

'Budget housing will drive the sector'

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I BELIEVE that 2013 will be a better year for India's realty sector than 2012. The quantum of the downward revisionary trend of GDP is expected to be lower. The government has announced a host of policy reforms and exacted CRR and interest rate cuts. Consequently, the country's economic environment is expected to improve, with a resultant upswing for real estate, the most discernible impact of which will be realised in the second half of 2013.

The worldwide IT spends are projected to be \$3.7 trillion in 2013, which is a 4.2 percent increase from 2012 levels. The benefits will flow into India and effect real-estate sec-

tor growth in the IT hubs of Bangalore, Pune, Chennai and Hyderabad, among others regions.

It is important to recognise that the affordable segment will be the driver of realty sector growth in the coming years. Projects in the ₹3000-7500 per sq ft price band had a lower percentage of unsold inventory compared to those above ₹7500 per sq ft. However, market for luxury homes is firmly rooted, given the influx of HNIs and NRIs, and spate of upwardly mobile middle-class Indians. Along the way, the concept of 'luxury' itself has been redefined - what was a luxury yesterday is today a necessity for the discern-

ing. Exposure to global lifestyles has heightened the consumers' demands.



ON MY MIND

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