

**ADDRESS BY THIRU BANWARILAL PUROHIT, HON'BLE GOVERNOR
OF TAMIL NADU AT THE REAL ESTATE AWARDS 2018-19 (13 YEARS
OF EXCELLENCE) FUNCTION ORGANISED BY RR KABEL AND
CNBC- AWAAZ AT HOTEL LEELA PALACE, MRC NAGAR,
CHENNAI ON 15.03.2019 AT 7.15 PM**

Anaivarukkum Maalai Vanakkam

Thiru. Alok Joshi,
Managing Editor,
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Thiru. R.Rajagopal, I.A.S.,
Additional Chief Secretary to Governor

Thiru. Shrigopal Kabra,
Managing Director,
RR Kabel

Thiru. S. Krishnan,
Principal Secretary,
Housing and Urban Development

Distinguished Invitees

Ladies and Gentlemen

I am happy to be here today at the function being organized by CNBC - Awaaz and RR Kabel to honour the award winners of the real estate sector.

The real estate sector is one of the pillars of our economy. With a market size of about 125 billion dollars, it is the second largest sector in India after agriculture. Besides its size, the special significance of the sector for the economy is on account of the enormous employment opportunities it provides, particularly for the semiskilled and unskilled labour who wish to migrate from agriculture in search of a better wage.

Food, clothing and shelter are the basic needs of any society. In that respect, the farmer, weaver and the builder play a vital role in fulfilling the essential needs of the common people.

India will therefore depend upon the adequacy of the real estate sector in a big way in the coming years. For this, the sector will have to focus on greater use of modern technologies, better modes of labour management and more transparent dealings with the customers and clients so as to create more confidence in their minds. In short, the real estate sector should gain greater credibility in the minds of the clients and the workers. I do agree that for all this, the industry requires a lot of support.

Affordability of housing continues to be a major challenge for the ordinary citizen. The real estate sector has the argument that the input costs, particularly the cost of land has to be lower if the cost of apartments has to be reduced. The drive against corruption, tax evasion and black money has resulted in the price of land going down in many cities in India. I am sure that this is going to help the sector substantially in the long run. They should reciprocate by lowering the prices of flats and apartments so as to make it affordable for the common man. With the large increase in the growth rates of economy and in the level of disposable incomes, the common man is now willing to borrow from banks to fund the

purchase of apartments/flats. India is in a buoyant mood.

The Government of India have taken several initiatives to encourage the development of the sector. The Smart City Project is a prime opportunity for the real estate companies.

The Pradhan Mantri Awas Yojana (PMAY) Urban has provided for the Construction of 70 lakh houses in the urban areas.

The Real Estate (Regulation and Development) Act, 2016 passed by the Parliament of India seeks to protect home-buyers as well as help boost investments in the real estate industry.

The approval given for the Real Estate Investment Trust (REIT) platform will help in

allowing investors in general to invest in the real estate market. This is expected to create an opportunity worth US\$ 20 billion in the Indian market over the years.

The State Governments can particularly help the construction industry by simplifying the procedures for layout approvals and building plan approvals. Corruption should be crushed with an iron hand and there should be transparency in the submission and clearance of applications using the benefit of the online mode. Delays in clearing projects can also be avoided if awareness of town planning and building plan approval rules is improved among the buyers and construction

companies. The need of the hour is transparency and faster clearance of projects.

Before I conclude, I wish to make an appeal to the real estate sector to abide by the provisions of the Building and other Construction Workers Act. This legislation provides for the provision of proper facilities, wages and other benefits to the Construction workers.

I extend my best wishes and greetings to each one of the award winners who are being honoured today. They have all, in their own way overcome many trials and tribulations to build a brand name which is looked up to by society.

The special efforts taken by CNBC - Awaaz and RR Kabel to organize this event deserve my

appreciation. I thank them for having invited me to participate in this function. May the organizers and the real estate sector be greeted with success in all their endeavours.

Nandri Vanakkam.....

Jai Hind.....