WEST BENGAL

Emerging Real Estate Trends
President’s Message

West Bengal is India's gateway to the Eastern region, and it is also the fourth-most populous state in the country. The population is predicted to touch 103 million by 2036 in West Bengal, with an increase of 15 million people in urban areas. The urbanization rate in West Bengal is higher than that of the country. India's population between the ages of 25 - 59 is expected to increase by 260 million by 2036. In contrast, in West Bengal, it is likely to increase by 13.5 million people, which is 53% of the total population in the state.

The expected housing demand in West Bengal is 5.55 million houses, which includes the existing shortage and future demand. It is compared to 93 million houses at the Indian level. So far, the PMAY scheme could complete 38 Lakh units in West Bengal, including the Gramin and Urban areas. The GSDP is growing at 8.41%, which is higher than India's growth rate of 7.24%. The current state's GDP stands at 8.5 Trillion rupees at constant prices. The construction sector's contribution stays at 10% in the state; however, the volume has doubled in the last decade.

The marketable supply of the capital city, Kolkata, has gone 3.6 times compared to 2011. The maximum supply and absorption come from the city's Eastern and South Eastern suburbs. The units launched in Kolkata were close to 20,000, while nearly 13,500 units were absorbed within a year. The value of sales stood at almost 9,300 crores during the last twelve months. Sales and New Launches showing upward trends in Kolkata.

The 2021-22 period has demonstrated significant growth and recovery from the COVID crisis, and the trend is expected to continue in 2023. Many infrastructure projects and government initiatives to develop the state as an IT hub will further lead its growth trajectory.
“India’s Gateway To The East”
Emerging Growth Story of West Bengal

West Bengal is India's gateway to the East due to its geographic advantages. The state has a population of about 99 million people living in an area of 88,752 sq. km as of 2023. West Bengal is the fourth-most populous state in India, accounting for 7.54% of the total Indian population and the thirteenth-largest by land. It shares borders with Bangladesh to the East and Nepal and Bhutan to the north. It also shares borders with Jharkhand, Odisha, Bihar, Sikkim, and Assam in India. Kolkata, India's third-largest metropolis and seventh-largest city by population, serves as the state capital.
West Bengal's population is predicted to reach 103 million by 2036, up from 99 million today. West Bengal accounts for 7.54% of the total population and is India's fourth most populous state after Uttar Pradesh, Maharashtra, and Bihar. West Bengal has India's seventh-highest population density, at 1,028 people per square kilometer, while the national average is 382 people per square kilometer.

“West Bengal Will See An Increase Of 15 Million People In The Urban Areas”

The graph depicts the urban vs. total population trend in West Bengal. In 2011, 32% of the population lived in cities, and this is predicted to rise to 42% by 2036. From 2011 to 2036, there will be an increase of 15 million people in urban areas.
West Bengal has a faster rate of urbanization than the rest of India.

India's entire population is predicted to reach 1,522 million by 2036. It is expected to grow by 134 million people in the next 13 years, and it will be 1,388 million as of 2023.

In India, 31% of the population lives in cities as of 2011, and this figure is predicted to rise to 39% by the end of 2036.
India’s Population In Ages 25-59 Is Expected To Increase By ~260 Million By 2036

41% of the total population lies between the age group of 25-59 years

50% of the total population lies between the age group of 25-59 years

West Bengal’s Population In Ages 25-59 Is Expected To Increase By ~13.5 Million By 2036

45% of the total population lies between the age group of 25-59 years

53% of the total population lies between the age group of 25-59 years

The additional housing requirement by 2036 due to the population growth is 3.49 million in West Bengal and 64 million in India.

In 2018 the housing shortage in West Bengal was 2.05 million, and 29 million houses in India. Therefore the total estimated housing demand by 2036 in India and West Bengal is 93 million and 5.55 million houses, respectively.
About 72% of sanctioned houses under PMAY have been completed in West Bengal.

Source: PMAY Urban & Rural Dashboards
GDP In West Bengal Grew At The Rate Of 8.41% While India At 7.24% Annually

West Bengal is the 6th largest contributor to India’s GDP

Source: MoSPI, GDP at Constant Prices – Base Year 2011-12
Growth of Construction Sector and its Multiplier Effects

The construction industry in West Bengal has grown at 6% CAGR in the last 12 years. At the same time, the state witnessed a CAGR growth of 4% in GDP. The construction industry contributes 10% of the GSDP.

The construction industry contributes to 10% of the GSDP and it has doubled in last 12 years

As the construction sector expands,
• It generates demand for sectors like steel, cement, wood, and machinery.
• The increased growth leads to higher production levels, additional employment, and increased revenues.
• As people earn more, they tend to spend more on goods and services from various sectors of the economy, leading to further economic activity.
• As economic activity increases across sectors, government revenues also rises.
• These additional government revenues can then be reinvested into the economy through public spending on various projects and programs, further boosting economic growth.

Source: West Bengal Govt. report
**West Bengal**

**Social Sector Housing Schemes**

**AKANKSHA**

Housing loan scheme for Govt. Employees. The Government will provide suitable land free of cost to the Housing Department for construction of flats, which will be identified by the Land and Land Reforms Department of West Bengal.

**GEETANJALI & AMAR THIKANA**

State Govt. rural housing programme, with a view to provide proper shelters, free of cost, to the Economically Weaker Section of people. This scheme is being implemented in rural areas by 6(Six) Departments, viz., a) Minority Affairs & Madrasah Education Department, b) Backward Classes Welfare Department, c) Fisheries Department, d) Forest Department, e) Sundarban Affairs Department and f) Paschimanchal Unnayan Affairs Department and non-Municipal urban areas by statutory organizations.

**NIJO-GRIHA NIJO-BHUMI**

NijoGrihaNijo Bhumi Prakalpo was launched on 18th October, 2011 by the Hon'ble Chief Minister, Govt. of West Bengal for providing 5 decimal of land to each identified eligible beneficiary family i.e. to all landless homesteadless agricultural labourers, village artisans and fishermen in rural areas.

**PRATYASHA**

The Govt. of West Bengal has undertaken a housing project named "PRATYASHA" for Police Personnel (from Inspectors to Constables) working in the West Bengal Police to materialize their dreams of owning houses. The West Bengal State Police Housing Corporation will construct various types of flats with the financial assistance of HUDCO and all Police Personnel would be welcome to fill in forms for their required housing assistance.
### West Bengal RERA 2023

<table>
<thead>
<tr>
<th>District</th>
<th>No of RERA Registrations</th>
<th>Total Supply (Units)</th>
<th>Total Supply (Carpet sq.mt.)</th>
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<tbody>
<tr>
<td>Kolkata</td>
<td>114</td>
<td>4,671</td>
<td>4,69,088</td>
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<tr>
<td>North 24 Parganas</td>
<td>94</td>
<td>13,930</td>
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<td>South 24 Parganas</td>
<td>75</td>
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<td>Paschim Bardhaman</td>
<td>61</td>
<td>3,177</td>
<td>2,18,680</td>
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<td>Jalpaiguri</td>
<td>31</td>
<td>2,060</td>
<td>2,20,794</td>
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<td>Darjeeling</td>
<td>26</td>
<td>2,129</td>
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<td>Hoogly</td>
<td>16</td>
<td>1,623</td>
<td>1,07,399</td>
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<td>Purba Bardhaman</td>
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<td>1,009</td>
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<td>Howrah</td>
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<td>1,21,021</td>
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<td>West Medinapure</td>
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<td>289</td>
<td>16,817</td>
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<td>Bankura</td>
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<td>131</td>
<td>7,267</td>
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<tr>
<td>Nadia</td>
<td>4</td>
<td>295</td>
<td>14,007</td>
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<td>Cooch Behar</td>
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<td>184</td>
<td>16,718</td>
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<tr>
<td>Purulia</td>
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<td>84</td>
<td>4,212</td>
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<td>Murshidabad</td>
<td>2</td>
<td>59</td>
<td>3,693</td>
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<tr>
<td>Alipurduar</td>
<td>2</td>
<td>55</td>
<td>3,524</td>
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Source: [http://rera.wb.gov.in](http://rera.wb.gov.in), August 2023

### West Bengal HIRA

<table>
<thead>
<tr>
<th>District</th>
<th>No of RERA Registrations</th>
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<td>North 24 Parganas</td>
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<tr>
<td>Kolkata</td>
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<td>South 24 Parganas</td>
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<td>West Bardhaman</td>
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<td>Darjeeling</td>
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<td>Jalpaiguri</td>
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<td>Nadia</td>
<td>15</td>
</tr>
<tr>
<td>Birbhum</td>
<td>12</td>
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</tbody>
</table>

Source: [http://www.hira.wb.gov.in](http://www.hira.wb.gov.in)
Housing Market Trends
Kolkata

Over the past 12 years, Residential supply in Kolkata has almost quadrupled to reach ~67,000 units in the builder market alone. The increasing supply infers market growth, which leads to an increase in volumes.

Source: Liases Foras Research

Kolkata extends upto Kripampur & Bidyadharpur in the South, Maheshtala & Howrah in the West, Kalyani, Barrackpore & Barasat in the North and Sikharpur & Hatisala in the East.
Kolkata

Sales &
New
Launches

19,847
Units Launched (LTM)

12,380
Units Sold (LTM)

9,296 Cr.
Value of Sales (LTM)

LTM : Last Twelve Months

Sales and New Launches showing upward trends in Kolkata. The 2021-22 period has demonstrated significant growth and recovery from the COVID crisis, and the trend is expected to continue in the coming years.
## Kolkata

### Micro Markets

**Apartment Price (Rs. PSF)**

<table>
<thead>
<tr>
<th>Suburb</th>
<th>Unsold (Units)</th>
<th>Annual Sales (Units)</th>
<th>Annual Value of Sales (Cr)</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Center</td>
<td>1,054</td>
<td>690</td>
<td>1,113</td>
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<tr>
<td>Eastern Suburbs</td>
<td>8,413</td>
<td>3,705</td>
<td>3,032</td>
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<tr>
<td>Northern Suburb</td>
<td>4,727</td>
<td>2,126</td>
<td>1,163</td>
</tr>
<tr>
<td>Hoogly</td>
<td>2,526</td>
<td>1,367</td>
<td>315</td>
</tr>
<tr>
<td>Howrah</td>
<td>1,702</td>
<td>712</td>
<td>396</td>
</tr>
<tr>
<td>South West Suburbs</td>
<td>705</td>
<td>556</td>
<td>179</td>
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<tr>
<td>South East Suburbs</td>
<td>8,017</td>
<td>3,224</td>
<td>2,359</td>
</tr>
</tbody>
</table>

*Source: Liases Foras Research, June 2023*

*Weighted average unsold price of Apartments*
Over the last ten years, Kolkata had steady price growth during 2013-2021, then a sudden jump was seen. In the quarter ending (QE) June-2023, Kolkata has a price index of 130 (Index base from 2013), a 3% CAGR over the last ten years. Kolkata witnessed the third maximum price rise among top 8 cities.
Price Trend

The above graph shows the price movement based on the weighted average price of the unsold units.

Price Trends

Apartment prices in Kolkata has grown 11% on YoY while Siliguri saw 7% and 10% growth in Durgapur.
1. Tajpur Sea Port

Tajpur will serve as a port as well as a logistical hub. The port will improve the efficiency of eastern India. It will strive to transport freight to wherever the customer requires it (Bihar, Eastern Uttar Pradesh, Nepal, Odisha, or Jharkhand) in the shortest amount of time and at the lowest possible cost.

2. Kolkata Siliguri Expressway

The 675-kilometer four-lane highway corridor between Kolkata and Siliguri will cut travel time by 7 hours, compared to 15 to 18 hours or more. The Siliguri-Kolkata corridor is critical for trade and business not just in West Bengal but also in adjoining Nepal and Bhutan. Siliguri also acts as a commercial port for Darjeeling Hills and Sikkim.

3. Kalyani Airport

Kalyani is a planned urban city in West Bengal’s Nadia district. It is 53 kilometres away from Kolkata. One other element that makes Kalyani an appealing choice for a new city airport is its proximity to Kolkata and ease of access. It will depart from Dum Dum Airport in Kolkata, which is 45 km distant. Kalyani Airport will be 1,500 acres in size and will be able to serve roughly 8.5 million people per year.

4. Varanasi Ranchi Kolkata Expressway

Eastern Bihar, Uttar Pradesh, and West Bengal stand to benefit greatly from the Varanasi-Kolkata Motorway. It will lower travel time and distance between Varanasi and Kolkata from 12-14 hours to 6-7 hours and from 690 km to 610 km as part of the Bharatmala Pariyojana project.

5. Raxaul Haldia Port Expressway

The Raxaul Haldia Motorway will improve connection from Nepal Port to West Bengal’s Haldia Port. With the completion of this route, the journey from Deoghar to Kathmandu will take only 12 hours.

6. Silicon Valley Hub Kolkata

Creating technology-driven jobs and increasing the state’s GDP West Bengal and the city of Kolkata have been branded as tech-savvy and technology-friendly. Signalling to the global tech ecosystem that Kolkata is an attractive technological centre in India.
7. Kolkata Metro Expansion

The extension of the Kolkata Metro will aid in the growth of the people in the newly created metropolitan hub located nearby. Kolkata already has ~50km of operational metro line with upcoming ~60km.

8. Kolkata Airport Expansion

The current terminal construction, which can accommodate up to 26 million people per year, was built on around 2.3 lakh square metres of land. Following the expansion, it will be able to accommodate 28 million passengers per year.

9. World Trade Center Kolkata

Apart from significantly contributing to the State Exchequer, the proposed World Trade Centre will strengthen the economic prosperity of West Bengal and eastern India by forging collaboration with international trade bodies and investors from other countries through other World Trade Centre members.

10. Dankuni Industrial Corridor

Three industrial corridors will be created to boost industrial activity in the state: Dankuni-Haldia, Dankuni-Kalyani, and Dankuni-Raghunathpur. It will push the industry sector and create more jobs.

11. Tajpur Purulia Industrial Corridor

The corridor will also leverage the deep sea port’s connectivity with rest of Bengal in terms of supplies and facilitate faster movement of goods.

12. Elevated Superhighway (Kona Expressway)

National Highway Authority of India (NHAI) is planning to complete the elevated superhighway with in Kona Expressway by 2026. The 7.2km, 6 lane stretch is estimated to cost about 720 Cr.
About CREDAI West Bengal

CREDAI West Bengal is the umbrella state-wide body for real estate developers in West Bengal, having five city-chapters in Kolkata, Howrah-Hooghly, Asansol, North Bengal and Burdwan & Birbhum. CREDAI West Bengal is affiliated to the Confederation of Real Estate Developers’ Associations of India (CREDAI) which is the nation-wide body of pan-India real estate developers, comprising of 13000+ real estate developers as members, with a presence in 21 states and 230 cities. CREDAI West Bengal has 600+ members across its five City Chapters in Bengal.

CREDAI West Bengal symbolizes the organised representation of real estate’s major stakeholders across West Bengal, advocating strict adherence to WBRERA Rules, commitment to consumer satisfaction with regard to timely handover of projects, promoting transparency in business and inducting professionalism in the sector. Members are engaged in the development of residential housing projects, commercial buildings, malls, IT/ITeS complexes, warehouses, hotels, hospitals, logistics hubs and urban social infrastructure projects, making real estate one of the front-runner sectors in the state, spurring investment, economic growth and generating huge employment.

Currently CREDAI West Bengal is led by Mr. Sushil Mohta, President and Mr. Naresh Agarwal, Vice President.
Founded in 1998, Liases Foras is the only non-broking real estate data analytics and research company in the country. Data and science form the core of our services, ranging from providing market intelligence and risk advisory to lenders and mortgage companies to providing development advice, best use, and valuations to developers, funds, banks, and corporations.

Our expertise lies in evaluating risk factors with a strong focus on understanding the dynamics of price and analysing any underlying risks. We firmly believe that no matter how complex and ambiguous the real estate industry might seem, in reality, prices are governed by the laws of economic geography and urban economics. Our coverage spans over 60 cities at present.