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K-shaped recovery drives realty market consolidation in favour of top real estate developers



The housing market is witnessing a "K-shaped recovery", with larger branded developers steadily increasing market share while smaller builders struggle with funding constraints, shrinking land banks and fewer project launches, according to a report by Motilal Oswal Financial Services (MOFSL). Industry executives agree with the K-shaped trend saying the findings reflect a structural transformation that has been reshaping India's real estate sector for nearly a decade. Murali Malayappan, Chairman and Managing Director of Shriram Properties Ltd, said the growing dominance of organised developers is the outcome of structural reforms such as demonetisation, Real Estate (Regulation and Development) Act (RERA) and Goods and Services Tax (GST), which significantly improved transparency and accountability in the sector. Since 2017-18, homebuyers have increasingly shifted towards established developers with proven execution capabilities and better governance standards, allowing larger players to steadily gain market share, he said. He also flagged delays in statutory approvals and regulatory clearances across states. Priyanka Raju, Director of Kalyani Developers, said the market is ultimately rewarding credibility rather than scale. Today's homebuyers are far more discerning and evaluate multiple factors before making a purchase, including location, construction quality, thoughtfully designed amenities, sustainability, pricing transparency and, most importantly, a developer's track record of timely delivery. Ranjeeth Rathod, Managing Director of DRA Homes, said the same trend is clearly visible in Chennai, where organised developers are steadily expanding their presence. Smaller developers will continue to face pressure from funding constraints, approval complexities and limited execution bandwidth. Published on July 8, 2026