



Manuscript ID:
IJEBAAMPSR-2025-020533

Volume: 2

Issue: 5

Month: October

Year: 2025

E-ISSN: 3065-9140

Submitted: 25-Sept-2025

Revised: 30 Sept-2025

Accepted: 25- Oct-2025

Published: 31-Oct-2025

Address for correspondence:
Siddiqui Arjumand Shahid
Research Scholar, Nevjabai Hitkarini
College, Bramhapuri,
Chandrapur
Email: arjumsiddiqui@gmail.com

DOI: [10.5281/zenodo.18149876](https://doi.org/10.5281/zenodo.18149876)
Link:
<https://doi.org/10.5281/zenodo.18149876>



Creative Commons (CC BY-NC-SA 4.0):

This is an open access journal, and articles are distributed under the terms of the Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International Public License, which allows others to remix, tweak, and build upon the work noncommercially, as long as appropriate credit is given and the new creations are licensed under the identical terms.

Real Estate as An Engine of Regional Economic Growth Evidence from Maharashtra

Siddiqui Arjumand Shahid¹, Dr. Vitthal N. Thawari²,

¹Research Scholar, Nevjabai Hitkarini College, Bramhapuri, Chandrapur

²HOD Economics. Arts and Commerce College Bhisi.Tah-Chimur, Dist- Chandrapur.

Abstract

The purpose of this study is to evaluate the role of the real estate and construction industry in promoting the economic expansion of the State of Maharashtra in India through the use of secondary data collected from multiple Government sources across various industries where real estate and construction contribute to gross state domestic product – GSP (State GSP) as well as job creation, and also the spillover benefits of the real estate and construction industry to other industries in Maharashtra. Both timeline and correlation method(s) were used by the researcher. Research results indicate that the positive and statistically significant correlation between the growth of real estate and GSP validates the importance of real estate as a driver of economic growth in Maharashtra. There are also considerable amounts of job creation as a result of real estate development both directly and indirectly, and through the use of multipliers, the real estate and construction industry has a disproportionate impact on multiple industries including: (i) cement; (ii) steel; (iii) banking; and (iv) transportation; and therefore, provides large amounts of jobs for workers in the foreseeable future. However, the impact of real estate-led economic growth remains severely asymmetric across Maharashtra, with substantial benefits to urban areas compared to semi-urban areas. Finally, the research confirmed that the development of real estate is a vital engine of economic growth for the regions of Maharashtra, and therefore, there is an urgent need for government officials to create balanced urban development, as well as additional policies to promote and foster equal access to business opportunities for all residents throughout Maharashtra.

Keywords: Real estate development; Regional economic growth; Gross State Domestic Product (GSDP); Employment generation; Spillover effects; Maharashtra.

Introduction

Real Estate is an industry that is one of the fastest growing within countries' economies. Its extensive linkages to various industries such as Construction, infrastructure, finance, manufacturing, and Services, have created substantial opportunities for economic expansion. The combined impact of Real Estate and Construction globally constitutes approximately 10–15% of the Gross Domestic Product (GDP) in Emerging Economies, and at the same time, the two sectors create significant numbers of jobs (in excess of 55 million people directly and indirectly in India), and create a large proportion of fixed Capital Formation. In India, Real Estate constitutes approximately 7–8% of National GDP, and is expected to rise to 13% of National GDP by 2030, illustrating that Real Estate is more than just a housing Industry; it is also an important engine for overall Economic Development.

As the largest Economic State in India, Maharashtra will play a pivotal role in the overall economic development of the country. Maharashtra contributes approximately 14–15% to the overall Indian GDP, and has attracted the highest percentage of Real Estate Investment in the country. The Mumbai Metropolitan Region (MMR), Pune, and Tier II Cities such as Nagpur, Nashik and Aurangabad represent a significant portion of the Real Estate Development (Residential, Commercial, and Industrial) in the State of Maharashtra. The Real Estate & Construction Industry alone is responsible for creating 9–10% of the overall GSDP in the state of Maharashtra, which indicates the strong association between the growth of the Real Estate/Construction Industry and the growth of the Economy of the State of Maharashtra.

How to Cite this Article:

Shahid, S. A., & Thawari, V. N. (2025). Real Estate as An Engine of Regional Economic Growth Evidence from Maharashtra. International Journal of Economics, Business, Accounting, Agriculture and Management Towards Paradigm Shift in Research, 2(5), 178–185. <https://doi.org/10.5281/zenodo.18149876>





As the largest Economic State in India, Maharashtra will play a pivotal role in the overall economic development of the country. Maharashtra contributes approximately 14–15% to the overall Indian GDP, and has attracted the highest percentage of Real Estate Investment in the country. The Mumbai Metropolitan Region (MMR), Pune, and Tier II Cities such as Nagpur, Nashik and Aurangabad represent a significant portion of the Real Estate Development (Residential, Commercial, and Industrial) in the State of Maharashtra. The Real Estate & Construction Industry alone is responsible for creating 9–10% of the overall GSDP in the state of Maharashtra, which indicates the strong association between the growth of the Real Estate/Construction Industry and the growth of the Economy of the State of Maharashtra.

The continued growth of the Real Estate and Construction Industry will create increased opportunities for job creation; initiate the inflow of Capital and Urban Infrastructure Investments; as well as increase the overall demand for products/Services from the allied industries (Cement, Steel, Transport, Financial Services). The economic multiplier effect created by the sizeable increase in demand for allied industry outputs resulting from Real Estate Investments will have far-reaching positive implications for the overall economy of the State of Maharashtra. However, to date, there are limited empirical findings demonstrating the importance of Real Estate as an Economic Engine (as opposed to a standalone sector tied to a geographic area) at the State level in India.

Literature Review

The literature proposes that the real estate industry is an important contributor to economic growth in many countries as it works with capital development, jobs created, and the growth of cities to produce economic growth. Studies from many parts of the world demonstrate a strong connection between real estate markets and GDP. The studies also show that the two variables are interconnected because while increased real estate creates a positive effect (the purchase of goods and services), increased income and economic growth create a negative effect (people will need housing) on the demand for real estate. As cities continue to grow due to urbanisation, the demand for housing will increase (due to urbanisation), increasing the need for buildings and commercial industries (due to urbanisation). Studies from developed countries and emerging economies have demonstrated strong backward and forward multiplier effects associated with the real estate sector, which are created by the industries that supply construction materials, transportation, and financial services (Ball, 2014; Chen & Zhang, 2019). In addition, researchers warn that the growth of the real estate market

without proper supervision can lead to problematic situations such as increased speculation and socioeconomic disparities, which require the need for formalised and regulated structures for maintaining the positive impact of real estate on an economy (Malpezzi, 1999; Buckley & Kalarickal, 2006).

Real estate's role in driving economic growth in India is supported by the literature, which indicates that the real estate market is an important part of regional economic development. For instance, real estate activity contributes significantly to GDP, job growth, and fixed investment, as well as supporting large scale infrastructure development and the physical expansion of cities (Bardhan et al., 2007; Government of India, 2023). The construction–real estate industry has a very strong backward and forward linkage to many other industries, including cement, steel, banking, and transport (NHB, 2021; RBI, 2022), and Real estate is an important vehicle for delivering large scale job growth (NHB, 2021; RBI, 2022). In addition, it has recently been reported that policy and regulatory certainty and the role of institutional finance have led to an increase in investor confidence in the Indian real estate market (Sharma & Mehta, 2020). However, regional disparities remain, which are reflective of different levels of urbanisation, infrastructure availability, and governance quality across different states (Singh & Venkataramani, 2018).

The real estate market in Maharashtra is consistently viewed as a continuously evolving and the most dynamic market in India, with both Mumbai & Pune leading the way with respect to growth within Maharashtra. Many studies are assessing the overall economic impact of the real estate sector on the Gross State Domestic Product, job creation, and additional infrastructure related to Urban Development (Patel & Sharma 2018). However the vast majority of current research on Maharashtra's real estate market has focused primarily on market dynamics (affordability or trends), housing affordability, and/or regulatory outcomes (most notably post RERA). A great deal of the existing research has not yet addressed how real estate influences the regional economic development of Maharashtra; specifically how job growth or how the investment spillover effect grows from real estate; Regional Disparity within intrastate regions; and how the development of real estate contributes to the overall trajectory of the Economic Growth for the State of Maharashtra.

Conceptual Framework and Hypothesis Development

The real estate sector is an important transmission mechanism responsible for creating and maintaining regional economic growth. And at the center of the conceptual framework is that when capital is invested (public or private) in real estate



development, i.e., through residential, commercial, and urban infrastructure developments, this will lead to an increase in construction activity. As a result of the increased construction activity, there will also be a direct and indirect creation of jobs. The income created through these new jobs will lead to an increase in consumer spending, increased demand for urban services, and an increase in the overall output of the regional economy, as measured by Gross State Domestic Product (GSDP).

The link between investment, jobs, and growth is dependent on three critical supporting factors. The first factor is the availability of infrastructure (e.g., transport, utilities, and social infrastructure). The availability of infrastructure supports both productivity and the footprint of real estate development. The second factor is urbanisation. As urban areas continue to grow, the demand for housing and commercial space will increase, especially in high-growth metropolitan and peri-urban areas. The third enabling factor is regulations and institutional structures that create confidence in real estate markets, increase market transparency, and regulate the pace of real estate development, thereby facilitating the translation of real estate activity into economic benefits.

In states like Maharashtra, the interplay of urbanisation, infrastructure investment, and regulatory environments is particularly important.

By employing the framework as a guide, the proposed hypotheses for this study are:

H1: The growth of the real estate sector has a positive and significant impact on regional economic outputs.

H2: Development of the real estate sector creates positive spillover effects to other industries and creates employment within those sectors; thus, supporting the development of the regional economy through the creation of jobs in the different sectors that are supported by real estate development.

Both propositions provide structure and guidance for an empirical investigation into the development of real estate within a regional economy.

Methodology

Research Design

The overall design for this research is descriptive-empirical research methodology, i.e., Quantitative and Empirical (the use of statistics to establish an objective view of the topic) with Contextualism (the combining of quantitative measures with contextual measurements). By combining quantitative analysis with description, this approach allows us to identify structural relationships among real estate activity and investment, employment, and economic output across different regions and time periods, and to compare all countries in our analysis. Furthermore,

by combining Desistency Analysis with Empiricism Testing, this design facilitates the identification of both patterns within a structure, as well as drawing evidence-based inference from that structure, about developing policies for Regional Development.

Data Collection

All data collected in our study came from secondary sources, including published materials produced by various Government Departments and Institutions. The primary variables analysed were: Gross State Domestic Product (GSDP), Construction and Real Estate Production, Housing Supply Indicators, Urbanization Indicators, and Employment Data. All data were obtained from the following sources: Ministry of Statistics and Programme Implementation Publications, Reserve Bank of India Publications, National Housing Bank Publications, various states' Economic Surveys, and Urban Development Affairs Reports. All these sources of information provide the researcher with reliable, consistent over time, and comparable data for all states and across all variables within the study.

Analytical Tools

Tables 1 – 4 show that the analysis of empirical data with simple and transparent tools for ease of use involved the application of descriptive analysis (using percentages and year-wise data) of the contributions made by the real estate and construction sector to Maharashtra's gross state domestic product (GSDP), as well as to the generation of employment in addition to the growth of other economic activities related to the real estate and construction sectors. In determining the changes in contribution levels, trend comparisons were analysed to identify periods of recovery after COVID. In addition to this trend analysis, the testing of the hypotheses was accomplished through the application of simple correlation tests to compare the relationship between the growth in the real estate sector with the indicators of economic development in the region (as measured by the GSDP or the employment levels). In certain instances where it was appropriate to apply the Chi-Square test, it was also applied to compare the differences between regions and to assess the degree of statistical significance between the levels of real estate growth in urban versus semi-urban locations. Through these various methods of analysis, a definitive link or association between the growth of the real estate sector and the economic development of the region was established.

Profile of Maharashtra's Real Estate Sector

Real estate development in Maharashtra has been continuously linked to and developed in conjunction with the growth of industrialization, urbanization and the expansion of infrastructure in the state. Historically the Real Estate industry in



Maharashtra was mostly focused on the development of residential properties. However, as the structure of the economy has developed and demographic pressures have changed due to population growth, increased urban income due to liberalization, and an increase in institutional investment, Real Estate has been continuously diversifying into new sectors of Commercial Real Estate, Industrial Real Estate, Logistics Real Estate, Mixed-Use Properties, among other segments over time.

The majority of the market for real estate in Maharashtra is concentrated in urban areas. The Mumbai Metropolitan Region (MMR) has accounted for a large portion of the residential and commercial real estate market activity in the state and has been the main driver for the Real Estate developments. The MMR is the Main Hub for Financial Services, Corporate Headquarters, and Global Investment in Maharashtra, and the City of Pune has become the second largest Growth Center for Maharashtra due to the Development of Information Technology, Education and Manufacturing Centers Supporting the growth of Pune. The Tier II Cities of Nagpur, Nashik, Aurangabad and Kolhapur are also seeing increased real estate activity, driven by the development of Industrial Corridors, Improved Connectivity & Transportation, and the Decentralization of Economic Activity.

The patterns of investment show a strong preference for both the Residential and Commercial Segments of the Real Estate Market. The Residential Segment most in demand is Affordable

Table 1: Share of Real Estate & Construction in Maharashtra GSDP

Year	GSDP (₹ lakh crore)	Real Estate & Construction Share (%)
2019–20	32.2	8.7
2020–21	31.5	8.2
2021–22	34.6	8.9
2022–23	36.9	9.4
2023–24*	39.1	9.8

Source: Economic Survey of Maharashtra; MoSPI

Due to disruption from the pandemic, Maharashtra's GSDP share of Real Estate and Construction fell from 8.7 percent during the 2019 – 20 fiscal years to 8.2 percent in FY 2020 - 21. Following this decline, however, the sector's share rebounded by an additional 1.1 percentage points to 9.8 percent, as projected for FY 2023 - 24, with both sectors experiencing growth in their respective gross state domestic products (GSDP) with Maharashtra increasing from ₹32.2 lakh crores to ₹39.1 lakh crores.

Employment Generation and Income Effects

Maharashtra has now become established as one of the largest employment-generating

and mid-income Housing and in Commercial Real Estate, there is a very rapid growth in demand for Commercial Properties, specifically Office Space, Retail Centres and Logistics Parks, and this growth has occurred as a result of the growth of the Service Sector and the expansion of the E-Commerce Market, and as Infrastructure, particularly Metro Rail Projects, Major Expressways, Industrial Corridors and Urban Redevelopment Projects are completed, will add to the Land Value and Market Depth of Maharashtra. All of these Elements Combined will be a significant component of Maharashtra's economic structure and will significantly influence the economic development of specific regions and employment creation.

Real Estate and Regional Economic Growth: Empirical Evidence

Contribution to State Gross Domestic Product

The building and property industries have always significantly affected the growth of Maharashtra's economy and remained one of the key sectors contributing to the GSDP of Maharashtra. Since the COVID-19 Pandemic caused substantial issues within this sector, both the building and property industries have shown a continued gradual recovery and increase in the last five years through the growing demand for housing, greater levels of capital available for investment, and an increase in the number of additional infrastructure and commercial projects being built. As a result, many of the developments taking place in this sector demonstrate the potential of the building and property sectors to act as stabilising factors in the economy of Maharashtra.

sectors throughout Maharashtra. This is due to Maharashtra's ability to provide a broad spectrum of employment solutions to individuals with a variety of skillsets through both direct (construction) and indirect (i.e. professional services) employment opportunities. Real estate construction provides considerable employment to migrant and semi-skilled workers, while the provision of ancillary professional services related to real estate construction creates higher-wage jobs. In this way, real estate development creates additional labour markets that lead to increased local production and consumption, and ultimately, increase the regional economic growth of the area.

Table 2: Employment Generated by Real Estate & Allied Activities

Year	Direct Employment (million)	Indirect Employment (million)
2019–20	5.8	7.4
2020–21	5.2	6.8



2021–22	6.1	7.9
2022–23	6.7	8.6
2023–24*	7.2	9.1

Source: NSDC; Ministry of Labour & Employment; Maharashtra Economic Survey.

Since 2019-20, direct employment in real estate decreased from 5.8 million to 5.2 million during the year 2020-21. However, it rebounded to 7.2 million by 2023-24. Additionally, during that time period, indirect employment increased from 7.4 million to 9.1 million resulting in a net increase of 1.4 million in direct jobs and 1.7 million in indirect jobs indicating the real estate sector has been absorbing excess workers since the end of the Pandemic.

Spillover Effects on Allied Sectors

Table 3: Growth of Allied Sectors Linked to Real Estate (%)

Sector	2019–20	2023–24*
Cement	3.1	7.8
Steel	2.6	6.9
Banking & Housing Finance	6.4	11.2
Transport & Logistics	4.2	8.5

Source: RBI; Ministry of Commerce & Industry; Maharashtra Economic Survey.

From 2019 to 2020 and 2023 to 2024, the allied sectors experienced a significant increase in growth rates coupled with the growth of real estate (e.g., cement growth increased from 3.1% to 7.8%, steel from 2.6% to 6.9%, banking and housing finances from 6.4% to 11.2%, and transport and logistics growth increased from 4.2% to 8.5%), which means that growth in real estate sector has also contributed to the regional economy with its multiplier/spillover effects.

Table 4: Urban vs Semi-Urban Real Estate Growth Index (2019–2024)

Region	Growth Index (2019 = 100)
Mumbai MMR	142
Pune	136
Tier-II Cities	121
Semi-Urban Districts	109

Source: MahaRERA; Knight Frank India; CREDAI Maharashtra.

The growth index shows a wide variation across regions with the Mumbai MMR scoring 142 and Pune scoring 136. These two cities are much higher than Tier II Cities at 121 and Semi Urban Districts at 109 indicating there will be future growth

As the real estate industry continues to grow, there are major multiplier effects created in ancillary industries (ie, cement, steel, financial services, transportation, and others) as there are increasing amounts of construction taking place, increased industrial production, and therefore rising credit demands associated with this growth. Consequently, logistics and professional services also grow as commercial real estate continues to expand.

Regional Disparities within Maharashtra

While there have been overall increases in output and investment due to real estate activity, the actual number of jobs and investments is unevenly distributed throughout the State. In metropolitan areas, the amount of output and investment with respect to real estate is significantly greater than in semi-urban areas of Maharashtra.

focused on Real Estate between 2019-2024 within Metropolitan Regions.

The results show a need for regional-specific policy changes to help with Balanced Regional Growth and Inclusive Regional Growth.

Hypothesis Testing

Table 5: H1 Test — Real Estate Growth and Regional Economic Output (GSDP)

Test	Variables	Result	p-value	Decision	Interpretation
Pearson Correlation	Real Estate share (%) vs GSDP	r = 0.977	0.0043	Accept H1	A strong positive and statistically significant relationship exists as real estate share rises, GSDP rises.
Simple Linear Regression	GSDP = a + b(Real Estate share)	b = 5.013	0.0043	Accept H1	A 1 percentage-point rise in real estate share is associated with about ₹5.01 lakh crore higher GSDP (on average), over the period.

Analyses suggest that real estate, as an economic factor, affects not only a state's economy but also its gross domestic product (GDP). In relation to the research, statistical analysis indicates a strong, statistically significant, and positive correlation between a state's GSDP and the percentage of

GSDP attributable to real estate in that state ($r = 0.977$, $p = 0.0043$). Moreover, the estimated regression results show that for each one percentage point increase in a state's GSDP, there will be an increase of ₹5,000 crore (lakh crore) in



the state's GSDP. Therefore, hypothesis 1 is accepted.

Table 6: H2 Test — Real Estate Growth, Employment, and Spillovers

Step 1: Employment test (statistical)

Test	Variables	Result	p-value	Decision	Interpretation
Pearson Correlation	Real Estate share (%) vs Total Employment (Direct + Indirect)	$r = 0.998$	0.00008	Accept H2	Real estate growth is strongly and significantly associated with higher employment.
Simple Linear Regression	Total Employment = $a + b$ (Real Estate share)	$b = 2.727$	0.00008	Accept H2	A 1 percentage-point rise in real estate share is associated with about 2.73 million additional jobs (direct + indirect), on average.

The relationship between total employment and real estate share has been found to be extremely strongly positively correlated ($r = 0.998$, $p = 0.00008$), while the regression analysis indicates

that for each one-percentage point increase in the share of real estate, an additional 2.73 million jobs are created, thereby providing evidence to support H2.

Step 2: Allied-sector spillovers

Since Table 3 provides only two time points (2019–20 and 2023–24), formal significance testing is not meaningful here; instead, spillovers are demonstrated through clear growth changes:

Allied sector	Growth 2019–20 (%)	Growth 2023–24 (%)	Change (percentage points)	Interpretation
Cement	3.1	7.8	4.7	Input demand rose alongside construction activity.
Steel	2.6	6.9	4.3	Higher building activity increased steel demand.
Banking & Housing Finance	6.4	11.2	4.8	Credit and housing finance expanded with real estate growth.
Transport & Logistics	4.2	8.5	4.3	Movement of materials/services intensified with project activity.

Allied sectors have recorded growth rates of 4.3 to 4.8 per cent for the period 2019 to 2024, indicating strong multiplier and spillover effects of real estate growth on output, financing, and logistics.

Statistical Analysis of the Real Estate Sector in Maharashtra, India from 2019–20 to 2024–25 provides strong statistical evidence that increases in the size of the Real Estate Sector (H1) will be associated with a higher State Gross Domestic Product (GSDP) and higher employment (H2). The results from allied-sector growth also exhibit an apparent multiplier effect of the Real Estate Sector (H2), based on the significant increases in sales of Cement, Steel, Finance, and Logistics during the same broad recovery and expansion periods.

Policy and Institutional Environment

Land, Urban Development and Infrastructure Regulations govern performance of various States. The support available for the Housing Sector through Housing Policy, Urban Corridors, Urban Infrastructure Improvements and Public Transit Opportunities all contribute to provide better conditions for the Investor and a Higher Level of Viability for Projects in urban areas.

Transparency in Regulatory Reform has allowed Investors an environment where they have greater confidence to invest in the market. As a result: Capital Flows have been more easily accessible and

Real Estate Activity has been translated to a Higher Rate of Economic Activity and the creation of Jobs.

The Coordination among Planning Authorities, Infrastructure Agencies and Financial Institutions has reinforced the effects of the Multiplier Effect. However, due to Inconsistent Enforcement and Access to Infrastructure, there are Regional Disparities, necessitating greater Consistency and Strengthening of Governance to maximize the Industry's Economic Development.

Key Findings and Discussion

The real estate market in Maharashtra represents a major source of economic activity in the state and there is evidence of a significant relationship between the real estate market and the Gross State Domestic Product (GSDP). This indicates that the Real Estate Market is a major contributor to both direct and indirect employment. In addition, as a result of the creation of jobs through the Real Estate Market, there will be an increase in personal income; which in turn will create an increase in the consumption of goods and services, thereby stimulating demand in the Regional Economy.

In addition, there is some evidence that re-allocations of resources to support the Real Estate sector have resulted in large spillover effects onto many supporting industries such as cement, steel, financial services, transportation, etc.; thereby

creating a multiplier effect from the Real Estate sector back to the larger state of Maharashtra. However, there is significant disparity in the geographic concentration of real estate activity throughout the state of Maharashtra, as evidenced by the concentration of real estate activity in the metropolitan areas, as compared to the semi-urban communities located within Maharashtra.

The findings of this study support and are consistent with the findings from earlier studies that the Real Estate Industry is a driving force behind additional economic activity occurring outside of the immediate boundaries of the Real Estate Sector.

Policy Implications

This research identifies real estate as a means of leveraging Economic Development through Regional Development. Regional Economic Development is a Driver of Economic Development and creates job opportunities, attracts capital investment and improves Industrial Linkages. By providing targeted assistance to affordable housing, logistics centres and workplace developments will create a Multiplier Effect that is experienced throughout allied industries.

The benefits of Urbanisation have not been evenly distributed. Metropolitan Areas are experiencing high levels of growth while Semi-Urban Areas and Tier II Cities are experiencing slower levels of growth and development; therefore, Balanced Urbanisation must occur. Strategically investing in and planning for Infrastructure Development through the creation of Infrastructure Development Plans can help decrease Spatial Disparities between Metropolitan Areas and Semi-Urban Areas and Tier II Cities as well as Increase the Capacity for Investment in those Areas.

Aligning the Real Estate Sector with the Infrastructure and Labour Market Development Sectors through Skill Development and Formal Employee Status will create the best opportunity for increasing Employment Opportunities and Sustainably Supporting Inclusive Economic Growth.

Conclusion

The results of this study provide evidence to support the notion that real estate development contributes greatly to the economic development of Maharashtra. The effect of the real estate and construction industries on the generation of jobs and GSDP of Maharashtra is statistically and positively correlated; therefore, it must be stated that these industries create "multiplier" and/or "spillover" effects on many other sectors within the economy, such as manufacturing, retail, and hospitality.

Despite the evidence presented in this research, it is important to note that the vast majority of the benefits associated with real estate-led growth are not being experienced evenly

throughout Maharashtra; therefore, all entities involved in the planning and execution of policies, plans, and government support for infrastructure projects must coordinate efforts in order to maximize the benefits that all individuals will receive from real estate development and job creation. Ultimately, the results of this study show that the real estate industry is much more than just a "housing market"; it serves as a key player in the economic growth of an area and the long-term sustainability of such growth will be dependent upon continued investment in the development of balanced land-use planning and spatial planning across the region.

Scope for Future Research

Future research has the potential to provide a more in-depth analysis of micro-regional differences associated with real estate-led development through site-, district-, and city-level comparisons. Through longitudinal assessments comparing the pre- and post-regulatory phases of governance reform, we will further understand the impact of such reforms on the real estate sector. Furthermore, by comparing the institutional/structural factors that shape the relationship between an economy and real estate across different Indian states and regions elsewhere in the world, we will gain detailed knowledge. Finally, by utilising original data and advanced econometric techniques, we will increase decision-makers' ability to make more probabilistic and precise decisions by establishing causal relationships and enhancing the capacity and credibility of analysis.

Acknowledgment

The authors sincerely express their gratitude to the management of Nevjabai Hitkarini College, Bramhapuri, Chandrapur, and Arts and Commerce College, Bhisi, Tahsil Chimur, District Chandrapur, for providing a supportive academic environment and necessary institutional facilities to undertake this research work.

We extend our heartfelt thanks to the Head of the Department and faculty members of the Department of Economics for their valuable guidance, constructive suggestions, and continuous encouragement throughout the course of this study. Their academic insights greatly contributed to strengthening the conceptual and analytical framework of the research.

The authors also acknowledge the use of secondary data and reports published by various Government of India agencies, including the Ministry of Statistics and Programme Implementation, Reserve Bank of India, National Housing Bank, and the Government of Maharashtra, which formed the empirical foundation of this study.

We are grateful to fellow researchers, colleagues, and well-wishers for their cooperation and intellectual support. Finally, we express our sincere

appreciation to our family members for their patience, motivation, and unwavering support, which made the successful completion of this research possible.

Financial support and sponsorship

Nil.

Conflicts of interest

The authors declare that there are no conflicts of interest regarding the publication of this paper.

References

1. Ambrose, B. W., Deng, Y., & Wu, J. (2015). Understanding the risk–return trade-off in real estate investments. *Journal of Real Estate Finance and Economics*, 50(4), 449–478. <https://doi.org/10.1007/s11146-013-9461-4>
2. Arun, T., & Kamath, R. (2015). Financial inclusion: Policies and practices. *IIMB Management Review*, 27(4), 267–287. <https://doi.org/10.1016/j.iimb.2015.09.004>
3. Ball, M. (2014). Rebuilding construction: Economic change and the construction industry. Routledge.
4. Bardhan, A., Datta, R., & Edelstein, R. (2007). Housing and real estate cycles in the Indian economy. *Journal of Real Estate Literature*, 15(2), 203–230.
5. Buckley, R., & Kalarickal, J. (2006). Housing policy in developing countries. *World Bank Research Observer*, 21(2), 233–257. <https://doi.org/10.1093/wbro/lkl004>
6. Chen, J., & Zhang, L. (2019). Urbanization, housing investment, and economic growth. *Habitat International*, 84, 21–31. <https://doi.org/10.1016/j.habitatint.2018.12.002>
7. Government of India. (2023). Economic Survey of India 2022–23. Ministry of Finance.
8. Leung, C. K. Y. (2004). Macroeconomics and housing: A review of the literature. *Journal of Housing Economics*, 13(4), 249–267. <https://doi.org/10.1016/j.jhe.2004.09.002>
9. Ministry of Housing and Urban Affairs. (2022). Urban development and housing statistics. Government of India. NHB. (2021). Report on trends and progress of housing in India. National Housing Bank.
10. Patel, B., & Sharma, M. (2018). Real estate development and urban growth in Maharashtra. *Indian Journal of Regional Science*, 50(2), 87–101.
11. RBI. (2022). Handbook of statistics on Indian states. Reserve Bank of India. Schnure, C. (2005). Boom–bust cycles in housing. IMF Working Paper No. 05/207.
12. Sharma, R., & Mehta, S. (2020). Housing markets and economic growth in Indian states. *Journal of Property Research*, 37(3), 213–231. <https://doi.org/10.1080/09599916.2020.176987>
13. Singh, A., & Venkataramani, B. (2018). Regional disparities in housing development in India. *International Journal of Housing Markets and Analysis*, 11(4), 620–637. <https://doi.org/10.1108/IJHMA-02-2018-0013>
14. UN-Habitat. (2020). World cities report: The value of sustainable urbanization. United Nations.
15. World Bank. (2019). Housing sector development and economic growth. World Bank Publications.