder

chairman of Sunil Mantri Realty said the ratio of office-to-residential space in South Mumbai at present is 50:50, which used to be 95:5 in the early 80s.

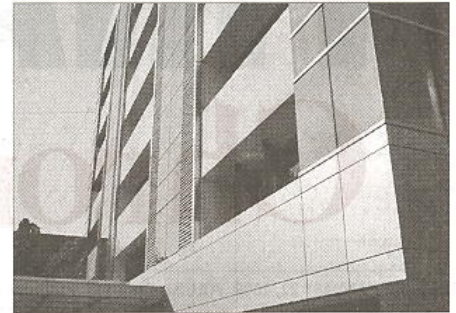
"Andheri and Jogeshwari in the northern part of the city, and Navi Mumbai are coming up in a good way. Once the salt pans near Chembur and Thane are developed, they will make for good attraction to buyers," Mantri said.

Industry estimates say that rates have sunk by 15-30 per cent in the past six

months due to the global economic turmoil.

"As compared with 2007, activity (in realty) continues, but it has slowed down this year. But people have a wider choice...There is competition," Anshuman Magazine, managing director of real estate consultant CB Richard Ellis said.

"Shifting to areas like Powai, Andheri, Malad makes commuting easier. Also, clients of these corporates have moved to the northern part, so it makes sense," he said.



SHIFT TO SUBURB: Big companies are shifting from South Mumbai to areas like BKC, Lower Parel and Malad-Goregaon

Financial services firm JP Morgan and software solutions provider SAP India have been looking at office spaces away from South Mumbai, a CBRE spokesperson said.

Puri said office spaces in upmarket BKC have been lapped by many in the banking fraternity like ICICI and Citibank. **Avanta, a UK firm,**

this week announced launching its serviced office centre at the same place.

The spreading out of residential and commercial spaces all over the city has eased the bottlenecking that South Mumbai faces, Pravin Doshi, chairman of Acme Group and president of Maharashtra Chamber of Housing and Industry said.