



Indian Green footprint intensifies

As per recent research reports, India has been ranked 2nd after USA (United States of America) in terms of sustainability. There has been a significant push in the launch of Green Buildings in India in the past few years with a strong call towards sustainability. The data of IGBC (Indian Green Building Council) reveals that in the year 2017, the total green built-up area registered under IGBC has increased to 4.7 billion sq.ft. from a level of 1.5 billion sq.ft. in the year 2013. By the year 2022, the estimated built-up area to be registered is 10 billion sq.ft.

The builders are readily concentrating on the areas, namely better air quality, enhanced daylight, optimal utilization of water and electricity, better health and well-being of the occupants, enhanced productivity and protection of ecosystem.

The Ministry of Environment is all set to bring a new set of regulations for issuing environmental clearances to Green Buildings. Already the upper limit of 20,000 sq.ft. has been increased to 50,000 sq.ft. for a Green Building project so as to receive necessary environmental clearances. This means that the developers can start construction with submission of self-certification that meets all environmental obligations.

The Central Government has stated that there will be a concrete definition of Green Building within the building bye-laws for every Indian city. Hence, every state has been urged to formulate the building bye-laws and incorporate mandatory provisions.

The Government is also focusing on spreading awareness as a whole for developing more and more Green buildings. Across the nation, the Government is conducting workshops and seminars to educate all the stakeholders of going green.

Three fold increase in Affordable Housing

The Government of India's push to affordable housing has been significant and is geared to provide housing for all by the year 2022. Since April 2017, there has been three-fold increase in the stock of houses completed under PMAY-U (Pradhan Mantri Awas Yojna-Urban) scheme.

- The total number of houses completed under PMAY-U were 92,308 on April 3rd, 2017 and by March 5th, 2018, the total number of houses completed under PMAY-U are 3,39,866.
- The total investments has increased from Rs. 72,030.87 Crores on January 2017 to Rs. 2,25,2019.26 Crores on March 5th, 2018
- Funds from Central Government increased from Rs. 4,463.70 Crores on January 2017 to Rs. 13,507.22 Crores as on March 5th, 2018

Developers focusing on right size and price

With the focus of market demand shifting rigorously to affordable housing, the developers are readily focusing on calibrating the apartment sizes so as to offer feasible pricing. Concentrating on customer centric requirements, the developers are internalizing the concept of 'zero space wastage'. As per the data of Housing Ministry, the average apartment size across the Indian metropolitan cities in the past one year has been around 650 sq.ft. As per recent research data, the percentage reduction of flat sizes in the past one year has been 26.4% in Mumbai, 23.7% in Bengaluru, 22.2% in Chennai, 15.8% in Kolkata and 7% in Pune, respectively. The developers have understood that by modifying the apartment configurations, efficiency can be enhanced, fulfilling the aspirations of the Indian Middle Class. It has been found that the average ticket size bracket of Rs. 20 to Rs. 30 lakhs has been the highest selling segment in the past one year.

The government is encouraging the private players to foray into the affordable housing segment by giving huge tax sops. On the demand side, the homebuyers are also equally enticed by all-time low home loan interest rates. Thus, the market for smaller apartment sizes will hopefully remain stable till the year 2022.

“ Optimum Sizing Right Pricing ”



Kolkata to witness e-commerce boom

To streamline logistics expenditure and to cater to the east and northeast Indian markets, e-commerce giants are focusing on Kolkata, to set up their operational bases. Recently an e-commerce giant has planned to invest Rs. 600 Crores for establishing an integrated mega logistic hub near Kolkata with a land area spanning around 80 acres.

Kolkata's strategic positioning, well developed infrastructure and transportation channels drive these companies to make faster deliveries at lower costs and will drive efficiency into the supply chain.



Self-employed segment surges in home loan pie

Along with salaried individuals, self-employed individuals are also adding significantly to the aggregate home loan pie in India. As per the data of credit rating companies, home loans to self-employed individuals has accounted for 30% of mortgages in the fiscal year 2017-18 as against 20% in the fiscal year 2016-17.

Home loans to self-employed individuals are rising because of several initiatives from the government especially with the RERA in place.



Call for calibrating circle rates

In order to promote the growth of housing as a whole and also to reduce the gap between circle rates and assessed value of a property for the purpose of stamp duty, CREDAI Bengal has urged the Bengal Government to re-calibrate the circle rates.

It is a fact that the past efforts of CREDAI have been successful in bringing down the circle rates in several areas to acceptable levels. However, further stabilization is necessary. to promote the sectors' growth, othe areas where CREDAI Bengal has urged the State Government are:

- Decreasing stamp duty to support housing under PMAY-U
- Relaxation of stamp duty for female purchasers
- Further relaxations on registration of Agreement to sale

