



# INTEGROW INSIDER

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## PEOPLE OF REAL ESTATE:

### Vikram Palesha's Vision of Sustainability and Innovation in Real Estate

**Introduction:** Vikram Palesha, founder and executive chairman of Onyx Realty, has become a beacon of innovation and eco-consciousness in Pune's real estate landscape. His journey from humble beginnings to steering one of the city's most respected real estate companies has been marked by a commitment to sustainability, engineering excellence, and creating spaces that elevate human potential. Under his leadership, Onyx has delivered more than 1.3 million square feet of immaculately designed spaces, setting new benchmarks in both residential and commercial real estate.

**A Legacy of Entrepreneurship:** Palesha's journey as an entrepreneur began at a young age. Coming from a business-driven family, he launched his first venture at the age of 16 and eventually founded Onyx Group in 2003. Initially focused on lifestyle accessories and furnishings, the company made its foray into real estate in 2010 with a modest residential-cum-commercial project in Bhavani Peth, Pune. Reflecting on this turning point, Palesha remarked, "It was a serendipitous entry into real estate, filled with challenges but also limitless possibilities."

Since then, Palesha has not looked back, continually pushing boundaries and taking Onyx Realty to new heights. His early experiences as an entrepreneur have equipped him with a unique blend of resilience and vision, enabling him to navigate the complexities of the real estate sector.

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## PEOPLE OF REAL ESTATE:

### Vikram Palesha's Vision of Sustainability and Innovation in Real Estate

**The Onyx Philosophy:** Enlightened Engineering: At the heart of Onyx's operations is what Palesha calls "Enlightened Engineering". This philosophy goes beyond just building structures; it focuses on creating spaces that are both functional and inspirational. "Excellence over enormity is our mantra," Palesha explains. Rather than emphasizing the sheer size of a project, Onyx prides itself on delivering meaningful, thoughtfully designed spaces that enhance the quality of life.

**Sustainability as a Cornerstone:** A key aspect of Palesha's vision is sustainability, which permeates every project undertaken by Onyx Realty. Palesha believes that developers must integrate green technologies and eco-friendly practices into their designs, ensuring minimal impact on the environment. From energy-efficient materials to sustainable water management systems, Onyx developments are built to last and reduce their carbon footprint. Palesha stresses, "The future of real estate must be planet-friendly. We need to cherish the Earth with all our might."

The company's flagship residential project, Vertical Oriana in Keshav Nagar, is a testament to this philosophy. Despite facing challenges such as market disruptions and the introduction of RERA and GST, Palesha's team successfully completed the project, incorporating sustainability at its core. The development spans 350 apartments and 100 commercial spaces across five acres, blending modern amenities with green living.

**Customer-Centric Approach:** Palesha is a firm believer in placing the customer at the center of every decision. His projects are designed with a focus on enhancing the everyday experience of those who live and work in Onyx spaces. "Real estate is a lifelong investment, and it is our responsibility to ensure that our customers find joy and value in what we create," he asserts.

His customer-centric philosophy is reflected in Onyx's attention to detail, from the design of common areas to the integration of smart technologies that make living more convenient. Whether it's residential projects like Vertical Alcinia or commercial spaces like Onyx Business at Kondhwa, each development is aimed at fostering a sense of belonging and community.

**Technological Integration:** In addition to sustainability, Palesha has embraced technology as a key driver of change in the real estate sector. Onyx has implemented AI-driven solutions, smart home technologies, and automation in its projects, staying ahead of industry trends. "The real estate landscape is changing rapidly, and technology is at the heart of this transformation," Palesha notes. His vision is to create future-ready spaces that cater to the tech-savvy younger generation, offering them modern solutions for a connected lifestyle.

Moreover, Palesha has co-founded EarthGuru, a proptech platform designed to bring transparency and security to real estate transactions. The platform features innovative tools like Prop Auction, which helps users find profitable property deals, and Prop-Protect, which alerts users to potential fraud. Through EarthGuru, Palesha aims to revolutionize the way properties are bought and sold in India.

Vikram Palesha's journey from a teenage entrepreneur to the founder of Onyx Realty is marked by an unwavering commitment to excellence, innovation, and sustainability. His philosophy of enlightened engineering, combined with a customer-first approach and the integration of technology, has positioned Onyx as a leader in Pune's real estate market. As the industry continues to evolve, Palesha remains focused on creating spaces that not only stand the test of time but also contribute to a healthier, more sustainable future. In this edition of "People of Real Estate," Palesha's insights provide a glimpse into the future of real estate, where quality, sustainability, and customer satisfaction are the cornerstones of success.

## MARKET TRENDS

### Q4 2024 Real Estate Market Trends: Recovery on the Horizon

The Indian real estate market is entering Q4 2024 with a sense of cautious optimism. After navigating through challenges posed by rising inflation, regulatory changes, and interest rate hikes by the Reserve Bank of India (RBI), the sector is starting to stabilize. While the global economic environment has been volatile, India's unique demographic trends, government initiatives, and ongoing infrastructure developments are expected to drive a recovery in the coming quarters.

The residential real estate market is seeing a gradual uptick, especially in metropolitan areas like Mumbai, Bengaluru, and Hyderabad, where demand for mid-income and luxury housing remains robust. The commercial real estate segment, though challenged by the shift to hybrid work models, is seeing recovery in specific sectors, such as logistics and warehousing. The rise of e-commerce in India is fueling demand for industrial spaces, while data centers continue to thrive, driven by digitalization and increasing cloud adoption.

The relaxation of Foreign Direct Investment (FDI) norms in the real estate sector is also encouraging foreign capital inflows, particularly in commercial and retail projects. This is expected to boost liquidity and bring greater sophistication to the sector, improving the overall investment landscape.

Key drivers of this recovery include the Government of India's push for affordable housing and urban infrastructure projects. The Pradhan Mantri Awas Yojana (PMAY) continues to boost affordable housing, particularly in tier 2 and tier 3 cities, where demand is growing rapidly. Additionally, the Smart Cities Mission and other infrastructure-focused initiatives are enhancing the livability and economic prospects of these cities, attracting both homebuyers and investors.



One of the standout trends for Q4 2024 is the increasing focus on sustainability. Both developers and investors are shifting towards green buildings, driven by rising awareness and government policies aimed at reducing carbon footprints. The demand for eco-friendly, energy-efficient homes is steadily rising, and this trend is expected to accelerate in 2025 as more consumers prioritize sustainability in their investment decisions.

Looking ahead, the real estate sector in India is poised for a rebound. While challenges remain in certain segments, the growing demand for quality housing, a strong regulatory framework, and a focus on sustainable development will likely ensure steady growth over the next few quarters.



# INDUSTRY OVERVIEW – INDIA



## GCCs driving Commercial Real Estate in India

By Prithijit Chaudhury – Senior Vice President, CRE Investments , Integrow

Global Capability Centres (GCCs) are specialized units or hubs set up by companies to leverage talent, expertise, and resources from various locations around the world. These centres are often established in regions with favourable business environments, such as lower operational costs and access to skilled labor.

Initially set up to save costs and help organisations with their business functions GCCs have significantly made their presence felt in India. Today, the country is home to over 1,800 such centres established by top multinational corporations, to serve the global and regional market with more efficiency.

### GCC in India- Quick facts1:

- 240mn sq ft Grade A stock occupied by GCCs in the top 7 cities
- 35.2 mn sq ft of leasing by GCCs in last 18 months (2023-H1 2024)
- ~60% share of Americas – headquartered firms in area occupied by GCCs
- 3/4th share of Bengaluru, Hyderabad and Chennai in space leased by GCCs in last 18 months (2023-H1 2024)
- ~50% share of GCCs in active, ongoing space requirements across the top seven cities
- ~78% combined share of Manufacturing, IT/ITeS & BFSI
- 100+ GCCs entered India in last two years
- ~42% share of Bengaluru in space occupied by GCCs

### What is driving GCC growth in India ?

**Talent Pool:** India has the largest youth population in the world and is also one of the top STEM graduate-producing countries, giving companies access to a large talent pool across the nation.

**Cost Efficiency:** Help companies reduce operational costs by outsourcing certain functions to with lower labor costs. India has ~\$2,700 per capita GDP compared to \$80,000+, \$55,000+ and \$12500+ in US, Europe and China respectively – huge cost arbitrage!

**Technology and R&D:** The integration of artificial intelligence (AI), machine learning (ML), big data analytics, cloud computing, and the Internet of Things (IoT) has transformed GCCs into innovation hubs

**Culture of Innovation:** GCCs in India are not merely execution centers but are increasingly becoming innovation engines for their parent companies. They are involved in developing new products, services, and business models that drive competitive advantage. The emphasis on innovation is evident in the numerous patents and intellectual property (IP) generated by these centres.

**Tech Startup Ecosystem:** According to NASSCOM, India is home to over 9,300 tech startups, making it the third-largest startup ecosystem globally. This ecosystem provides GCCs with access to cutting-edge technologies, entrepreneurial talent, and new business models, enhancing their innovation capabilities.

**Vast and Improving Infrastructure:** The country has space and the potential to expand. Easy access through roads, airports, electricity and reliable internet connectivity in major cities and other facilities are of great help.

**Supportive Government Policies:** Policy initiatives like SEZ, STP – offering tax initiatives with world class infrastructure; Digital India, Make in India and Skill India have further supported the growth of GCCs.

India currently hosts around 1,600 Global Capability Centres (GCCs), with this number expected to rise to 1,900 by next year. A Nasscom-KPMG report highlights that the market size for GCCs has reached \$60 billion, up from \$19.6 billion in 2014-15 and more than doubling to \$46 billion in 2022-23, reflecting an 11.4% compound annual growth rate (CAGR). Between 2018-19 and 2023-24, GCCs created over 600,000 new jobs, bringing the total to more than 1.6 million.

The sector's prospects look even brighter. According to the latest Economic Survey, GCCs are projected to generate \$121 billion in revenue by 2030, approximately 3.5% of India's current GDP, with \$102 billion expected to come from exports.

The trend of establishing GCCs in India is expected to continue, with a greater focus on innovation, digital transformation, and integration into global operations. As businesses adapt to changing market dynamics, GCCs will likely play an increasingly strategic role in global business frameworks.

Source : JLL Research 2024



## Resilient Portfolios: How to Safeguard Wealth in 2024

As India's economy continues to navigate a volatile global environment, building a resilient portfolio is more critical than ever for investors. In 2024, diversification remains key, but the definition of diversification has evolved. Beyond traditional equities and fixed-income instruments, Indian investors are increasingly looking towards alternative assets like real estate, gold, and infrastructure investments to safeguard their wealth in uncertain times.

Real estate is one of the most reliable asset classes in India for wealth protection. Despite market fluctuations, property values in India have historically appreciated over the long term, providing a hedge against inflation. Cities like Bengaluru, Hyderabad, and Pune have seen steady demand for residential and commercial real estate, making them attractive for both end-users and investors. Additionally, the growing demand for affordable housing and the expansion of tier 2 and tier 3 cities provide opportunities for long-term wealth creation.

Gold continues to be a favored asset in India, not just for cultural reasons but also as a store of value. With global economic uncertainty on the rise and inflationary pressures persisting, gold offers a safe haven for investors. Sovereign Gold Bonds (SGBs) and gold ETFs are becoming increasingly popular as they offer the benefits of gold investment without the need for physical storage.

Infrastructure investments, particularly through Infrastructure Investment Trusts (InvITs), are also gaining traction. With the government ramping up spending on highways, railways, and urban infrastructure, InvITs provide an opportunity for retail investors to tap into the growth potential of India's infrastructure development. These vehicles offer steady income streams through dividends and capital appreciation over time, making them an excellent option for those seeking to build resilient portfolios.



In addition to these traditional and alternative assets, Indian investors are increasingly considering ESG (Environmental, Social, and Governance) criteria when selecting investments. Companies that adhere to high ESG standards tend to perform better over the long term, as they are more resilient to regulatory and reputational risks. As sustainability becomes a global priority, Indian investors are recognizing the value of integrating ESG considerations into their portfolios to enhance long-term stability.

To safeguard wealth in 2024, Indian investors must focus on a balanced approach—combining real estate, gold, infrastructure, and ESG-driven investments. This strategy will help them not only protect their wealth from market volatility but also position themselves for growth in the coming years.

## The Future of Sustainability in Real Estate: 2024 and Beyond

Sustainability is rapidly becoming the cornerstone of India's real estate sector. In 2024, the emphasis on green building practices and environmentally conscious development is set to transform the industry. As urbanization accelerates and environmental concerns take center stage, developers, investors, and homeowners are increasingly prioritizing sustainable practices to reduce carbon footprints and enhance long-term value.

In India, the government has been proactive in promoting sustainable real estate development. Policies such as the Energy Conservation Building Code (ECBC) and incentives for green buildings have pushed developers to adopt energy-efficient designs. Additionally, the Real Estate Regulatory Authority (RERA) has introduced greater transparency and accountability in the sector, which is helping drive the shift towards more sustainable development practices.

Green buildings, which consume less energy and water, are not only environmentally friendly but also offer significant financial benefits. In India, green-certified buildings have lower operating costs due to reduced utility expenses, making them more attractive to investors and tenants alike. The residential segment is witnessing growing interest in sustainable housing, particularly among millennials and Gen Z buyers who prioritize eco-friendly living spaces. Features like rainwater harvesting systems, solar panels, and energy-efficient appliances are becoming increasingly common in new developments across cities like Bengaluru, Chennai, and Ahmedabad.

In the commercial real estate sector, sustainability is no longer a luxury—it's a necessity. Companies are looking to lease office spaces in green-certified buildings as part of their broader ESG commitments. Demand for such spaces is particularly high in cities like Gurugram, Noida, and Mumbai, where corporate tenants are seeking to align with global sustainability goals. Green offices also provide health and wellness benefits, which have become increasingly important in the post-pandemic world as companies prioritize employee well-being.



Sustainability in real estate extends beyond individual buildings to urban planning. Cities like Pune, Hyderabad, and Kochi are adopting smart city concepts, integrating sustainable infrastructure, public transportation, and green spaces to create more livable urban environments. These developments not only improve the quality of life for residents but also contribute to long-term economic growth by attracting businesses and investment.

As India moves towards a greener future, sustainability in real estate will continue to gain momentum. Developers who embrace sustainable building practices stand to benefit from higher demand, lower operational costs, and enhanced asset values. With the growing importance of ESG considerations, the future of real estate in India will be shaped by the need for sustainable, eco-friendly development that meets the needs of both investors and consumers.