

Lodha leads as developers become richer by 26% despite Covid-driven crash



Despite the pandemic-induced plunge in realisations, the number of new rupee-billionaires in the realty world continued to swell adding eight new entrants to the list of the Hurun India's top-100 richest realty developers.

The list has been topped by developer and senior BJP leader Mangal Prabhat MP Lodha of Macrotech, for the fourth year in a row.

According to Hurun India real estate rich list, the total wealth of these 100 richest builders jumped a full 26 per cent from to Rs 3,48,660 crore over the previous year. The average per-capita gain being 27 per cent to Rs 3,487 crore.

The pandemic-savaged year, when home sales plunged and commercial realty was a no-go area, created eight dollar-billionaires and 27 new entrants in the list of the top-100 richest developers, Hurun Research said on Tuesday.

The fourth edition of real estate rich list mapped around 6,000 companies to arrive at the top-100 by revenue and networth, Hurun India Head Anas Rahman Junaid said. The top-100 are from 71 companies across 15 cities, he added.

For the 65-year-old Lodha and family their wealth increased by 39 per cent in the current year to Rs 44,270 crore. Founded in 1980 in Mumbai, Lodha is the largest real estate developer by sales value for financial years 2014-20 and the second-largest by area delivered.

With a wealth of Rs 36,430 crore, Rajiv Singh, 61, of DLF, ranks second on the list and registered an increase of 45 per cent in wealth, backed by a 50 per cent rise in DLF's share price.

Established in 1946 in Delhi, it is the largest publicly listed real estate company with properties in 15 states and 24 cities.

With a 70 per cent increase in wealth to Rs 26,260 crore, Chandru Raheja, 80, and family of K Raheja Corp moves up two spots to the third spot. It has over 20 million sq.ft. office space, making it the second-largest commercial developer.

At the fourth slot is Jitendra Virwani of Embassy Office Parks Bengaluru with a wealth of Rs 23,220 crore, followed by Niranjan Hiranandani of Hiranandani Communities, Mumbai with Rs 20,600 crore, Vikas Oberoi (Rs 15,770 crore) of Oberoi Realty Mumbai, Raja Bagmane (Rs 15,590 crore) of Bagmane Developers, Bengaluru.

They were followed by Subhash Runwal (Rs 11,450 crore) of Runwal Developers, Mumbai, Ajay Piramal (Rs 6,560 crore) of Piramal Realty, Mumbai and Atul Ruia of Phoenix Mills, Mumbai with a wealth of Rs 6,340 crore.

Of the top-100, Mumbai is home to the maximum at 31 entrants, including the largest and the third largest, followed by Delhi and Bengaluru with 22 and 20 entrants, respectively, and these 100 builders added a full 26 per cent to their wealth in the pandemic year to Rs 3,48,660 crore.

Yet, the pandemic had its impact as there were 27 drop-offs from 2019 as they faced a 33 per cent drop in their wealth while 65 per cent saw their wealth jump as most top developers were resilient to pandemic impact.

Bijay Kumar Agarwal of Sattva Developers was the fastest riser in the 2020 list, which has also seen three of them being under-40 and four of them above-80 entering the list in 2020.

Junaid said the pandemic was the litmus test for the realty sector, as the year saw top developers in each city consolidating their market share and 27 per cent of fall from 2019.

With a growing population, the country currently has one of the top-five most pronounced housing shortages in the world and will need to build 25 million additional affordable homes units by 2030, which has the potential to create at least 50 new billionaires annually.

While Mumbai, New Delhi and Bengaluru are home to 73 per cent of the rich developers, 63 per cent of them comprises first-generation entrepreneurs. As much as 65 of them increased their wealth in 2020, of which 27 are new entrants. While 33 per cent saw their wealth fall leading to 27 drop-offs from the 2019 list.

With a net worth of Rs 280 crore, the youngest on the list is Aditya Chandak (36) of the Chandak Group, and the oldest on the list is Prithvi Raj Singh Oberoi (91) of East India Hotels with a networth of R 2,170 crore. Three are under-40, and four are above 80, while the average age is 60.

The 100 richest individuals come from 71 companies across 15 cities.

Lodha