

# FDI in Real Estate Will Propel India to Ranks of China, says Billionaire NRI Bob Dhillon

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Billionaire Indo-Canadian landlord Bob Dhillon, who is on the Canadian prime minister's entourage currently visiting [India](#), said, "[India](#) can be a developer's dream because of so many factors." The [Japan](#)-born, India-educated businessman also said he "will be the first person to invest in India," if the country "now goes for the kind of reforms it has just announced for FDI in retail."

Dhillon, who is the biggest Indian-origin landlord in the western world, said that Indian policy-makers need to unlock the real estate market for institutional investors and then see the results.

"As I said, India is a developer's dream because of its demographics, migration from rural to urban areas, and the breakdown of extended family to the nucleus," Dhillon said in an interview before his departure for New Delhi. "Any push to foreign investment in real estate will be a major boost to India's GDP."

Dhillon is the founder and CEO of Calgary-based Mainstreet Equity, which runs over 8,500 properties from Canada to Belize in Central America. The company, which he started from the back of his car, has been the 10th best performing stock on the Toronto Stock Exchange. It was the first Indian-owned company to be listed on the Toronto Stock Exchange in the late 1990s.

Dhillon said foreign institutional capital will create a real estate industry in India rivaling that of [China](#).

"The Indian correlation of real estate industry to the [GDP](#) is very low compared to other developing and developed countries," he pointed out. "For example, in North America, real estate accounts for 30 percent of the GDP. But in India, real estate accounts for just 5 percent of the GDP. Now that is not good for a country which has to lift millions and millions out of poverty."

Asked what major steps India should take to attract foreign institutional investors in real estate, the billionaire said, "They need to make some major changes to alter the face of real estate - and thus the economy. One, they have to relax FDI in real estate as they did in the case of retail. Two, they have to spell out ownership rights. Right now, it's grey area and we don't know what our rights are.

"Third, we want more favourable landlord tenancy rights. It means they have to rewrite landlord tenancy act, etc. Right now, tenants can encroach and there is no redressal mechanism. Fourth, we want clarifications on repatriation of capital because they still have currency control."

Dhillon, who has developed a 2,300-acre leisure island in Belize in central America for celebrities and [Hollywood](#) stars, said he was looking forward to conveying his ideas to leaders and policymakers in India.

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