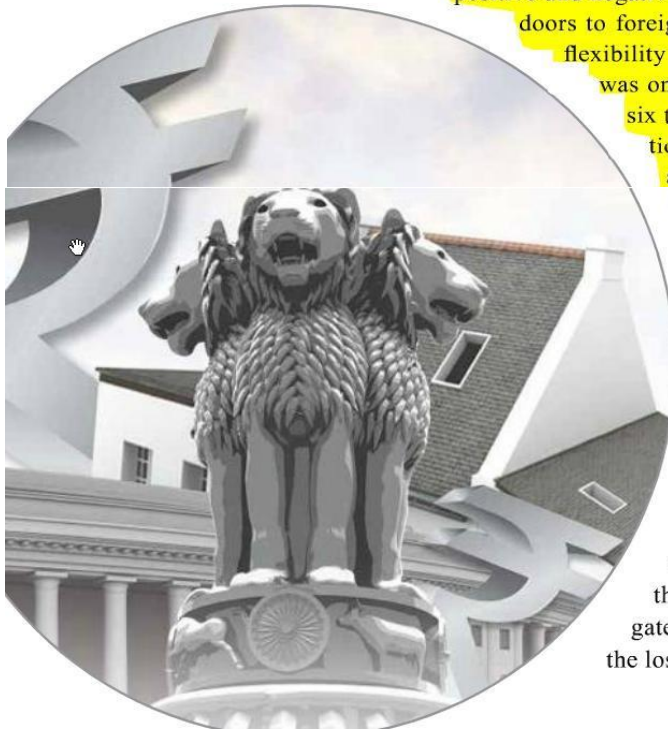


Being one of the prime contributors towards the Indian GDP and employment generation, a lot is always expected out of the real estate sector. This sector alone is responsible for being a user of over 30 allied industries and sectors. As we have waived a goodbye to 2015 and entered into 2016, a lot has changed since the beginning of 2015 where several major announcements were made for infrastructural development and the country in general that will highlight realty sector as its backbone. Much was delivered during the course with still some left in pipeline for the this year

Roller Coaster Ride In 2015

Year 2015 began quite well riding high on positive market sentiments due to current government's enthralling victory back in 2014. Since then, a lot was expected out of them to assist this sector by easing the ways doing business thereby boosting the growth nationwide. According to Atul Banshal, president – finance & accounts, M3M Group, the year began on a mixed note as he states, "The real estate sector has seen lots of developments in 2015, both positive and negative. On the positive side, the government has opened up doors to foreign investments in India by liberalizing and increasing flexibility of FDI norms. In spite of various developments, 2015 was one of the worst years for real estate industry in the last six to seven years, if not more. National as well as international slowdown has changed the perception of investors and users towards the industry. Volumes have dipped substantially and prices have taken a huge beating on all counts. Financial institutions and private lenders have issued lot of structured and mezzanine funds with higher rate of expectations, which may hurt the long term prospects of any company."



Taking us back in 2014, Rupesh Gupta, director, JM Housing shares, "Modi led BJP government came strongly into power that led to rise in expectations from them. The start to January 2015 was greatly fuelled when RBI had announced repo rate reduction after one year. The same feat was followed in the next bi-monthly policy review that finally opened the gates for banks to reduce loan rates thereby pulling back the lost demand."