DELHI & NCR

Demand & Supply of Mall Space in India

May 2011

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SHAPING THOUGHT. BUILDING VALUE.

RESEARCH STUDIES ON MALLS IN INDIA

CONTENTS

BACKGROUND

Across the world, in any major (modern) city, retail shops/outlets are usually spread across malls or shopping centres, high streets or main streets and neighbourhood strips. For the modern retail industry, and especially malls, to do well, the macro economic theory of demand and supply comes into play.

No one will question the fact that there is obviously limited demand for retail space anywhere in the world and any oversupply positions, especially in large percentages, are not just unhealthy for property owners, investors, occupants, consumers and other stakeholders, but also for the industry and the overall economy at large.

Table 1 below shows the per capita total retail space and the per capita mall space in different countries around the world.

PER CAPITA TOTAL RETAIL SPACE AND PER CAPITA MALL SPACE Table 1

Country	Per Capita Total Retail Space (sft)	Per Capita Mall Space (sft)
Dubai	--	25.3
USA	46.6	23.1
Singapore	15.7	7.2
Australia, New Zealand	24 to 31	5.5 to 6.8
Sweden, Netherlands	--	4.8 to 5.1
UK	16.7 to 18	3.9
Hong Kong, South Korea	14 to 16	--
Japan	12 to 13	3.8
South Africa	--	3.2
Spain, France, Italy	--	2.7
Russia, Turkey, Belgium	--	0.6 to 0.7

Globally, there is broad consensus that the per capita mall space (PCMS) is in a huge oversupply position in markets such as Dubai, USA, China and Singapore. On the other hand, Japan, UK, Sweden, Netherlands, Australia and NZ are much better off with the PCMS ranging between 3.8 sft and 6.8 sft.

Needless to say, there has to be some correlation between the PCMS and the per-capita income in any market. So while 3.8 or 3.9 sft may not be considered as oversupply in Japan or UK, the PCMS of 3.2 sft in South Africa is definitely in an oversupply position.

Taking into account the above comparisons and considering India's current per capita income and spending power, together with estimated growth rates for the next 5 years, Asipac estimates that the ideal PCMS in India's top 20 urban centres is about 1.2 square feet per person, but this can fluctuate from 1.0 sft and 1.5 sft in different micro markets, based on the per-capita income of that particular micro market.

This report (the fifth in the series by Asipac) studies the demand and supply scenario, both current as well as projected till the year 2014, for mall space in Delhi and the National Capital Region (NCR) – Gurgaon, Faridabad, Ghaziabad, Noida and Greater Noida.

sft = square feet; 1 sqm or m^2 = 10.764 sft

MALLS IN DELHI AND NCR

With an estimated current urban population of over 27 million people *(as per the latest Census 2011 provisional data)* and based on an ideal mall space ratio of 1.2 sft per capita (*as explained in the BACKGROUND section of this report*), Delhi and NCR can currently absorb total mall space of 32.460 million square feet in GLA (Gross Lettable Area).

Of this, the 62 operational malls in the region have a total GLA of 19.703 million square feet *(including developments less than 150,000 sft grouped under 'Other Miscellaneous')*. See Table 2 below for existing malls in Delhi and NCR and the two following tables for upcoming malls and malls currently on hold, respectively.

EXISTING MALLS IN DELHI & NCR (as of April 2011) Table 2

Sl.	Name of the Mall	Location	GLA in sft
		Delhi	
1	Select City Walk	Saket District Centre	600,000
2	Ambi Mall	Vasant Kunj	560,000
3	Mahagun Metro Mall	Vaishali	415,373
4	DLF Place	Saket District Centre	400,000
5	Pacific Mall	Subhash Nagar	350,000
6	MGF Metropolitan Mall	Saket District Centre	335,000
7	V3S East Centre	Laxmi Nagar	300,000
8	Westgate Mall	Shivaji Place	265,000
9	DT City Centre	Shalimar Bagh	260,000
10	D Mall	Pitampura	250,000
11	Vasant Square Mall	Vasant Kunj	250,000
12	D Mall	Rohini	245,000
13	DLF Promenade	Vasant Kunj	225,000
14	DLF Galleria	Mayur Vihar Centre	210,000
15	Pearls Omaxe	Pitampura	203,000
16	Metro Walk	Rohini	200,000
17	Northgate Orbit Plaza	Gujrawala Town	200,000
18	Rohini City Centre	Rohini	200,000
19	Cross River Mall	Shahdara	175,000
20	DLF Emporio	Vasant Kunj	175,000
21	Shop-in park	Shalimar Bagh	175,000
22	Ansal Plaza	Andrews Ganj	170,000
23	City Square Mall	Rajouri Garden	165,000
24	Star City Mall	Mayur Place	163,500
25	Aditya Plaza	Shahdara	156,000
26	D Mall	Paschim Vihar	150,000
27	Westend Mall	Janakpuri District Centre	150,000

Please refer to Map on Page 12

EXISTING MALLS IN DELHI & NCR (as of April 2011)

Sl.	Name of the Mall	Location	GLA in sft
		Faridabad	
28	Crown Interiorz	Mathura Road	350,000
29	Ansal Crown Plaza	Sector 15	300,000
30	Senior Mall	Destination Point	175,000
31	Eldeco Station 1 Mall	Mathura Road	150,000
32	Parsvnath Mall Manhattan	Mathura Road	150,000
33	SRS Mall	Sector 12	150,000
		Ghaziabad	
34	East Delhi Mall (EDM)	Kaushambi	360,000
35	Shipra Mall	Indirapuram	350,000
36	Pacific Mall	Sahibabad Industrial Area	325,000
37	MMX Mall	GT Road	250,000
38	AEZ Brand Factory	Vaishali	210,000
39	Celebration Mall	Nehru Vikas Minar	210,000
40	The Opulent Mall	GT Road	200,000
41	East End Mall	Kaushambi	175,000
42	Krishna Apra D Mall	Indirapuram	175,000
43	Eros Market Place	Indirapuram	171,500
44	Ansal Plaza	Vaishali	150,000
		Gurgaon	
45	Ambience Mall	NH-8	1,030,000
46	South Point Mall	Golf Course Road	300,000
47	DT Mega Mall	DLF City	290,000
48	Raheja Mall	Sohna Road	290,000
49	Ansal Plaza	Palam Vihar	260,000
50	DLF City Centre	MG Road	260,000
51	Sahara Mall	MG Road	247,000
52	MGF Metropolitan	MG Road	245,000
53	Star Mall	NH-8	212,000
54	MGF Megacity Mall	MG Road	200,000
55	Centrum Plaza	Golf Course Road	186,000
56	Omaxe Celebration Mall	Sohna Road	185,500
57	Senior Automall	NH-8	183,400
58	Gold Souk	Sohna Road	180,000
59	Orchid Agora	MG Road	170,000
		Noida and Greater Noida	
60	Great India Place	Sector 38, Noida	900,000
61	Ansal Plaza	Pari Chowk, Greater Noida	525,000
62	The Centrestage Mall	Sector 18, Noida	256,000
		Other Miscellaneous	
63	Other Miscellaneous		2,983,736
		TOTAL	**19,703,009**

Please refer to Map on Page 12

UPCOMING MALLS IN DELHI & NCR (as of April 2011)

Table 3

Sl.	Name of the Mall	Location	Opening	GLA in sft
	Delhi			
1	MGF City	Khyber Pass	2013	550,000
2	Moments Mall	Patel Road	2011	400,000
3	Paradise Mall	Rajouri Garden	2012	390,000
4	The South Court	Saket	2011	250,000
5	Parsvnath Mall	Rohini	2014	240,000
6	Kings Mall	Rohini	2012	162,500
	Ghaziabad			
7	Shipra Mall-2	Indirapuram	2012	360,000
8	The Gateway Mall	GT Road	2013	300,000
9	Angel Mega Mall	Kaushambi	2012	280,000
	Gurgaon			
10	The Metropolis	MG Road	2011	737,000
11	Raheja Innovation Mall	Sector 84	2012	210,000
12	Emerald Plaza	Golf Course Extension Road	2013	187,600
	Noida and Greater Noida			
13	Omaxe Connaught Place	Beta 2, Greater Noida	2011	1,000,000
14	Mall of India	Sector 18, Noida	2012	980,000
15	Grand Venezia Mall	Near Pari Chowk, Greater Noida	2013	650,000
16	Gardens Galleria	Sector 38A, Noida	2013	385,000
	Other Miscellaneous			
17	Other Miscellaneous		2011	259,000
			TOTAL	**7,341,100**

Please refer to Map on Page 12

MALLS ON HOLD IN DELHI & NCR (as of April 2011)

Table 4

Sl.	Name of the Mall	Location
1	Parsvnath Metro Mall, Akshardham	Near Akshardham Metro Station, Delhi
2	Parsvnath Metro Mall, Welcome	Near Welcome Metro Station, Delhi
3	Parsvnath Metro Mall, Seelampur	Near Seelampur Metro Station, Delhi
4	Parsvnath Metro Mall, Azadpur	Near Azadpur Metro Station, Delhi
5	Parsvnath Metro Mall, Netaji Subhash Place	Near Netaji Subhash Place Metro Station, Delhi

Please refer to Map on Page 12

The malls tabulated above are either on hold or under reconsideration by the promoters. The total retail space on hold is more than 1.04 million sft.

Note: Some of the information for malls on hold was not provided by the promoter's representatives (information regarding size and date of opening), hence the figures used to arrive at 1.04 million sft have been taken from third parties.

As of now, as per available information, there are 16 upcoming malls in Delhi and NCR region (refer to Table 3) planned till 2014, totaling a GLA of 7.341 million square feet *(including developments less than 150,000 sft under the heading 'Other Miscellaneous')*. In addition, there are 5 malls on hold, with approximate retail space of 1.04 million sft. There may be a few more projects on the planning sheets or drawing boards of developers which are not yet public information. We shall now analyse the following two scenarios.

A) When only 16 confirmed malls come up by the end of 2014

B) When (or if), along with these 16 confirmed malls, the 5 malls on hold come up by the year 2014

Scenario A

If all the 16 projects (listed in Table 3) were to come up, Delhi and NCR will have 78 malls with total GLA of 27.044 million square feet by 2014, leading to an undersupply of 4%.

Table 5 below shows the total serviceable demand (based on population) and the total Stock (scheduled supply plus the total GLA of existing operational malls) for the next four years. Since all the existing and planned/upcoming malls put together only cover about 80% of the city's geographical expanse, it is important to consider the Adjusted Demand rather than the Total Demand.

DELHI & NCR MALL SPACE DEMAND & SUPPLY - I (2011 to 2014) Table 5

YEAR	2011	2012	2013	2014
(Figures below in Millions of Square Feet except %)				
Total Demand in Delhi	32.460	33.310	34.183	35.079
Adjusted Demand in 80% Area	25.968	26.648	27.347	28.063
New Supply during the year (Confirmed)	2.646	2.383	2.073	0.240
Total Stock at year end (Confirmed)	22.349	24.732	26.804	27.044
Shortfall (or Oversupply)	3.619	1.917	0.542	1.019
Shortfall %	14%	7%	2%	4%
Oversupply %	NA	NA	NA	NA

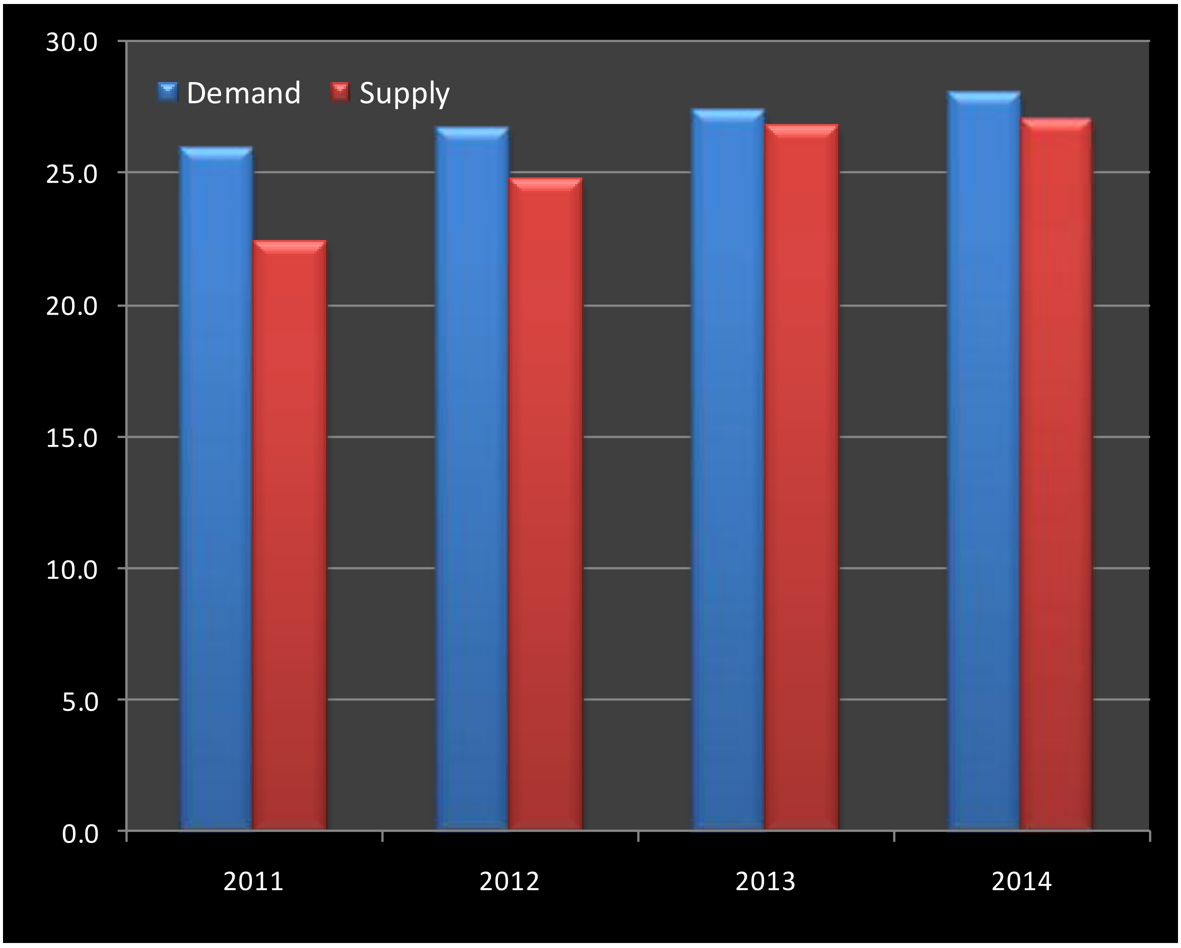
Note: Figures are in Million Square Feet except %

As is evident from Table 5 on the previous page, there is an estimated shortage of mall space of 3.619 million square feet in Delhi and NCR by the end of 2011, resulting in an undersupply of 14%.

However, in the year 2012, this undersupply of 14% decreases to 7% due to a further supply of 2.383 million sft, bringing the total Stock at the end of the year 2012 to 24.732 million sft. In 2013, Delhi and NCR is expected to experience a much better situation, with a shortfall of just 2%. This situation may not change much since most of these malls are already under construction; even if new malls are announced, they would easily take 3 to 4 years to commence operations.

The data presented in Table 5 is shown graphically in Chart 1 below for those who are more inclined to analyse graphically represented data.

DELHI & NCR MALL SPACE DEMAND & SUPPLY - I (2011 to 2014) Chart 1



Scenario B

If, along with the 16 upcoming malls, all of the 5 malls on hold come up by 2014 (we have assumed 0.52 million sft of supply in 2013 and 0.52 million sft in 2014), Delhi and NCR will have 83 malls with total approximate GLA of 28.084 million sft by 2014. The expected demand will be met as early as 2013, and the increase in demand over the next year will be matched by the scheduled supply, thereby continuing the demand-supply equilibrium in 2014.

Table 6 below shows the total serviceable demand (based on population) and the total Stock (scheduled supply plus the total GLA of existing operational malls) for the next four years. Since all the existing and planned/upcoming malls put together only cover about 80% of the city's geographical expanse, it is important to consider the Adjusted Demand rather than the Total Demand.

DELHI & NCR MALL SPACE DEMAND & SUPPLY - II (2011 to 2014) Table 6

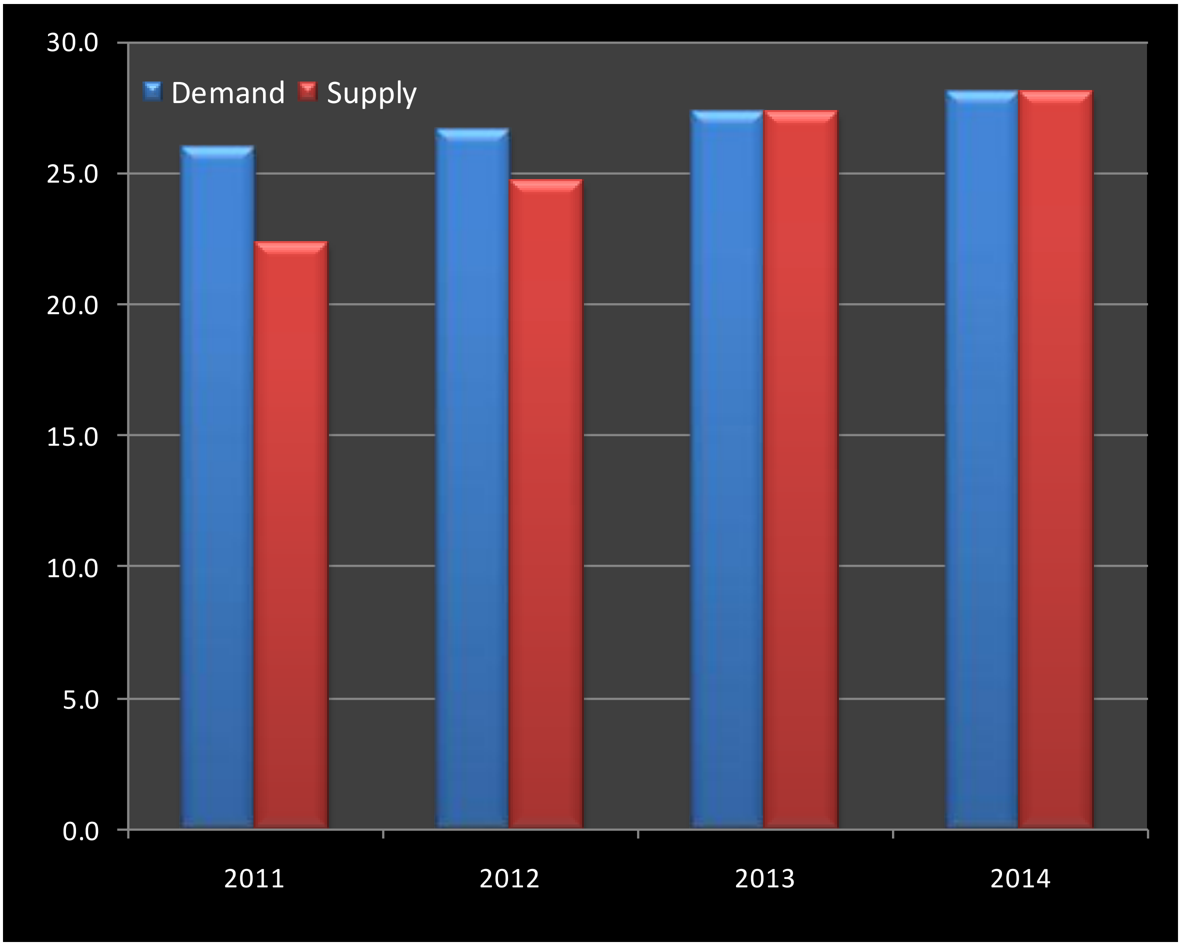
YEAR	2011	2012	2013	2014
	(Figures below in Millions of Square Feet except %)			
Total Demand in Delhi	32.460	33.310	34.183	35.079
Adjusted Demand in 80% Area	25.968	26.648	27.347	28.063
New Supply during the year (Confirmed)	2.646	2.383	2.073	0.240
New Supply from projects on hold	0.000	0.000	0.520	0.520
Total Stock at year end (Confirmed)	22.349	24.732	27.324	28.084
Shortfall (or Oversupply)	3.619	1.917	0.022	(0.021)
Shortfall %	14%	7%	0%	0%
Oversupply %	NA	NA	0%	0%

Note: Figures are in Million Square Feet except %

It is quite evident from the above Table that the demand-supply situation will ease off if the malls on hold are also kicked off and subsequently completed. The undersupply of 14% in 2011 will decrease to 7% in 2012 and will be negligible in 2013 and 2014.

The data presented in Table 6 is shown graphically in Chart 2 below for those who are more inclined to analyze graphically represented data.

DELHI & NCR MALL SPACE DEMAND & SUPPLY - II (2011 to 2014) Chart 2



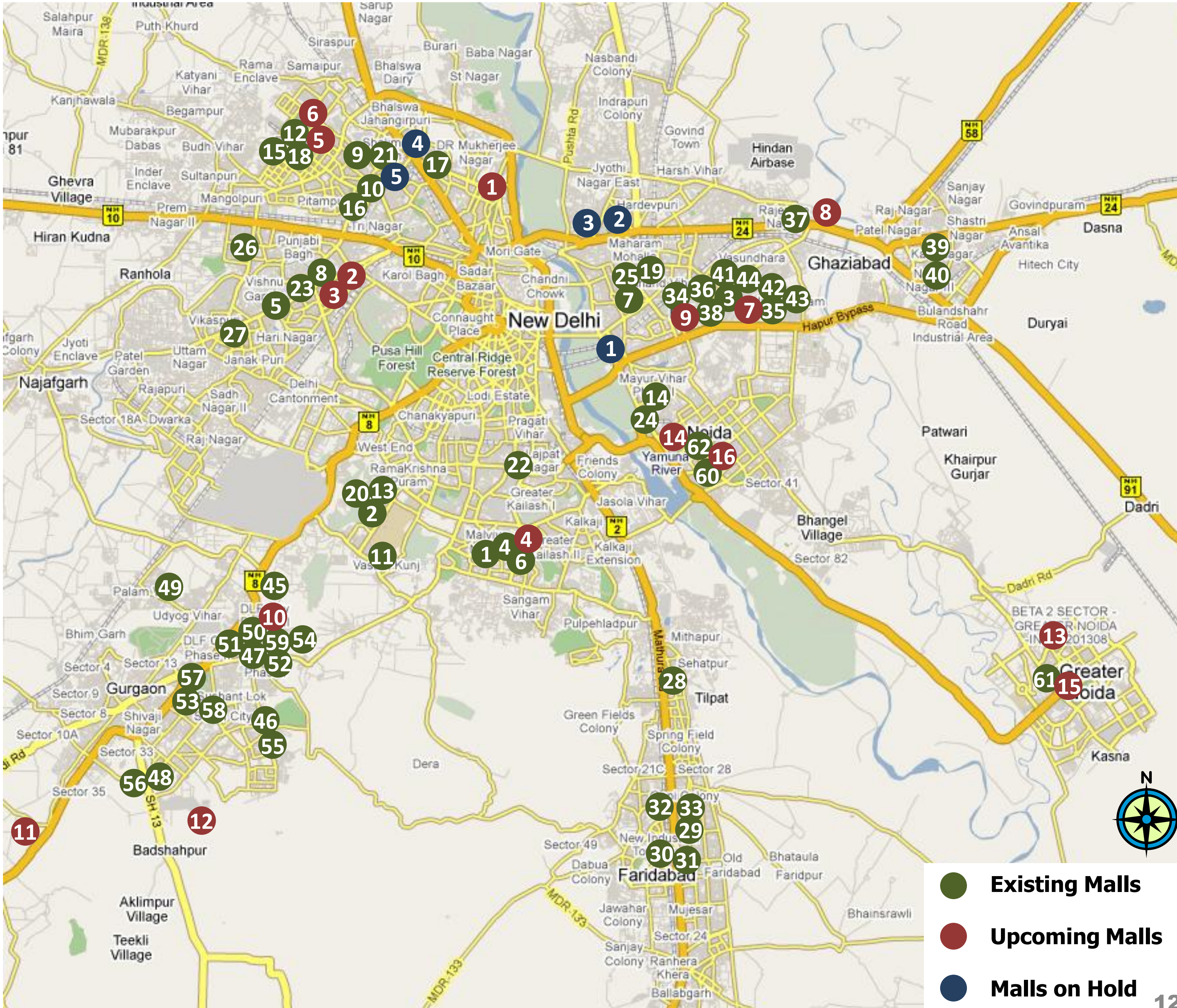
This means that if all the mall projects in the offing were to come up, the demand and supply situation in Delhi and NCR will be in an equilibrium in 2013 and 2014. However, it remains to be seen whether this equilibrium is maintained thereafter.

This report will be helpful to developers to decide on the size and location of new malls which are still on the planning sheets or drawing board.

Research Studies on MALLS IN INDIA

May 2011

Existing and Upcoming Malls in Delhi and NCR



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ANALYSIS BY MICRO MARKETS

From Table 6, it is evident that while some micro markets (geographical areas) are either already facing a drastic oversupply situation or are headed for one, some others still have potential for new malls to come up. The Map on Page 12 shows a much clearer picture.

For the purpose of this analysis, and as explained in the 'Background' section of this Report, we have divided the whole Delhi and NCR region into six micro markets or broad catchment areas based on their location.

The worst mismatch between demand and supply seems to be in Gurgaon. Not only is there an existing gross oversupply situation, when the three planned malls begin operations, they will take the total supply of mall space in Gurgaon by the year 2014 to 6.71 million sft *(which includes malls less than 150,000 sft)* as against an estimated demand of only about 1.78 million sft. In other words, the current demand is for less than one-fourth of the existing malls, and the situation is not expected to improve much even by 2014.

GURGAON MALL SPACE DEMAND & SUPPLY Table 7

YEAR	2011	2012	2013	2014
Estimated Demand	1.51	1.60	1.69	1.78
Total Stock (including fresh Supply)	6.32	6.53	6.71	6.71

Note: Figures are in Million Square Feet

A similar case is evident in Noida and Greater Noida. Although only five malls are planned here, these total up to a GLA of 3.01 million sft. The total supply for Noida and Greater Noida by the end of the year 2014 will be 2.93 million sft and 2.18 million sft respectively, and when viewed against the estimated demand of 1.18 million sft and 0.83 million sft respectively, it is a sign of huge oversupply. The following tables show the demand-supply scenario for Noida and Greater Noida.

NOIDA MALL SPACE DEMAND & SUPPLY Table 8

YEAR	2011	2012	2013	2014
Estimated Demand	1.04	1.08	1.13	1.18
Total Stock (including fresh Supply)	1.56	2.54	2.93	2.93

Note: Figures are in Million Square Feet

GREATER NOIDA MALL SPACE DEMAND & SUPPLY Table 9

YEAR	2011	2012	2013	2014
Estimated Demand	0.73	0.76	0.79	0.83
Total Stock (including fresh Supply)	1.53	1.53	2.18	2.18

Note: Figures are in Million Square Feet

On the other hand, the cities of Delhi, Faridabad and Ghaziabad are showing signs of undersupply - quite drastically in the case of Delhi.

By 2014, the total estimated demand for mall space in Delhi will be close to 18 million sft, whereas the supply will be less than 10 million sft, just over half of what is required.

DELHI MALL SPACE DEMAND & SUPPLY Table 10

YEAR	2011	2012	2013	2014
Estimated Demand	16.70	17.02	17.35	17.68
Total Stock (including fresh Supply)	8.36	8.91	9.46	9.70

Note: Figures are in Million Square Feet

Similar is the case for Faridabad and Ghaziabad, where although the estimated demand is high, the scheduled supply is much lesser. All these three regions (Delhi, Faridabad and Ghaziabad) contribute heavily to the situation of overall undersupply in the Delhi and NCR region and must be looked into by developers. The following tables represent the demand-supply scenario for Faridabad and Ghaziabad, respectively.

FARIDABAD MALL SPACE DEMAND & SUPPLY Table 11

YEAR	2011	2012	2013	2014
Estimated Demand	2.62	2.69	2.77	2.85
Total Stock (including fresh Supply)	1.50	1.50	1.50	1.50

Note: Figures are in Million Square Feet

GHAZIABAD MALL SPACE DEMAND & SUPPLY Table 12

YEAR	2011	2012	2013	2014
Estimated Demand	4.45	4.60	4.76	4.93
Total Stock (including fresh Supply)	3.09	3.73	4.03	4.03

Note: Figures are in Million Square Feet

While there is a clear case of oversupply in many micro markets, the city of Delhi is still expected to remain grossly underserviced. One must note that as more malls come up in the various micro-markets, consumers will simply stay closer home and tend not to visit the city centre if their needs are met within the micro-market itself.

ANALYSIS BY FOOTFALLS

The total GLA of the 62 existing malls is 19.703 million sft. By end of the year 2014, the 16 planned malls are expected to add another 7.341 million sft of GLA. Hence, by the end of 2014, there will be total mall GLA of 27.044 million sft. A few other projects may be announced in the coming months, which will further push the total GLA upwards.

ANALYSIS BY FOOTFALLS Table 13

Sl.	Name of the Mall	Location	Footfalls			GLA	Footfalls	
			Weekend and Holiday (WHF)	Weekday (WDF)	Monthly		Per sft per month	Avg per sft per month
1	Ambience Mall	NH-8, Gurgaon	85,000	50,000	1,856,250	1,030,000	1.80	2.29
2	Great India Place	Sector 38, Noida	125,000	75,000	2,760,417	900,000	3.07	
3	Select City Walk	Saket District Centre, Delhi	70,000	25,000	1,191,667	600,000	1.99	

The average Footfalls Per Square Foot Per Month (FPSPM) for the three largest malls in Delhi and NCR listed above comes to 2.29.

By the year 2014, the GLA of confirmed malls is expected to exceed 27.044 million sft. At an average of 2.29 footfalls/SFT/month (as calculated above), the desired footfalls for sustainable operations of malls in the region would be around 61.931 million. Assuming the annual growth rate of Delhi and NCR's population to be the same as what it was from 2001 – 2011 (2.62%), the population of Delhi and NCR will be 29.233 million in 2014. If 54% (assumed to be the proportion of the population of SEC A and B) visit malls at least twice a month, the total footfalls per month in 2014 may barely cross 31.571 million, creating a footfall shortage of 49%. This shows that even in a retail market like Delhi and NCR, where there appears to be an undersupply of malls, making efforts to increase footfalls is critical, thereby highlighting the importance of effective marketing and mall management.

So, here's the big question, "What will be the strategies adopted by mall developers and retailers to make all of these malls successful?"

DEMAND & SUPPLY ANALYSIS

As has been known by many, the city of Delhi is a shopaholic's utopia, and the numerous shopping malls that have mushroomed in the region over the past few years are proof of that. Wherever one goes, one is highly likely to come across a glittering mall. The emergence of 'The Great Indian Middle Class' has brought in a kind of retail revolution across India, and Delhi, by its very nature, has not missed out on it.

It is a fact that the population of Delhi and NCR region has been increasing in leaps and bounds. Currently at 27 million, Delhi and NCR's combined population is expected to touch 30 million in the next three years.

As population increases, so does demand for retail spaces. Delhi has no dearth of shopping options - it has some very famous *bazaars* and open markets like Connaught Place, Karol Bagh, Chandni Chowk, Sarojini Nagar, Lajpat Nagar etc., all famous for the variety and quality of merchandise they offer. However, if we focus on the average per-capita income in the region, it emerges as one of the highest in India, thereby suggesting that there is still a lot of untapped demand for organized shopping spaces like shopping malls.

To cater to the existing and expected future demand, many new malls are coming up in the Delhi and NCR region, and it is possible that many more could be at the planning stage. In spite of this scheduled supply of malls, the demand-supply ratio of malls in Delhi and NCR appears to be healthy, at least till 2014.

Data for upcoming (or planned) malls beyond 2014 has not been considered for the purpose of this study. However, the pace at which new malls have been announced in last few years, one cannot rule out the possibility of oversupply, just like in the case of other metropolitan city-regions like Bangalore, Mumbai and Hyderabad.

It is always an advantage to open a mall in a city which has an undersupply of mall space. However, projected demand is not the only factor responsible for a mall's success - bad functional design and/or tenancy mix can result in the failure of a mall in any market, despite unmet demand. Sigma Mall and Lido Mall in Bangalore, and Crossroads and Atria Mall in Mumbai, amongst other malls across the country, are good examples of malls having failed even during the years when there was undersupply in those cities.

It has to be seen if there are any significant differences between the 16 new malls under development in Delhi and NCR. Four of the 16 new malls are too small (less than 250,000 square feet) to make any significant impact. Of the others, five have a GLA of greater than 500,000 sft - three of them are coming up in Noida and Greater Noida , one in Gurgaon and one in Delhi.

Delhi has the maximum number of upcoming malls (six), followed by four in Noida and Greater Noida and three each in Ghaziabad and Gurgaon. Faridabad, with its six existing malls, has no malls currently under development, although there might be some on the drawing board for which information is not currently available.

As Gurgaon continues to develop beyond Golf Course Road, this growth is reflected in new malls being planned in that region. With the MG Road/NH-8 area already inundated with malls, only one new mall is planned there.

Indirapuram, in Ghaziabad, appears to be in the thick of action, with as many as nine functioning malls and two more scheduled to open up by the year 2013.

Greater Noida, on the other hand, is slowly emerging as a growth centre with two upcoming malls to add to its solitary mall – Ansal Plaza. There might be other malls in Greater Noida which might be lesser than 150,000 sft in GLA and, hence, have not been considered for this study.

While Delhi is in the midst of a gross shortfall of mall space, Gurgaon, Noida and Greater Noida are already experiencing an oversupply scenario. The situation is worst in Gurgaon, where the total Stock of mall space is approximately four times the estimated demand, and is expected to continue to be so till the year 2014 and even beyond that. Noida is presently facing an oversupply of 50%, and the corresponding figure will be almost 150% in 2014. Greater Noida, already at supply levels that are double that of the projected demand, will end up at oversupply of 163% in 2014.

Ghaziabad and Faridabad, in contrast, are underserved with shortfalls of 31% and 43% respectively, and are expected to face an undersupply of mall space even in 2014.

The situation in Delhi is not very different from what is evident in Asipac's reports on the demand and supply scenario of mall spaces in Hyderabad, Bangalore, Chennai and Pune. While some micro markets in Hyderabad are headed for a drastic oversupply, some others appear to be safe for now. Overall, from a shortfall of 66% in the year 2011, Hyderabad is headed for an oversupply that could go as high as 53% in 2014 if all projects currently on hold were to come up. Yet, there are areas like Begumpet and Ameerpet which neither have an existing mall, nor do they have any malls scheduled to come up in the next 2-3 years.

Similarly in Bangalore, although the Central Business District is expected to remain underserved, most suburban and peripheral micro locations in the city seem to be destined for a situation of oversupply - a situation that will become only worse with each passing year and might reach an oversupply of 60% by 2014.

Chennai, on the other hand, is currently experiencing a shortfall of 34% in the supply of mall space, and a demand-supply balance is expected to kick in only by 2013 or 2014. Similarly, Pune, with a shortfall of 23%, would reach a demand-supply equilibrium by 2014, but only if all projects currently on hold were to be revived and completed by then. Assuming these projects do not take off, Pune is expected to end up with a shortfall as high as 35% by the year 2014.

Needless to say, if upcoming malls lack the wow factor and do not differentiate from others, they will fall short of required attention and eventually die.

Malls require considerable investment of time and money. They have to be run for one or two years before their viability to survive in the long run is confirmed. If they are found to be unviable, it takes a few years and a lot of debate to take them out of operation and/or use the structures for other limited commercial purposes.

Malls decide the fate of their tenants' business and profitability. Small businesses are more impacted since many are experimenting in a mall for the first time. If they don't do well, this could drive them completely out of business. Sadly, mall developers/owners and most property consultants don't realise this truth. It is even more disheartening to see some experienced developers repeating a cookie-cutter plan/design in one mall after the other.

So especially in a market like Delhi and NCR, where there is no shortage of quality shopping and no distance is far with the successful Delhi Metro running like a lifeline, shopping mall developers need to think something different and fast. There is still untapped opportunity in Delhi and NCR, and if planned properly and in the right direction, it will be fruitful to all stake holders.

METHODOLOGY

The data for this survey/study was collected by Asipac consultants through direct contact with executives working with most of the developers whose projects have been listed as well as through the developers' current websites in April 2011.

Further information was obtained from the various retailers who have either been contacted to take up retail spaces in one or more of the project listed or were just aware of the project/s.

Retail real estate projects below a GLA of 150,000 square feet have been grouped under 'Other Miscellaneous'.

Mall space has been considered not just in terms of fresh supply every year, but also total Stock , which is the sum total of mall space in the city at the end of each year.

Some of the projects listed in the Upcoming Malls Table may be temporarily on hold, but developers are looking for the first possible opportunity to get them off the ground. Many others have been re-sized (mostly downsized). There are several others (on the planning tables or drawing boards) currently on hold which do not find a place on the Table.

In any study of this nature, there are bound to be errors and omissions. While Asipac believes that the information presented herein is reasonably correct, Asipac does not make any warranty to that effect. For example, Asipac believes that there are bound to be upcoming malls in Faridabad, but no information to that effect could be obtained, either from developers or through secondary research.

If anyone reading this report comes across any such errors or omissions, we will be happy to receive your comments on corp@asipac.com and will incorporate necessary corrections after verifying its/their accuracy.

ABOUT ASIPAC

Established in 1996, Asipac Group comprises India's largest Mall Planning & Leasing Consultants (by volume of work), multiple award winning real estate marketing strategy consultant, a highly respected retail research & consulting firm and India's fastest growing mall management company.

Our services include:

- Project Conception
- Comprehensive Mall Planning
- Design Process Management
- Letting and Lease Management
- Retail Research and Consulting
- Mall Marketing Consultancy
- Mall Management
- Rental Yield Maximization
- Conception of New Retail Formats
- Marketing Strategy, Ideas and Programs for Real Estate Projects

In 14 years, we have provided high level strategic advice to RE developers on projects with a combined built-up area of 380 million square feet valued at more than US$24 billion.

In retail real estate, we have advised developers on retail / shopping centre projects of over 16.42 million square feet, including seven of the 15 largest shopping centres in India. We have leased more than 8.45 million square feet of retail real estate across India in just five years. We have leasing mandates for seven malls in five cities, with GLA of 6.14 million square feet. We also have Mall Management mandates of 5.1 million square feet.

Asipac undertakes strategic research on the retail as well as the retail real estate sectors. Our study of trading densities of modern retail formats was featured twice in *The Economic Times* and was cover story of *Images Retail*'s February 2010 issue. Our study on India's largest malls featured in *The Economic Times*, *The Times of India* (twice), *The New Indian Express*, *Business Today* and *Shopping Centre News*. Our study of Revenue Share Rent was published in *Shopping Centre News*. Our studies on Demand and Supply of mall spaces in Bangalore, Chennai, Hyderabad and Pune were all published in *Shopping Centre News*.

Asipac was voted at GIREM as **Best Marketing Firm 2008** competing against 3 IPCs and has won **3 Remmy Awards** from The Times of India. One of our projects broke a **Guinness World Record** and was a finalist in Mixed Use Project category of **Cityscape Asia 2008 RE Awards**. A project launch won a **Bronze at 2009 EEMAX Awards**. An unpublished campaign won **GOLD at the Big Bang Awards** of Ad Club, Bangalore.

With **225+ media articles** and **40+ TV features**, including **20+ front page/cover stories**, our credentials are well known in Indian real estate.

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SHAPING THOUGHT. BUILDING VALUE.

Asipac Mall Services Pvt. Ltd.
Research and Consulting Division
7/1, 1st Floor, Ulsoor Road
Bangalore-560 042

T: +91 80 4015 0000
F: +91 80 4015 0099
E: research@asipac.com

www.asipac.com