Chapter III

OVERVIEW OF
THE INDIAN REAL ESTATE SECTOR
3.1. Introduction

The term ‘real estate’ is defined as land, including the air above it and the ground below it, and any buildings or structures on it. It is also referred to as realty. It covers residential housing, commercial offices, trading spaces such as theatres, hotels and restaurants, retail outlets, industrial buildings such as factories and government buildings. Real estate involves the purchase, sale, and development of land, residential and non-residential buildings. The main players in the real estate market are the landlords, developers, builders, real estate agents, tenants, buyers etc. The activities of the real estate sector encompass the housing and construction sectors also.¹

The real estate sector in India has come a long way by becoming one of the fastest growing markets in the world. It is not only successfully attracting domestic real estate developers, but also the foreign investors. The growth of the industry is attributed mainly to a large population base, favourable demographics, easy availability of finance, rising income level, and rapid urbanization. The real estate sector in India assumed greater prominence with the liberalisation of the economy, as the consequent increase in business opportunities and labour migration led to rising demand for commercial and housing space.

Traditionally, the real estate sector has been fragmented with large number of developers. But now the industry is witnessing a changing profile with shift in consumer preferences and rising investor interest. Real estate developers are becoming more organised and transparent to leverage opportunities in the market.

The real estate companies are coming up with various projects including residential and non-residential to meet increased demand. This is largely driven by availability of land at affordable prices backed by demand for office space, primarily from services sectors such as IT/BPO, retail and BFSI. According to CREDAI Real estate plays a crucial role in the Indian economy. It is the second largest employer
after agriculture and is slated to grow at 30% over the next decade. The Indian real estate market size is expected to touch $180 billion by 2020.

The liberal economic policies, aimed at improving private participation, adopted by the Indian Government has helped in capitalizing the strong fundamentals of the Indian economy which include young population and rising urbanization. Indian GDP has quadrupled to reach USD 1.8 trillion in 2012 and is expected to become the third largest economy worth USD 6.6 trillion by 2028.2

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3.2. Segments in the Indian real estate sector

The real estate sector comprises of five sub-sectors. They are Residential space, Commercial space, Retail space, Hospitality space, and SEZs.

3.2.1. Residential Real Estate

Residential real estate industry has witnessed amazing growth in the past few years owing to the following reasons: continuous growth in population, migration towards urban areas, ample job opportunities in service sectors, growing income levels, rise in nuclear families and easy availability of finance. Demand for houses increased considerably whilst supply of houses could not keep pace with demand thereby leading to a steep rise in residential capital values especially in urban areas.

According to CRISIL Research about residential supply in the 10 major cities (Mumbai, NCR, Bengaluru, Kolkata, Chennai, Hyderabad, Pune, Ahmedabad,
Chandigarh, and Kochi), it was estimated that 1.4 billion sqft (67 per cent of 2.1 billion sqft planned) will be completed by 2015.³

About 91 million people shifted to cities over the last decade resulting in development of about 2,774 new cities, taking the total number of cities to 7,935⁴. The urbanization resulted in development of 51 million new houses in urban areas⁵. The number of cities with population of more than 1 million increased from 35 to 53, of which eight cities have a population of more than 5 million⁶.

3.2.2. Commercial real estate

The commercial office space in India has evolved significantly in the past 10 years due to change in business environment. The growth of commercial real estate has been driven largely by service sectors, especially IT-ITeS. Earlier commercial properties were concentrated in CBD (Central Business District) areas in large cities. However, with the emergence of IT-ITeS, which had huge office space requirement, commercial development started moving towards city suburbs.

Demand for office space is directly linked to addition in number of employees, which in turn is dependent on economic growth. When economy slows down, companies hold their expansion plans leading to lower demand for office space. The demand for commercial real estate was on an upswing between 2005 and early 2008, driven by exceptionally high employee additions in the IT/ITeS sector. The strong demand from domestic IT/ITeS companies and captives of large global players was a result of increased business, primarily from the US and European markets. A healthy domestic economy and aggressive corporate expansion plans resulted in strong demand from various sectors. These include Banking Financial Services and Insurance (BFSI), media and entertainment etc. Limited supply of quality office space led to a sharp increase in lease rentals for commercial office space in most micro-markets, with an average increase of 108 per cent between 2005 and early 2008.

According to CRISIL Research, it was estimated that 37 per cent of the total planned supply may be materialized by 2015. Around 167 million sq. ft. of office space may come up during 2013-2015. In relation to supply, demand was estimated to be at about 66 million sqft during the 2013-2015.⁷
The growth in Information Technology (IT) and Information Technology enabled Services (ITeS), Banking Financial Services and Insurance (BFSI) and Manufacturing sector resulted in significant demand for office space. Together, these three sectors occupy 75 per cent of the 375 million square feet of total office space in India.\(^8\)

### 3.2.3. Retail Real Estate

In the past few years, India’s organized retail industry has posted high growth rates due to improvement in key driving factors. This includes changed lifestyles, high disposable incomes and a propensity to spend. India’s retail market was mainly unorganized until early 2000. Rising consumer interest in organized retail is being driven by higher disposable income and changing retail-buying behavior such as ‘one-stop’ shopping; preference of variety and quality products; and convergence of entertainment and shopping. While the retail industry is still dominated by unorganized formats, the organized sector is rapidly growing. Numerous supermarkets and malls are coming up in India, which are expected to have a greater share of the retail pie.

According to CRISIL Research, the total planned supply of retail space across the 10 major cities is estimated at about 67 million sqft. It was estimated that around 38 million sqft may come up during the 2013-2015 period. In number terms, CRISIL Research estimates that about 80 malls out of the total planned 141 malls may come up by 2015.\(^9\)

The pan India retail real estate stock in India is about 100 million square feet. About 70 per cent of this is in seven cities, which are Bengaluru, Chennai, Delhi, Kolkatta, Hyderabad, Mumbai and Pune.\(^10\) Most of this space was added over the last decade between 2006 and 2011. 3,500 supermarkets, 260 hypermarkets, 20,000 specialty stores and 28 cash and carry stores have come up in India.\(^11\)

### 3.2.4. Hospitality Sector Real Estate

The hospitality industry in India has emerged as one of the key industries driving the country’s economic growth. India has emerged as one of the major tourists destinations. India’s hospitality industry has enjoyed robust growth over the
past few years. Increase in domestic, business and leisure travel has benefited hotels in India. Rising incomes, higher weekend trips and increased access to travel-related information over the Internet have propelled growth in hospitality. Premium segment hotels are more prominent in major business destinations in India and are dominant in popular tourist destinations like Kochi, Goa etc. which attracts a lot of foreign clientele.

CRISIL Research expects 4,750 new Hotel rooms to be added to the existing 46,200 rooms across 12 Indian destinations. These destinations collectively account for 80 per cent of the country’s premium hotel rooms.  

3.2.5. Special Economic Zones

A Special Economic Zone (SEZ) is a specifically defined area, which has special economic laws targeted towards promotion of economic activity, within the given geographical region. The aim of these special economic zones is to promote trade, manufacturing and other business activities.

In 2012–13, the SEZ sector contributed 29% of India’s total exports of approximately US$ 266 billion (INR16.35 lakh crores). In the first quarter of FY 14, SEZ contributed close to 28% or US$ 18 billion (INR 1.1 lakh crore) of the total exports of approximately US$65 billion (INR4 lakh crores).  

3.3. Housing Sector In India

3.3.1. Early Landlordism

Early efforts related to housing development in India were mostly by individuals. People provided housing for themselves. While the Kings and Noblemen had their palaces and mansions, the lesser fortunate had smaller buildings to live in. There were few that did not really have a shelter to hide their head from the elements, since the very poor were invariably looked after by their 'landlords'; people who extracted work and as a compensation, provided some accommodation.

India had been a state of 'zamindars' and 'jagirdars'. They were rich landlords who owned large chunks of land and carried out agriculture. People working under them were allowed to stay on the premises, by putting small hutments, out houses or farmhouses. Landlords procured lands from erstwhile Kings
and rulers of a large number of kingdoms that existed in nineteenth century India. Such lands were granted either in return for favors rendered, or as a part of political diplomacy.

The ‘master-servant’ relationship that emerged out of such an arrangement had its own extremes. Exploitation was a well-known consequence. The hold which the landlord had on the families under his fold was by virtue of economic and livelihood control as well as in terms of social control. Dependency on landlords led to the suppression and oppression of the lower social orders. The deep rooted caste system had its own role to play in the entire scheme of things. It was only towards the end of the 19th century that social reform movements had brought out all such asymmetries into mainstream debate and ultimately paved the way for later reforms. Initially this was done by the colonial British who ruled India. Later the independent Government of India made the reforms. During this period, the physical form of housing in India was mostly in terms of large agricultural estates, with one huge mansion, surrounded by shanties or hutments and agricultural lands.

3.3.2. Colonial Interventions

India has a long heritage of colonial presence of over three hundred years and colonial rule of nearly two hundred years. The British succeeded in colonising and ruling India. As a part of their own long term strategy, the British brought in many reforms, mostly under pressure from local native groups and leaders. In the particular area of housing, the major intervention of the British was the introduction of the Victorian concept of a municipality. The first municipal body in India was established in the city of Madras (now called Chennai). Later, other parts of the country were also brought under municipalisation. The major concerns of municipalities were to ensure cleanliness and sanitation in the city and approve new land-subdivision layouts by individuals for the creation of housing. The British colonial 'bunglow' was a popular form of housing during the 19th century in the Presidency towns of Calcutta, Madras, Bombay and later, in New Delhi.

3.3.3. Independent India - the task of nation building

When India became independent from British rule in the year 1947, rehabilitation became a major concern. Hence, housing received a lot of political
attention. The central Government of India accorded a high degree of importance to the housing sector. India's first Prime Minister, Pandit Jawaharlal Nehru stated that every one of his countrymen should have a two roomed house. Hence housing received a lot of importance. Over a third of the total allocation of the First Five Year Plan went into the housing sector. Rehabilitation colonies were set up in Delhi, the capital city of independent India and in several cities. These rehabilitation colonies were designed as planned residential areas with properly laid out roads, parks, community facilities, etc. It was also during this time that new towns and 'model towns' were developed. The migration of people from various rural areas into towns, seeking jobs resulted in severe housing shortages in these big towns/cities. The government created several housing schemes with the help of the Central Public Works Department for the central government employees. In due course of time, other agents such as the state level Public Works Departments, Post and Telegraph Departments, Police and various other departments started creating housing infrastructure for their employees.

It can be seen that during the period, immediately after the independence of the country, a lot of direct government housing provision had taken place. The direct intervention was in terms of land acquisition, construction, service provision and allotment. These interventions were done with the finances of the governments alone. The fifties and sixties were the decades of direct involvement of the state in housing provision.

3.3.4. Land Reforms

Another major intervention in the post independent India was land reforms introduced by various state governments as a socio-economic development measure. As a result of this, the erstwhile landlords had to surrender their large estates and could only retain a limited amount of agricultural land. While in some states like Kerala, the agricultural worker-tenant was granted land ownership rights as part of the reform process, this did not happen in the other states. Due to the extremely low compensation for lands taken over, several agriculturists shifted from rural areas to urban areas in search of new avenues of livelihood. This resulted in concentration of population in various state capitals. A new wave of urbanisation
began in the country. Metropolinisation started becoming a phenomena which needed more attention. Land and housing was now needed in the cities. Housing shortage started increasing and housing started becoming a problem. This was also the period when slums started emerging in cities.

3.3.5. Government of India - Plans and Programmes

The Government of India adopted a central planning model of development. The Planning Commission of India prepares the five year plans. These plans give a broad direction regarding the policy of the Government of India. They also give the broad allocation of financial resources to various sectors of the economy. Based on the five year plans, annual plans are prepared by state governments for implementation.

Financial allocation for housing as a percentage of the total investment in the economy was as high as 34 percent in the First Five Year Plan (1951-56) but has later came down to as low as 2.4 percent in the Tenth Five Year Plan (2002-2007).

As part of the Five Year Plans, the Government of India had launched various programs for providing housing to the people. Various programs launched by the Government of India include Integrated Subsidised Housing Scheme for Industrial Workers and EWS (1952), Low Income Group Housing Scheme (1954), Subsidised Housing Scheme for Plantation Workers (1956), Middle Income Group Housing Scheme (1959), Rental Housing Scheme for State Government Employees (1959), Slum Clearance and Improvement Scheme (1956), Village Housing Projects Scheme (1959), Land Acquisition and Development Scheme (1959), Provision of House Sites of Houseless Workers in Rural Areas (1971), Environmental Improvement of Urban Slums (1972), Sites and Services Schemes (1980), Indira Aawas Yojana (1985), Night Shelter Scheme for Pavement Dwellers (1990), National Slum Development Program (1996), 2 Million Housing Program (1998) and Valmiki Ambedkar Aawas Yojana (2001).

It can be seen that while many programmes were initiated in the early decades, not many exist in the latter years. The funds available in these programmes are too meager to meet the requirements of the local needs. Funds were not spent on time on account of the lack of capacities at local agency level. Most programmes
were based on 'top down' concepts which do not really involve people and therefore became not acceptable. Assets created from these funds often do not go to the beneficiaries intended and even if they do, they do not stay in their hands for long.

### 3.3.6. Recent Housing Sector Reforms

The post 1990 period can be seen as the era of housing sector reforms. The release of the National Housing Policy was in the year 1994. Later, in the year 1998, another version called National Housing and Habitat Policy was released. 18

The total impacts of these were recognized only in the late 1990s. The Housing Policy clearly recognized the key roles which actors such as public, private and the cooperative sectors need to play in meeting the housing challenges. The role of private enterprises was recognized. The policy envisages a 'facilitative' role for the state and a direct and proactive role for the other players.

India’s urban population registered a decadal growth of 32 percent rising from 285 million to 377 million between 2001 and 2011 19. By 2050, 900 million people will be living in Indian cities 20. The rapid pace of urbanization owing to rural–urban migration is putting an enormous strain on the urban infrastructure in Indian cities. The major concern for India’s urban planners is the massive urban housing shortage, which exists primarily in the Economically Weaker Sections (EWS) and Low Income Groups (LIG). The total housing shortage estimated after 2011 census is 18.78 million 21. Encouraging private sector participation in affordable housing could provide the answer to India’s urban housing predicament 22.

### 3.4. Housing Sector In Kerala

#### 3.4.1. Population and Urban Scenario

As per census 2011 the population of Kerala is 3,33,87,677 the rural and urban population split up being 1,74,55,506 and 1,59,32171 respectively. The rural population constitutes 52.28%, and urban 47.72% of the entire population. The decadal percentage of urban population has increased from 29.96% in 2001 to 47.72% in 2011. This shows the high rate of urbanization taking place in Kerala which is the third among the States in India having the highest share of urban population.
3.4.2. Housing Profile in Kerala

As per 2001 census, the shortage of housing in 2001 was estimated as 63,000 units, excluding the number of dilapidated houses. The total number of dilapidated houses as per the 2001 census was 5.38 lakhs. Another 4.5 lakh residential units were required for accommodating the newly formed households. According to the census figures of 2001, 51.8% of households lived in permanent houses and 30% in semi-permanent houses at the all India level. The corresponding figures in Kerala were 68% and 21.60% respectively. The projected requirement for housing for the next five years was 10 lakhs.

According to the general survey conducted in 2007, it was estimated that the projected demand was 10.84 lakh housing units in the State. Based on this survey, the housing stock of the State was 69, 85,419 units and the current stock is estimated as 75 lakh residential units. The projected demand for the new population up to the end of the 12th plan period is 6.5 lakhs. Apart from this there is a need for reconstruction of 5.5 lakh units of dilapidated houses. The State has to undertake the task of constructing 12 lakh Housing units, of which around sixty percent is meant for the Economically Weaker Sections of the society. Considering an amount of Rs 2 lakhs for the construction of a residential unit, it is estimated that a total amount of Rs 15,000 crores is needed as investment in the Housing Sector for economically weaker sections and disadvantaged groups.

3.4.3. Settlement Pattern and Housing Typology

The settlement pattern of the State is of rural and urban continuum and different varieties of housing typologies. Indigenous tribal settlements and the traditional fishermen settlements have peculiar housing patterns. High rise buildings, IT habitats, Technology Parks and Electronic hubs are booming in the State. Most of these types of settlements are seen to have developed without adequate, balanced and integrated planning.

Kerala is known for its unique settlement pattern with independent houses on individual plots scattered across the habitable areas. Due to its distinctive social, geographic and climatic conditions, the trend has been to build houses in small garden lands creating tremendous pressure on lands. An integrated habitat approach
to housing is needed taking into account issues of spatial planning, including water supply, sanitation and waste disposal. It is required to integrate these aspects into planning of a housing scheme. This is needed to avoid the growing ecological crisis and manmade disasters. This approach is compatible with involvement of people in planning and constructing houses.

3.4.4. History of Public Housing Schemes

The history of the public housing in Kerala dates back to 1950s with the village housing scheme implemented with the support of the Community Development Programme sponsored by Government of India. It was followed by the pioneering MN One Lakh Housing scheme launched in 1972, which was a success. Later, housing schemes for SCs and STs were taken up in a major way integrated with the centrally sponsored employment generating schemes of NREP, RLEGP, etc. The flagship housing scheme of Government of India, Indira Awas Yojana was launched in 1996.

Kerala also launched many loan-subsidy linked housing programmes for economically weaker sections of the society through the Kerala State Housing Board. The Board implemented various land development schemes aimed at the middle income group apart from creating social infrastructure. A massive housing programme named Rajiv One Million Housing Scheme (ROMHS) catering to all sections of the society was launched by the Board in 1991. It was followed by the Mythri Housing Scheme launched in 1996 targeting the housing needs of the economically weaker sections of the society. The thrust given for the housing of the poor by the Local Self Government institutions made substantial contribution in meeting the demand-supply gap in the housing sector. The Kerala State Nirmiti Kendra, which was established in 1987 pioneered many innovative experiments in the development of cost effective and environment friendly building technology. The Total Housing schemes implemented by District Panchayats in the districts of Thiruvananthapuram, Kollam and Thrissur had reasonable spread and reach. The EMS Housing Scheme, launched in 2007, targets the housing for all with the local bodies in the lead role. MN One Lakh House Reconstruction Scheme attempts to upgrade the quality of houses already constructed with public funding.
3.4.5. Housing Programmes and Implementing Agencies

At present, the major State government aided housing schemes for the economically weaker sections are the EMS Total Housing Scheme, Tribal Housing Scheme, New Suraksha Housing Scheme, schemes of SC & ST departments, Fishermen Housing Scheme, Bhavanasree, Asraya and MN Laksham veedu Punar Nirmana Padhati. Centrally sponsored housing schemes such as Indira AwasYojana, Valmiki Ambedkar Awas Yojana (VAMBAY), Integrated Housing and Slum Development Project (IHSDP), Basic Services to Urban Poor (BSUP), National Fishermen Welfare Fund (NFWF), Interest Subsidy scheme for Housing the Urban Poor (ISHUP), Affordable Housing in Partnership (AHP) etc. are also aimed at providing financial assistance for constructing houses to the poor and Economically Weaker Sections in the State. Jawaharlal Nehru National Urban Renewal Mission targets acceleration of supply of land; shelter and infrastructure with special attention to provision of basic service to urban poor; and upgradation of slums. The newly introduced scheme of Rajiv Awas Yojana (RAY) also focuses on resolving the emerging needs of poor people in slums due to urbanization.

With the 73rd and 74th Constitutional amendments and the revision of Panchayat Raj and Municipal Acts the mandate for implementation of housing schemes to Economically Weaker Sections, stands shifted to the Local Self Government Institutions in the State. A number of Government departments/agencies like Fisheries Department, SC&ST Development Departments, Rural Development Department, Revenue Department, Kudumbasree, Local Self Government Institutions, KSHB, Co-operative institutions, NGOs, CBOs, Charitable Organisations etc. are also active in providing shelter to the economically weaker sections substantially.

The financial resources and managerial skills of LSGIs will have to be substantially supplemented by State Plan Schemes also, implemented through the agencies like KSHB, KESNIK etc. so as to accomplish the task of providing housing for all in the Twelfth Five Year Plan period\textsuperscript{23}. 

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3.5. Importance of Villas And Apartments

Residential apartments and Villas are a part of housing, which has encouraging scope for development. House is a very complex term. The definition of the same has varied from country to country and time to time. Housing being one of the three basic needs of life always remains in the top priorities of any person, society and economy. As a human being, an individual needs his own space and privacy, which can be provided by ownership of house. Thus housing deserves significant attention in the context of developing policies and strategies for human development. A developing nation like India has to focus more on housing sector to cater to the housing needs of burgeoning population and to accelerate the economic growth. The housing sector has been globally used as an engine to propel the economic growth as it generates employment and demand in the market.

Housing sector in Kerala is the fastest moving real estate segment. Kerala housing sector has registered tremendous growth on the basis of rising income, growing urbanization and migration of the population towards urban region in search of employment. Kerala housing sector is now shifting towards the upper class and upper middle class people, and also concentrating on medium and luxury housing. This shift from economy to luxury housing will boost the growth in the housing sector.

A luxurious home is the ultimate status symbol in a space starved state like Kerala. In earlier days the concept of living as far as an average Keralite was only an accommodation within the joint family structure already existing. Now the family concept has been transformed to nuclear family and their desire for separate living necessitated the construction of individual house. Earlier, Keralite took pride in living in independent houses, but factors such as security made them look at alternatives. A gated villa lets the consumers live in an individual house, at the same time provide them with the amenities and benefits of apartment living.

Majority of the houses in Kerala are constructed by the people themselves with their own resources. Till recently Keralite considered Villas and Apartments as a symbol of luxury for the upper class people. But now it has been totally changed. Buyers for Villas and Apartments are increasing day by day. To own a Villa or
Apartment is the only option for living in town or nearby. Dual income families prefer to reside in urban or semi urban areas, taking into consideration factors such as education of their children, shopping, and other entertainment facilities. Further to this, factors such as conveyance facility, health care facility and security are also motivating them to reside in urban or semi urban areas. Even high income groups find it difficult to purchase of plot and construction of a house in urban areas. Scarcity of adequate land and unaffordable price are the main issues behind this.

The density of population in India as per 2011 census is 382 persons per sq.km, while in Kerala it is 859 persons per sq.km. The density of population in most of the urban areas in Kerala is around 3000. Kerala, one of the smaller states has to accommodate about 3000 persons per square kilometer in urban areas. Thus an independent house in four or five cents became a dream for an ordinary citizen. In this context, residential apartments have importance since the area of land is utilized to the maximum extent for housing.

The demand for individual homes in metros and surrounding townships especially major towns in Kerala like Kochi, Thiruvananthapuram, Calicut etc has increased rapidly due to job migration which is the result of globalization and development of more IT based business. The buyer scrutinizes the capability of the property to meet the long-term requirements. It is crucial that the home is architecturally designed to include new trends and modifications along with time. Built-in kitchen cabinets, appliances, counter tops and other such installations are some of the new real estate trends. The popularity of readymade home furniture has increased significantly and people always ask for these items as add on facilities before they finalize the deal with the builder of Apartment/Villa. Now the concept about homes is slowly changing in this direction. The main reason is that, property buyers don’t want to spend more time on searching, selecting and buying of these items, if these readymade furniture or interiors come along with the original deal, this way they can avoid engaging an interior decoration consultant or spending time and extra money to complete these works. Real estate builders now also offer interior decoration of the Apartment/Villa on demand. Most of the builders now have their own interior designing team. The professional and expert interior designing team ensures that homes are delightful places to live in.
Chapter III

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trend is that now many buyers are keen on investing in environment friendly homes and are demanding for the same. Designs incorporating energy saving options and ecofriendly building supplies and materials are finding better investors. Energy efficient lighting systems and structures for rain water harvesting and preserving water are also included in the structural designs of homes to make them more appealing to the buyers. The major shift in the nature of jobs has also influenced the real estate industry. With conventional full time workers opting to be freelancers, homes designed to incorporate both living and work space are in great demand. Today, buying a home is easy with the current ready loan facilities provided by the banks.

In a similar manner, the IT sector boom in the State especially in the rapidly expanding cities such as Kochi and Thiruvananthapuram and their suburbs has also paved way for the setting up of IT parks with state-of-the-art buildings and hi-tech campuses. This enhances the scope of the real estate scenario in Kerala. Besides, developments such as privatization of the international airport and upgradation of the sea port at Kochi have brightened the prospects of real estate business in Kochi. As part of the latest trends in the industry, religious tourism has been a motivating factor in the realty boom seen in the famous holy centres of Kerala such as Guruvayoor Township.

Kerala’s strategically advantageous geographical location and its multi-cultural ambience have helped in attracting people from outside Kerala and the country. The real estate clientele has been building up in the last decade, with numerous clients both domestic and multi-national, making investments in the state. With the State Government also implementing new ways to attract more FDIs in the form of real estate investments, the realtors of Kerala are playing a pivotal role in mobilizing the movement of potential clients across Kerala. The facilitation of such a move has encouraged a lot of other realtors outside Kerala to take a keen interest in unleashing the State’s potential in terms of real estate.

The real estate companies are driven by a common motive of providing excellent and affordable residential, commercial and industrial properties to the
public. They are found to be taking effective measures so as to retain their existing clientele as well as to increase the number of customers.

The real estate firms and developers have understood the importance of offering exclusive, valuable services in this field, as the competition is getting tougher. With the spreading of a global culture due to the arrival of joint venture companies and multi-national firms bringing with them their high technology standards in construction and infrastructure, Keralites have become more aware of quality and cost effectiveness.

3.6. Conclusion

In this chapter an attempt was made to describe the real estate sector in India. Various segments in the Indian real estate sectors such as Residential real estate, Commercial real estate, Retail real estate, Hospitality sector real estate and Special Economic Zones are described in this chapter. An over view of housing sector in India and that in Kerala are included. A detailed description about importance of Villas and Apartments is also included.
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