

Infrastructure, policy will push city's growth

When we moved to Bangalore a couple of years ago from Kolkata, I was apprehensive about my family adapting to the change. Today I'm on the lookout for a home in Bangalore as my wife and kids don't want to go anywhere else. The salubrious climate, friendly and hospitable population, a diversity of cultures living in peace and harmony, a delectable variety of cuisines, the exemplary education and medical facilities, all go to make Bangalore literally a heaven on earth.

This must be the story of most migrant families in Bangalore and there are now so many of them. The population of Bangalore grew by 46 percent over the last decade (the highest in the country) i.e. a phenomenal increase of 3.30 million upwardly mobile people. The literacy level



of one million houses, while in actual fact the average annual home sales has been in the region of about 50,000 mainly owing to the lack of suitable supply. So, there is already an inherent demand for the next 10 years at least. What we need is products to match the demand and on-time delivery.

The major demand for housing is from the middle segments, with aspirations to climb the ladder for larger homes. Houses new and old, on the outskirts of the city do meet this target market but unfortunately the major impediment for the

today stands at 87 percent. The need for shelter consequently has risen by leaps and bounds. Even if one-third of the population growth needs to buy a home we

population to move into the outskirts is the lack of adequate infrastructure. Both the central and State governments should take immediate steps in investing in infrastructure. This will help in sustaining the growth of the city as well as the IT sector.

The government can generate funds for infrastructure through the PPP model. Private sector funding will surely come into infrastructure if they get a clean investment mechanism and an assurance of long-term returns through tolls and taxes. This can very well apply even to developing housing projects on government land on the outskirts of the city to help meet the affordable segment demand.

A concerted effort by the government can go a long way in improving the growth of Bangalore and thereby creating further demand for housing in the future.

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