

India's Real Estate Sector can be 3rd Largest globally by 2030



The Real Estate and construction sector in India is expected to be third largest globally by 2030, contributing over 15% to Indian GDP and emerging as the largest employer in India providing employment opportunities to over 75 million people.

A recent report by KPMG in India and the National Real Estate Development Council (NAREDCO) provides an overview of the key programs launched by the central government in the recent past to address the key challenges in urbanization and the real estate sector, and throws light on the policy reforms undertaken by the government to address these concerns.

India's Urban Population is forecast to increase by about 40% from 420 million in 2015 to over 580 million by 2030.

The government has launched several large programs (such as smart Cities, Housing for All, AMRUT, HRIDAY etc.) along with policy support (Real Estate Act, REITs, GST Etc.) to accommodate such a vast population.

According to the paper, nearly 110 million houses would be required by 2022 alone in urban as well as rural India to provide housing to all citizens.

This includes the current shortage of over 60 million houses, out of which around 20 million exist in urban areas.

There are a number of solid Infrastructure projects in the pipeline.

These include 432 projects worth Rs. 6.5 trillion for roads, more than 400 projects worth Rs. 6 trillion in railways, 70 projects worth Rs 670 billion for the development of airports and 75 projects worth Rs 551 billion for ports.