

'Our concept is senior living, not old age homes'

NAVADHA PANDEY



India is slowly warming up to the idea of residential communities for senior citizens. While a few players have already launched such projects, the latest entrant in this highly under-penetrated category is Antara Senior Living, a subsidiary of Max India Group.

Antara is set to kick-start its first community in Dehradun by mid next year. Max India has invested ₹560 crore in this business concept. Tara Singh Vachani, CEO, Antara Senior Living, tells BusinessLine how she has tweaked the model and the roadmap ahead.

This concept is relatively new in India, unlike the West. Is that a challenge since there is a stigma about old age homes?

India is slowly warming up to the idea of residential communities for senior citizens. While a few players have already launched such projects, the latest entrant in this highly under-penetrated category is Antara Senior Living, a subsidiary of Max India Group.

We have been clear in our communication regarding the branding, design or pricing, that our concept is senior living or senior lifestyle, not old age homes. Initially, people would ask us this question, but not any more. Our target audience is people aged 55 and above, not 85 or 90-year-olds. We are targeting the end-user. We are not going to middle-aged people and asking them if they would want to send their parents to a retirement community.

When does the township open?

The facility will open in mid-2016. After getting board approval in 2012, we started construction in 2013. Spread over 14 acres, it has 200 apartments ranging from 1,100 sq ft to 8,500 sq ft. We have already registered 50 per cent bookings. Roughly, a 2,500 sq ft apartment would cost ₹3 crore and the Antara Comprehensive Benefit will be close to ₹49,000 a month. Antara Comprehensive Benefit is a monthly service package for a host of offerings, such as club membership, lifetime maintenance of apartment, club security, 24x7 concierge, among others. It would vary depending on the flat size.

How does the model work?

We have a lifetime lease model for the apartment. The benefits are akin to freehold. Residents have the rights to live and enjoy and pass it down to their children. By default, a child cannot inherit it, as we don't want apartments to be lying vacant. If they wish to keep it, they can pay monthly charges. Also, there are benefits of appreciation at the time of resale.

How did you tweak the model for India?

Western communities lack a sense of warmth and real attention to detail when it comes to service. The West is also very rigid on protocol, and as the resident gets older, he/she is moved to an assisted living facility and later to a skilled nursing facility. That means one ends up moving twice, even if it is within the same set-up. We've built the whole community to be able to do a continuum of care and not have residents shifted around. Plus, the flat sizes are larger than in the West.

What is the demand size for this segment?

There is no magic number. We've done two rounds of research, we're doing a third. It has never been correct because till people understand the product, they can't say whether they have a liking or a demand for the same.

There are over 110 million over the age of 60 in India. If you take even one per cent who are able to fund an asset over ₹3 crore, that's my back-of-the-envelope calculation of the market.

What is the roadmap for expansion?

We have formed a team to focus on growth. We want to grow at a sensible pace. We will not grow 10 communities in 10 years. It requires a high bandwidth to execute and consistently maintain such communities.

Are you tapping the synergies with sister companies under the Max stable?

There are synergies with all three Max companies today – health insurance, life insurance and healthcare. The synergy that we are tapping into the most today is healthcare. We have an outpatient lifecare centre within the community. Plus, the Max Super Specialty hospital is a six-minute drive. We are also working with our health insurance company on whether we can create some long-term insurance product.