A brief on current scenario in India:

It is a universally acknowledged fact now, that India is on a growth path with a significant element of consistency & fundamental strengths to boot; something which is expected to fuel the drive into the future, at a faster pace. Economic indicators such as the GDP (Gross Domestic Product), Per Capita Income, Forex reserves, FIIs (Foreign Institutional Investments) & Industry growth rate which includes the manufacturing & farm sector are all at their record highs. Add to that a throbbing Stock Market & a significant shift from a traditional agriculture & manufacturing based economy to a service oriented one, especially in Urban & Semi-urban segment; are factors which most economists would endorse.

While it is an accepted theory that Real Estate is among the most significant contributors to the GDP in any growing economy; the same is no different here. The past two years have witnessed a steady growth both in terms of investments in this sector as well as demand, which has further resulted in exciting capital appreciation across the country, especially in "A" & "B" categories cities & towns. More so in case of the housing sector, the rise in demand has been meteoric. Rationalizing of interest rates, higher per capita income & increased employment opportunities have thankfully ensured that demand is more from end-users rather than from speculators.

Capital values in the past two years have grown in a bandwidth of 20% to 40% varying between respective geographic locations & price/ product segments. Mumbai, Delhi & their respective suburbs have predominantly witnessed the highest growth; what with some projects being benchmarked against global standards. Rationalization by the respective state governments with regard to allowing divestment of defunct textile mills & other such manufacturing units which had so far occupied large tracts of land in prime locations; have been an important factor responsible for exciting new creations. Also, quite a few home-grown family run property development companies have truly gone professional while facing competition from real estate off-shoots of larger corporations from the organized sector.

The road ahead, while needing a well chalked out vision & infrastructure support, does in fact seem bullish.

We are all equally excited to receive you here. And God willing will see you in San Francisco too.

Best regards,

Chetan Narain.
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