

Housing Start Up Index launched for Bangalore, Chennai, 25 others

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New Delhi:

There is a declining trend in the construction of housing activities in big cities like Kolkata and Chennai whereas a growth is apparent in small cities like Bhopal and Hubli in the housing sector, according to the Housing Start Up Index.

HSUI, an indicator of volume of construction in the housing sector during a certain period, was released on Monday covering 27 cities across the country.

While the index has shown a declining trend in the sector in million plus cities like Kolkata, Chennai and Bangalore, it has indicated an upward trend in small cities like Dehradun, Bhopal and Hubli, Housing and Poverty Alleviation Minister Girija Vyas said while releasing the HSUI.

The first-of-its-kind initiative in the country is a critical indicator of economic growth relating to various sectors like banking, mortgage, labour, steel, cement and paint.

She said such trends are useful indicators of the pattern of development in our country, which in turn helps policy makers and administrators understand the future focus and thrust areas not only in terms of housing provision, but all the associated infrastructure and civic amenities required.

"Internationally, only six developed countries - Canada, USA, Japan, France, Australia and New Zealand - are having housing start up index on a regular basis and India has become the seventh country to have such an exercise," she said.

It was a pilot project covering housing activities in 27 cities between 2009 and 2011. The index was launched in close coordination with Reserve Bank of India and National Sample Survey Organisation.

"HSUI will include 300 cities soon. The contribution of this sector is about 10 per cent of the GDP and hence, it is a key macro-economic indicator. It will help both the private and government sector in assessing the economic activities in the region. It will also benefit consumers and promoters," she said.

There are 254 ancillaries which are related to housing sector directly or indirectly like cement and iron. 30 million people are involved in the sector and ₹ 2.48 lakh crore is estimated to be its market size.

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Tags: Hubli, Bhopal, Chennai, Kolkata, Bangalore, Dehradun, Housing projects, Real estate, Property prices, Realty

