

# Golden Opportunities from the Silver Economy

Analysing the Future of Senior Care in India

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# 01 Executive Summary – Concept Note

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The senior living segment encompasses a wide range of housing options and services tailored for older adults aged 60 and above, fostering independence, social engagement, and convenience. Categorized into various types, including independent living communities, assisted living facilities, memory care units, and continuing care retirement communities, these offerings cater to evolving needs. The target segment typically begins planning for senior living around the age of 50, with post-retirement arrangements often sought from the age of 60. Globally, the elderly population is surging, with India expected to be the fastest-growing, housing up to 17% of the world's elderly population by 2050. In India, the segment is witnessing substantial growth, driven by favorable demographics, rising chronic conditions, and increasing awareness. However, challenges such as limited healthcare infrastructure and societal acceptance persist. Nonetheless, proactive measures are being undertaken, including policy reforms and investments, to meet the evolving needs of India's ageing population. Despite these challenges, the future outlook for the senior living segment in India remains positive, propelled by demographic shifts, changing family structures, and increasing demand for tailored retirement solutions. The demand for senior care facilities in India is being driven by the increasing prevalence of chronic conditions such as dementia, Alzheimer's, and Parkinson's disease, as well as mobility issues and the need for medical management and palliative care. The Longitudinal Ageing Study of India (LASI) highlights the critical health and socio-economic challenges faced by India's ageing population, emphasising the urgent need for comprehensive policy interventions and support programmes.

The World Health Organization predicts a significant rise in dementia cases globally by 2050, with older adults expected to bear 45% of the disease burden by 2030. In India, the challenges of an ageing population are compounded by limited access to affordable healthcare and changing family structures. By 2050, the country is projected to have older adults constituting 20% of the population, further driving the need for specialised senior care facilities. To support comprehensive senior care, collaboration among various stakeholders from

the public and private sectors is necessary. The Indian government, recognising the importance of this issue, has implemented initiatives and schemes to support the welfare of the elderly. These measures provide a stable foundation for the senior care market in India. Training programmes for care providers are also vital to meet the increasing demand. The senior living market in India has seen significant growth, with the southern region emerging as a prominent market due to factors such as favourable climate, improved connectivity, and the presence of healthcare players. Key players include Ashiana Housing, Covaicare, Paranjape, Primus Life, Antara, Columbia Pacific, Athulya, KITES senior care. Globally, the senior population is growing rapidly, with India expected to experience the fastest growth. Tier-I cities are anticipated to lead in the adoption of retirement homes and organised senior care, with the market size estimated to double over the next decade. Significant investments are earmarked for the senior living and care segment in India, with expansions focused on southern cities such as Chennai, Bengaluru, and Hyderabad. Key players like Ashiana Housing and Columbia Pacific have ambitious expansion plans, reflecting the industry's positive outlook.

The future growth potential of the senior care segment in India is promising, driven by demographic trends, increasing life expectancy, and evolving preferences for quality living among the elderly population. Despite remaining challenges, including levels of acceptance and affordability, the industry is poised for robust growth, offering opportunities for investors and service providers. The United Nations (UN) General Assembly's declaration of 2021–2030 as the UN Decade of Healthy Ageing, led by the WHO, marks a pivotal global initiative. This collaborative effort aims to promote longer, healthier lives by fostering comprehensive well-being across physical, mental, and social dimensions. WHO's definition of health as holistic well-being, not merely the absence of disease, underpins the concept of healthy ageing, which emphasises functional ability and supportive environments for optimal elder well-being.



# 02 Ageing India – Renewed Focus on Senior Care

## A COMPREHENSIVE OVERVIEW ON SENIOR LIVING SEGMENT

Senior living refers to a broad spectrum of housing options and services designed specifically for older adults, typically aged 60 and above, who are seeking a lifestyle that promotes independence, social engagement, and convenience. The segment can further be categorised into various types based on the requirements including independent living communities, assisted living facilities, memory care units for those with dementia or Alzheimer's disease, and continuing care retirement communities (CCRCs) that offer a continuum of care. This comprehensive approach ensures that seniors can seamlessly transition between different levels of care as their needs evolve, allowing them to age gracefully in a supportive and nurturing environment. The senior care facilities provide specialised services and assistance tailored to the individual needs of seniors, including assistance with activities of daily living, healthcare management, and social support.

## UNDERSTANDING THE TARGET SEGMENT

The planning for senior living typically begins around the age of 50 and above, as individuals start to contemplate and plan for their retirement years. The ideal age for opting senior living arrangements especially post-retirement, typically begins around 60. In World Population Ageing 2013, the United Nations (UN) classified older persons as those 60 or older. Even, the Government of India has defined 'senior citizen' or 'elderly' as a person aged 60 years or above, as part of 'National Policy on Older Persons' in January, 1999 & Maintenance and Welfare of Parents and Senior Citizens Act, 2007. At this stage, individuals may start exploring various senior living options to ensure a smooth transition into their later years, prioritising factors such as location, amenities, healthcare services, and social activities tailored to their needs and preferences. Social isolation and changes in family structures further underscore the importance of tailored retirement solutions. Whereas the target segment for senior care predominantly encompasses individuals aged 65 and above, reflecting a demographic characterised by specific healthcare needs, increased vulnerability, and evolving family dynamics. This age group often requires specialised medical attention due to age-related illnesses and conditions, alongside assistance with daily activities and emotional support. Social isolation, financial constraints, and changes in family structures further underscore the importance of tailored senior care services.

## GLOBAL LANDSCAPE OF THE SEGMENT

The global landscape of ageing populations is undergoing a profound transformation, with the proportion of individuals aged 60 and above rising steadily across nations. From comprising a mere 8% (200 million) of the global populace in 1950, the share of those aged 60+ surged to approximately 11% (760 million) by 2011 and is projected to soar to 22% (2 billion) by 2050. Despite the global population ballooning 3.8 times its 1950 size by 2050, the proportion of 60+ individuals is set to increase by 10 times, while those aged 80 and above will surge by 28 times. Moreover, between 2010 and 2050, the elderly population is projected to increase by 1.3 billion with an annual growth rate of 2.6%, compared to the overall population which is projected to increase by 2 billion with an annual growth rate of 0.7%.

The global demographic transition towards older ages, known as population ageing, initially observed in high-income countries such as Japan, has now become prominent in low- and middle-income nations such as India, China, Brazil etc., with projections indicating that by 2050, two-thirds of the world's elderly population will reside in these regions. This shift carries significant implications for socio-economic structures and healthcare systems, as underscored by the WHO's World Report on Ageing and Health (2015), prompting nations worldwide to reassess their approach to ageing and prioritise the needs of older adults in their policies and practices. The global demographic landscape is undergoing a significant transformation, marked by an unprecedented rise in the ageing population across various countries.

<sup>1</sup>World Population Prospects, UN, 2022

<sup>2</sup>China Population Ageing, CGTN, 2024

<sup>3</sup>Projections de population pour la France, INSEE – EUROSTAT, 2021

<sup>4</sup>Share of age groups in German population, Microcensus, 2005

<sup>5</sup>Japan's population by age group, IPSS, 2022

<sup>6</sup>Percentage of older people in the UK, ONS, 2021

<sup>7</sup>Population Ageing in the USA, U.S. Census Bureau, 2023





**CHINA**

“China is ramping up efforts to bolster its “silver economy” in response to its rapidly ageing population. With 280 million citizens aged 60 or above, comprising nearly 20% of the population by the end of 2022, the country anticipates this figure to surpass 400 million by 2035.”



**FRANCE**

“In France, projections indicate that by 2050, nearly one in three individuals will be over 60 years old, underscoring the profound demographic shift underway.”



**GERMANY**

“Germany is experiencing rapid ageing of its population, with estimates suggesting that by 2050 nearly 39% of its population will be aged 60 and above.”



**JAPAN**

“Japan, once perceived as a youthful nation, now grapples with being home to the world’s oldest population, with nearly a quarter of its citizens aged over 65, a figure projected to escalate to 40% by 2060.”



**UNITED KINGDOM**

“The United Kingdom mirrors this trend, with the number of individuals aged over 65 expected to double by 2050, posing challenges for pensioner support systems and healthcare services.”

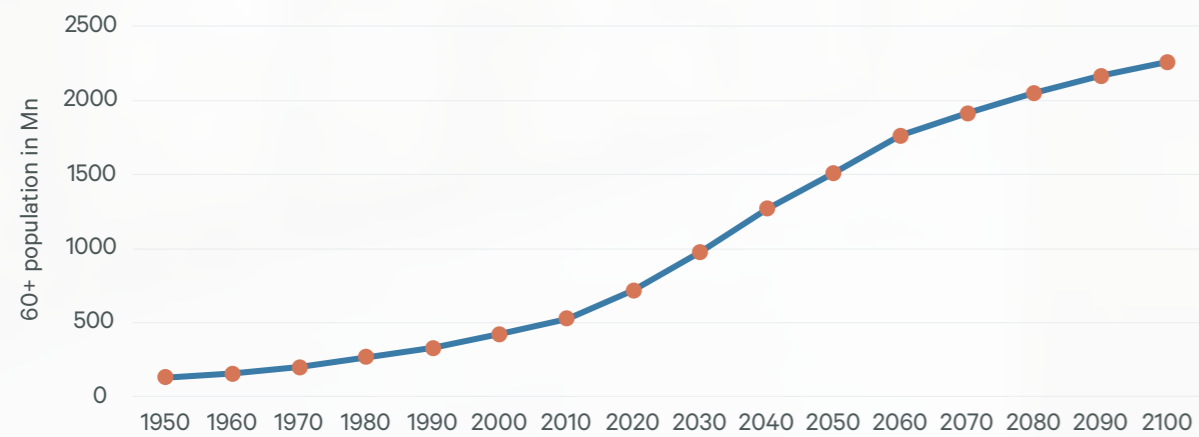


**UNITED STATES OF AMERICA**

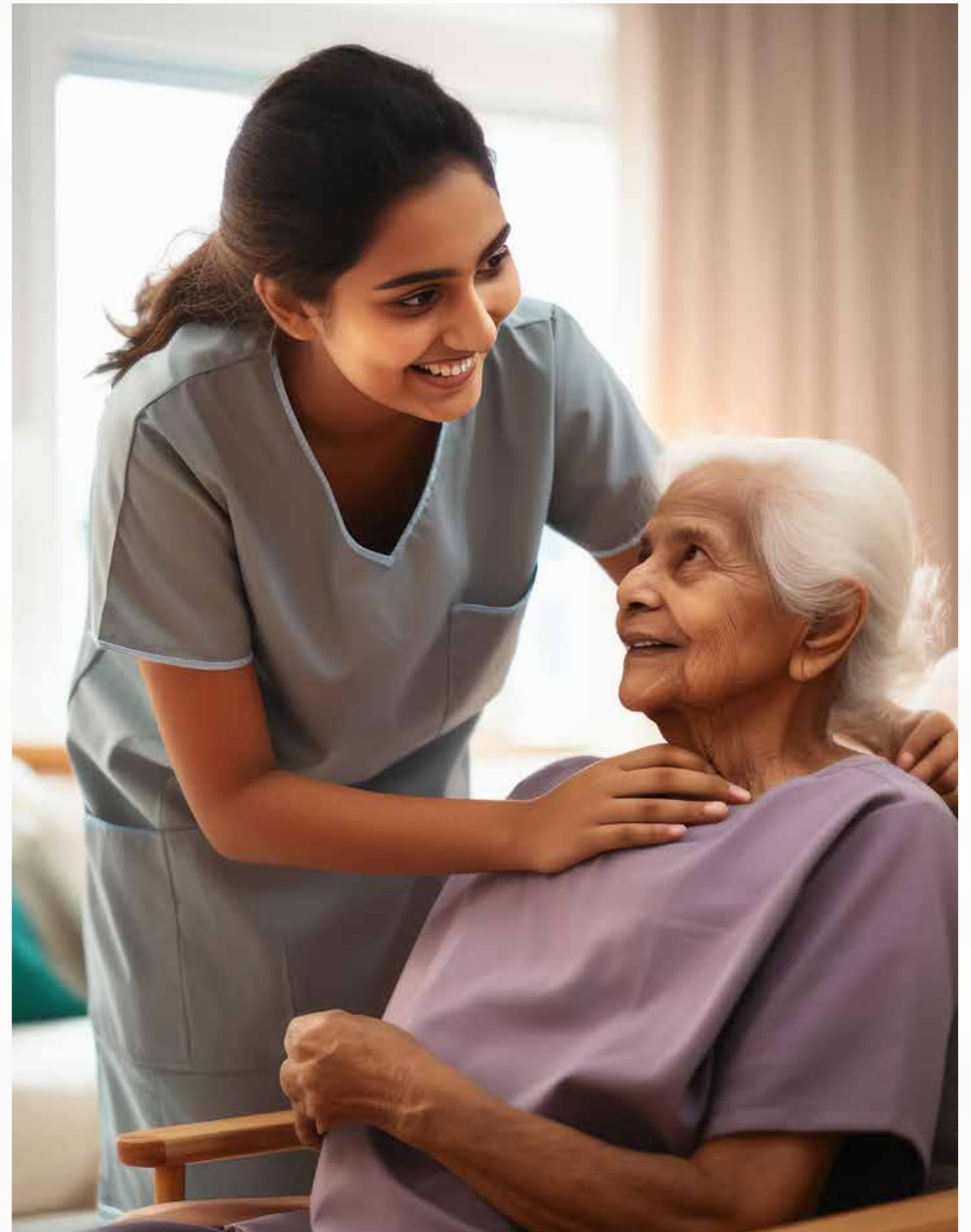
“The United States mirrors this trend, with the number of individuals aged over 65 expected to double by 2050, posing challenges for pensioner support systems and healthcare services.”

**FIGURE 1: Accelerated Ageing - Worldwide<sup>9</sup>**

■ Projection of 60+ population, World 1950 - 2050



<sup>9</sup>World Population Prospects, UN, The 2010 Revision



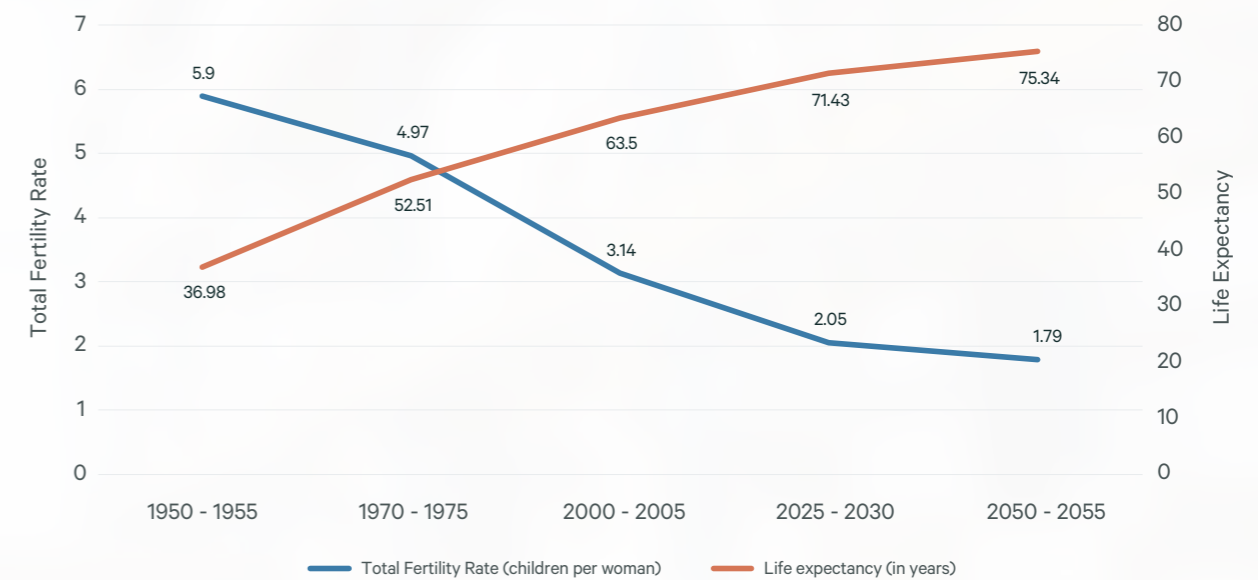


### STATE OF ELDERLY - INDIA

The current demographic landscape in India is characterised by a significant proportion of the working-age population. However, as this demographic ages over the next two to three decades, there will be a notable increase in the senior population. This shift underscores the importance of proactive planning and investment in senior care infrastructure and services to meet the evolving needs of this demographic transition. The chart below represents the relation between the senior population and the number of senior living units present in major countries across the world.

Despite being a young nation today with over half its population under 25, the Indian demographic landscape is undergoing a significant transformation, marked by a burgeoning elderly population and shifting fertility and life expectancy rates.

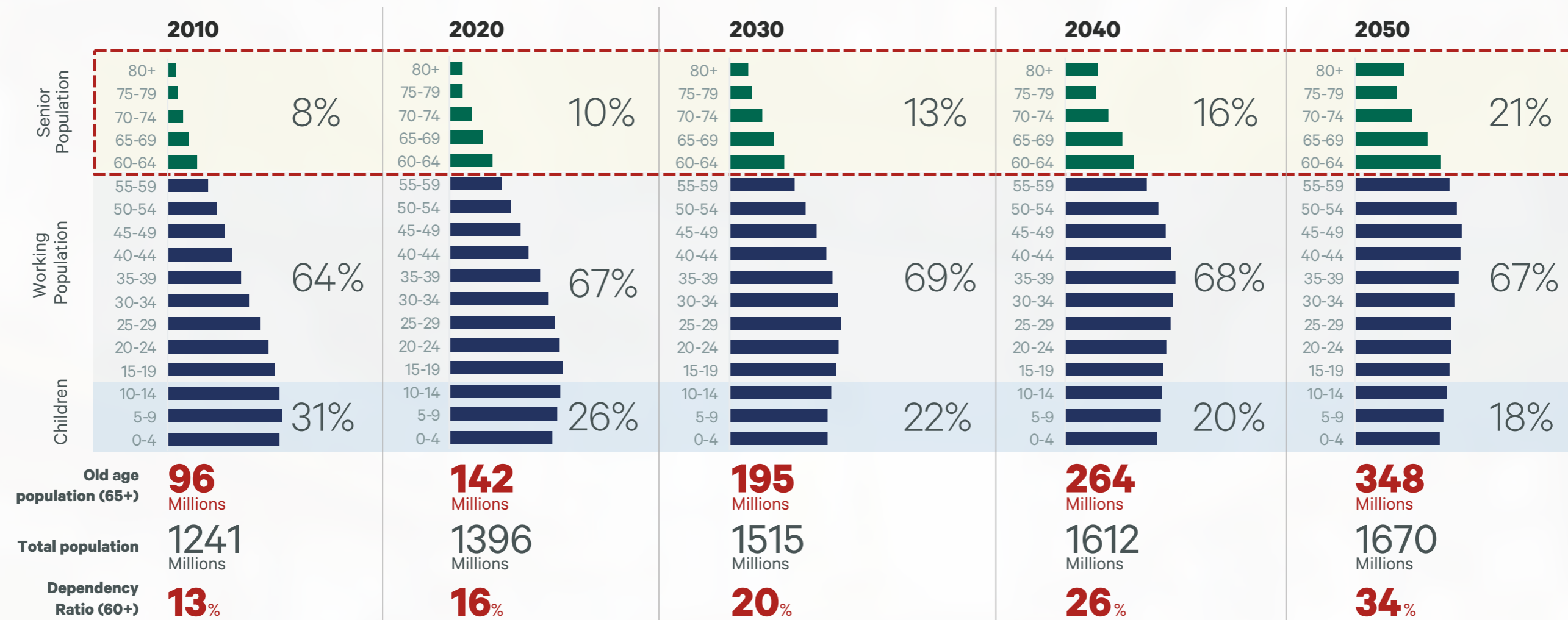
**FIGURE 2: Life expectancy & total fertility rate, India 1950 - 2050**



Presently, senior citizens, aged 60 years and above, constitute slightly over 10% of the population, approximately 150 million individuals. Projections by the United Nations Population Fund (UNFPA) suggest that this segment, ageing at an unprecedented pace, will swell to 195 million by 2030 and further escalate to 340 million by 2050, encompassing 21% of the total population. Hence, by 2050, India will constitute 17% of the total world's senior – 60+ population (2 billion). This demographic evolution is intricately tied to declining fertility rates, which have plummeted from 5.9 births per woman in 1950 to the current figure of 2, and the steady increase in life expectancy rates, from 36.9 years in 1950 to an anticipated 75 years by 2050. The interplay of these factors not only shapes the demographic structure but also heralds significant socio-economic implications. As the dependency ratio fluctuates, disease burdens shift, and the number of elderly requiring care surges. Eventually, it becomes imperative to grasp the full extent of these vulnerabilities. Understanding the impact of population ageing is crucial for recalibrating the societal infrastructure and the response mechanisms to ensure the well-being of older adults. Against the backdrop of a global surge in the elderly population, India stands at the forefront of this demographic transition, necessitating proactive measures to address the evolving needs of its ageing populace. The following figure highlights the significant increase in the ageing population in India is expected over the next three decades. Between 2020 – 2050, the ageing population, especially over the age of 60, is expected to grow 160% to reach a total of ~340 million in the country with a CAGR of ~4% ~ indicating that the senior population (60+) in 2050 would be 2.4 times the population in 2020.

<sup>10</sup>World population prospects, UN, 2019

FIGURE 3: India Demographic Trend<sup>11</sup>



The old-age dependency ratio is a demographic indicator that measures the number of elderly people (aged 60 and above) relative to the working-age population (aged 15 to 59). In India, the old-age dependency ratio is expected to increase significantly in the coming decades. Currently, it stands at around 16%, indicating that for every 100 working-age individuals, there are 16 elderly individuals. However, projections suggest that by 2050, this ratio could rise to approximately 34%. This trend reflects the ageing population in India, with advancements in healthcare leading to longer life expectancy and a declining birth rate. As a result, there will be a greater proportion of elderly individuals relative to the working-age population, posing various socio-economic challenges such as healthcare provision, pension systems, and intergenerational support.

India's southern states witness a higher concentration of senior living population and the highest old-age dependency in India ~ Tamil Nadu, Karnataka, Kerala, Andhra Pradesh, and Telangana constitute more than 25% of the population, with a market share of 70% - preference towards favourable climate, scenic views, improved connectivity, presence of prominent healthcare players, increased percentage of parents of NRI.

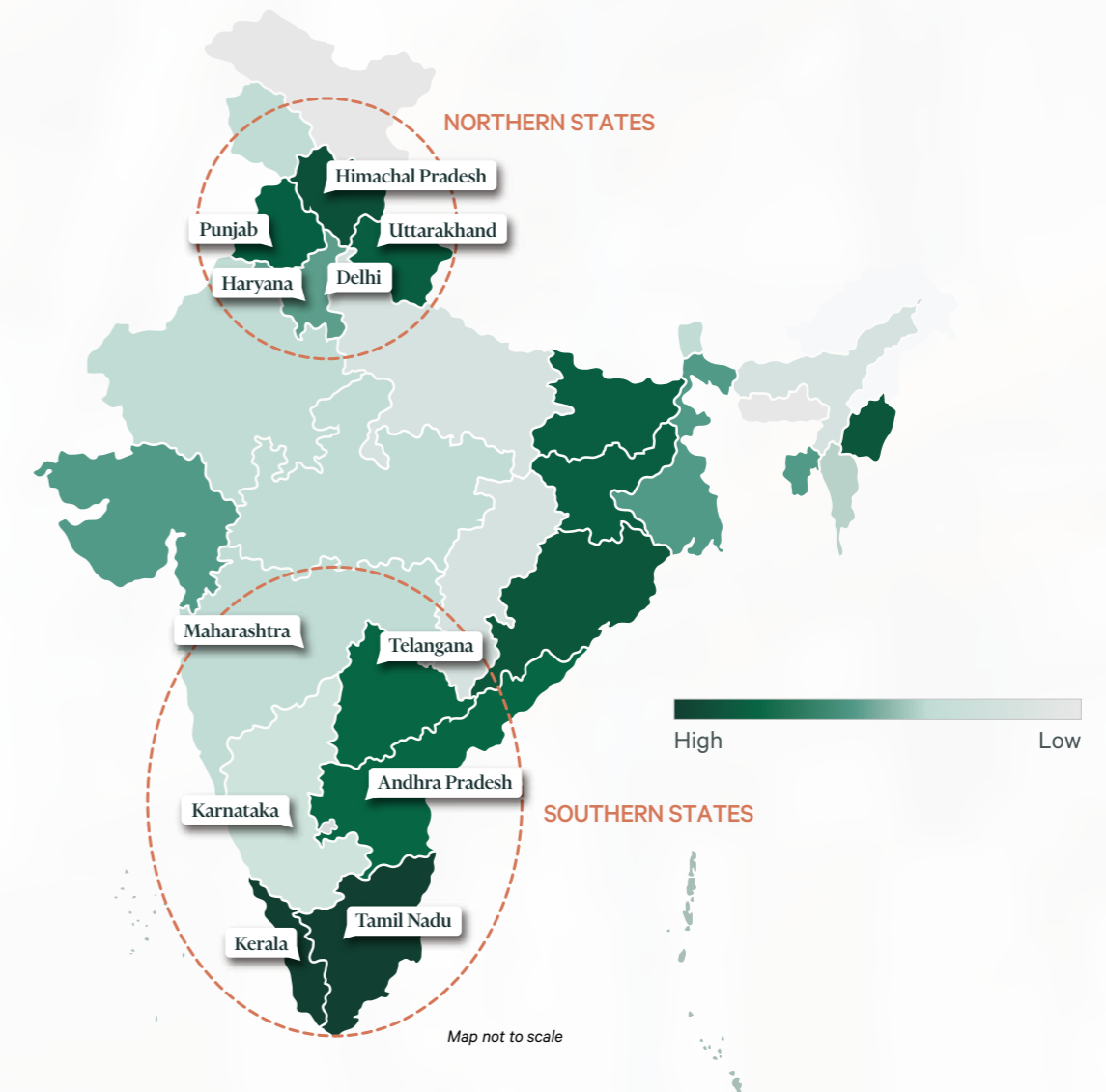


<sup>11</sup>World population prospects, UN, 2019



The following map differentiates the states from high to low old-age dependency ratios.

**FIGURE 4: Old age dependency ratio in Indian states<sup>12</sup>**



The recent report by the Association of Senior Living India (ASLI) underscores the vulnerability of the elderly population to a spectrum of health challenges, including chronic diseases, infections, and cognitive decline, necessitating a nuanced approach to healthcare provision. With India's ageing demographic, there arises an urgent demand for tailored geriatric healthcare facilities and a proficient workforce capable of addressing the unique needs of elderly patients. As the healthcare landscape evolves to accommodate this demographic shift, the geriatric services market is poised for exponential growth by the end of the present decade. However, many seniors face financial barriers in accessing healthcare services due to escalating costs, which require the strong implementation of financial planning solutions such as insurance and retirement funds tailored to their needs. Despite the potential within the senior care industry, regulatory and infrastructural hurdles persist, necessitating transformative strategies to uphold the well-being and dignity of seniors.

<sup>12</sup>LASI Survey, NPHCE & IIPS, 2021

<sup>13</sup>Catalysing and Reforming Senior Care in India, ASLI, 2022

# 03 Silver Linings – The Concept of Ageing and Senior Care

## DYNAMICS OF GROWING OLD

Ageing encompasses the physiological, psychological, and social changes that occur as individuals progress through the life course. It involves a decline in physical function, cognitive abilities, and resilience, alongside increased susceptibility to age-related diseases. Ageing also brings wisdom, experience, and the opportunity for reflection on a life well-lived. In India, akin to many nations, traditional family structures where younger generations care for the elderly are evolving. With children often migrating for education and career opportunities, older adults are left vulnerable to loneliness and neglect, lacking proper medical care. Physically, individuals may experience a decline in strength, mobility, and sensory perception, leading to increased vulnerability to injuries and illnesses. Cognitive decline is another significant concern, with memory loss, reduced processing speed, and difficulty in learning new tasks affecting daily functioning. Socially, older adults may encounter loneliness, isolation, and decreased social interactions, which can impact mental health and overall well-being. Financial strains often arise due to retirement and healthcare expenses, exacerbating stress and anxiety. Additionally, ageism, discrimination based on age, remains prevalent, limiting opportunities for employment and societal participation. Addressing these drawbacks necessitates comprehensive support systems, including healthcare, social services, and policies that promote inclusive and age-friendly communities. These societal shifts pave the path towards the emergence of an Indian Silver economy, highlighting the pressing need for tailored support systems and healthcare provisions for the ageing population. The following timeline highlights the evolution of senior living in India.



FIGURE 5: Evolution of senior living in India



The evolution of senior living in India has traversed a remarkable journey from traditional old age homes to contemporary luxury living spaces, with a future trajectory poised towards comprehensive geriatric care services. According to the Central Government's scheme established in 2007, pensions are provided to elderly individuals below the poverty line, with monthly allocations of INR 200 for those over 60 years and INR 500 for those over 80 years. Recently, the Supreme Court has urged the Government to augment these amounts and also mandated the establishment of old age homes in each district. With the old age home facilities catering to a particular target segment, the senior care market became more amplified with the entry of organised private operators with varying levels of amenities and care services for different target audiences in the late 2000s. Today, the landscape encompasses upscale senior living communities offering a myriad of amenities. The private sector has begun offering senior-friendly living spaces, encompassing assisted living, serviced apartments, and specialised amenities such as food services and medical benefits, catering to the needs and preferences of senior citizens. These developments reflect a multifaceted approach towards enhancing the quality of life and well-being of the elderly population. The demographic shift towards an ageing population has catalysed the emergence of a newer sector - senior care. This, also known as elder care, encompasses a wide array of services catering to the needs of older adults. It entails a range of support options, spanning from nursing care facilities to in-home assistance, and covers all aspects of care provision for seniors. Looking ahead, the future of senior living in India is anticipated to witness a transformative phase with an enhanced focus on geriatric care services. This entails specialised medical care, holistic wellness programmes, and innovative approaches to cater to the diverse health and well-being requirements of an ageing population.

### DIVERSE OPTIONS OF SENIOR LIVING SEGMENT

The Ministry of Health and Family Welfare (MOHFW) advocates for Active and Healthy Ageing, as outlined in operational guidelines for Elderly Care under the Health & Wellness Centres Initiative. These guidelines classify seniors into three categories based on mobility: Mobile, Restricted, and Bed bound elderly. Mobile elderly are those who prefer Independent facilities and can perform their day-to-day activities at ease without support, Restricted elderly are the ones with mobility issues and requires personal assistance for daily activities and Bed bound elderly are the ones requiring assistance in some form and also those requiring palliative care (or end of life care). Basis the level and type of assistance required by the elderly, there are different types of senior care facilities that are prevalent in the Indian market such as memory / dementia care, rehab / physio care, transition care, palliative / hospice care, and skilled nursing care which falls under this segment. The following table highlights these three important stages of an elderly lifespan – independent, assisted and continuous care with its intended characteristics and housing options, respectively.



FIGURE 6: Types of senior care options



## CHALLENGES IN THE SEGMENT

The senior living segment in India faces several challenges that hinder the delivery of optimal care and support to elderly individuals.

### FINANCIAL CONSTRAINT

- Accessibility and affordability remain major barriers, particularly in rural areas where healthcare resources are limited.
- Elderly individuals lack sufficient savings or insurance coverage to meet their healthcare needs, leading to disparities in access to these services.

### AWARENESS RELATED CONSTRAINT

- The lack of widespread acceptance of the concept of senior living is a significant hurdle, primarily due to reluctance or hesitation among families to seek professional support for their elderly loved ones.
- Influence of societal stigmas associated with placing seniors in such facilities or cultural norms prioritising familial caregiving over external support services.
- Lack of understanding of the concept of senior living and senior care among the general population.

### SERVICE-RELATED CONSTRAINT

- The lack of a comprehensive system designed to address the unique healthcare needs of seniors, including geriatric medical facilities and specialised services for age-related conditions.
- Lack of geriatric medical facilities for complex issues such as chronic diseases, cognitive impairments, mobility issues, and medication management.
- Scarcity of specialised institutions aimed at addressing age-related conditions and concerns such as rehabilitation programme.
- Lesser memory care units for individuals with dementia or Alzheimer's disease.
- Dedicated palliative care for those with advanced illnesses is scarce.

### QUALITY RELATED CONSTRAINT

- Lack of features such as handrails, non-slip flooring, mobility aids, or sensory accommodations that are crucial for seniors' safety in existing healthcare infrastructures.
- Additionally, there is a shortage of trained healthcare professionals with expertise in geriatric care, leading to gaps in service provision and quality of care.

Addressing these challenges requires a multifaceted approach, which our country has initiated efforts to address involving policy reforms, investment in healthcare infrastructure, capacity building for healthcare professionals, and initiatives to promote social inclusion and financial security for seniors, but the progress remains at a nascent stage.

<sup>16</sup>Senior care reforms in India, NITI Aayog, 2024



# 04 Silver Surge – Understanding The Drivers of Silver Economy

Key demand drivers for senior living in India stem from demographic shifts, including an ageing population and changing family structures. Urbanisation and migration trends further contribute to the need for alternative care arrangements as traditional family support systems weaken. Additionally, the increase in parents of non-resident Indians (NRIs), evolving lifestyles and aspirations among seniors who prefer to live alone in a serene place despite not requiring any medical attention fuel the demand for quality living options and social engagement opportunities. Social isolation and neglect are prevalent issues, exacerbated by changing family structures, migration of younger generations, inadequate support networks for seniors, financial independence leading to increased spending on quality infrastructure, early planning of retirement by the mid-age population and awareness drives the demand for customised retirement solutions which is offered in senior living societies. Rising life expectancy, coupled with increased incidence of chronic illnesses among the elderly, drives demand for specialised healthcare services and increases the demand for senior care.

**FIGURE 7: Demand drivers for senior living segment**



#### AGEING POPULATION

Increase in elderly population and their dependency ratio



#### HEALTH CARE NECESSITY

Cardiovascular disease, diabetes, Alzheimer's disease, cancer, paralysis and other conditions among seniors requires specialised care



#### COMMUNITY LIVING

Need for social interaction and participating in community events



#### ASPIRATIONAL POPULATION

Senior friendly campus and lifestyle attracts many educated and aspirational elderly population who are ready to pay the premium for the same



#### COMFORTABLE STAY

Need for a comfortable stay with state of the art facilities, amenities, safety and security and 24/7 on call healthcare facilities



#### SHORT TERM NECESSITY

Rehabilitation & recuperation stay  
- Post surgery

The demand driver for senior care facilities is attributed to the increasing prevalence of chronic conditions such as dementia, Alzheimer's, and Parkinson's disease, mobility issues requiring special attention and assistance on daily basis, medical management, palliative care for terminal illness especially for 80+ age groups, etc. The 'Longitudinal Ageing Study of India' LASI – 2016 by the Ministry of Health & Family Welfare, highlights the critical insights into the health, well-being, and socio-economic status of India's ageing population. Key findings of the study underscores the prevalence of physical health issues, with a significant proportion of seniors experiencing chronic diseases, disabilities, and multi-morbidity, particularly in urban areas. Mental health concerns, including undiagnosed depression, highlight the need for enhanced mental health support services. Functional impairments and reliance on aids indicate challenges in maintaining independence and mobility among seniors. Overall, the LASI findings underscore the urgent need for comprehensive policy interventions and targeted support programmes to address the multifaceted challenges faced by India's ageing population. These factors further drive the need for specialised senior care facilities.

The WHO predicts a significant rise in dementia cases globally by 2050, emphasising the demand for specialised facilities with trained staff. Older adults are projected to bear 45% of the disease burden by 2030, with neuro-degenerative diseases such as dementia posing significant challenges. Currently, 4 million people in India live with dementia, a number expected to rise to 13.4 million by 2050<sup>15</sup>. Addressing mental health, mobility, and independence issues becomes imperative, with non-communicable diseases being the leading cause of disability-adjusted life years (DALYs) lost among the elderly (Global Health Estimates 2019). In India, the challenges of an ageing population are also compounded by limited access to affordable healthcare, changing family structures, and altered consumption habits. By 2050, India is projected to have older adults constituting 20% of the population, straining the healthcare system further. Overall, the factors driving the need for senior care includes ageing population, higher incidence of chronic diseases, and growing awareness of the benefits of such facilities. As life expectancy increases, so does the number of elderly individuals requiring assistance with daily tasks, contributing to the rapid development of this sector.



<sup>15</sup>Analysis for the Global Burden of Disease Study, The LANCET, 2022

# 05 Fuelling The Growth – Understanding The Regulatory & Supporting Framework

To achieve comprehensive senior care, a fundamental shift in focus towards the needs of the elderly is necessary, involving collaboration among various stakeholders from both the public and private sectors. This collaborative effort should span the continuum of care, ensuring the delivery of quality services to support holistic wellness. It is essential to recognise that elder care or retirement communities should not be treated merely as extensions of real estate developments. Separate building codes, rules, and regulations akin to those implemented by RERA are imperative to govern such facilities effectively.

The Indian government has been extensively engaged in responding to the demographic changes resulting from the ageing population, implementing a range of initiatives, policies, programmes, and action plans aimed at supporting the welfare of the elderly, which have progressed significantly over the past two decades.

Training of care providers in the senior care segment is vital due to the increasing elderly population globally, necessitating specialised knowledge and skills. Caregivers must understand age-related health issues, mobility challenges, and psychological needs to provide high-quality care, promoting seniors' well-being and independence. Proper training ensures caregivers can address complex health conditions safely and empathetically, fostering meaningful relationships with seniors. With the growing demand in India, certification courses and programmes are widely available. These include academic programmes such as postgraduate diplomas and certificate courses in geriatric care offered by institutions such as NICE. Additionally, prestigious medical institutes offer MD programmes in geriatrics. Other courses cover areas such as Certified Nursing Assistant, Bachelor of Science, and Master of Science in Gerontology, which aim to equip individuals to provide quality care to the elderly population.

## PIVOTAL ROLE OF ASLI

The Association of Senior Living India (ASLI), the first National Senior Living Association in India founded in 2011 serves as a pivotal platform for the senior living segment, advocating for policy reforms and regulatory frameworks conducive to industry growth. ASLI facilitates knowledge exchange, fostering collaboration among stakeholders through conferences and workshops. It emphasizes standards and best practices, ensuring high-quality care for seniors while promoting capacity building initiatives and professional training to enhance caregiver competence. Through research and advocacy efforts, ASLI generates insights into market dynamics, driving informed decision-making and supporting the sector's sustainability and development. Overall, ASLI shapes the senior living landscape in India by championing collaboration, advocating for quality standards, and fostering industry growth.

Grant Thornton, a global audit, tax, and advisory firm, collaborates with the Association of Senior Living India (ASLI) to provide accreditation services for senior living facilities. Through this partnership, Grant Thornton assesses and accredits senior living communities based on predefined quality standards and best practices established by ASLI. This accreditation process helps senior living facilities demonstrate their commitment to delivering high-quality care and services to residents. By meeting ASLI's accreditation criteria, senior

living communities gain credibility and trust among stakeholders, including residents, families, investors, and regulatory bodies. The accreditation also serves as a benchmark for continuous improvement, guiding facilities in enhancing their operations, infrastructure, and service delivery.

## UNLOCKING FINANCIAL FLEXIBILITY

The transformative potential of various schemes by Government within the senior living landscape unveils a dynamic interplay between financial empowerment and housing solutions for the elderly. One such scheme is 'reverse mortgaging' – which is a financial product that enables homeowners, typically seniors aged 60 and above, to convert part of the equity in their homes into tax-free income without having to sell the property or take on additional debt. In a reverse mortgage, the lender provides regular payments to the homeowner, either as a lump sum, a line of credit, or monthly instalments, based on the value of the home, the homeowner's age, and other factors. The homeowner retains ownership of the home and can continue to live in it until they pass away, move out permanently, or sell the property. This plays a significant role in providing financial flexibility and stability for elderly individuals especially in the senior living concept for those who may have limited income or savings but substantial equity in their homes. It allows seniors to access the value of their home equity to supplement their retirement income, cover healthcare expenses, fund home modifications for aging in place, or afford assisted living or long-term care services, as affordability of this segment is always being debated extensively.

However, there are several challenges associated with reverse mortgage in India. The current limitations in terms of loan amounts and tenure render it unfeasible for seniors. The relatively nascent regulatory framework governing reverse mortgage in India leading to concerns about transparency, lack of accurately assessing the value of homes, especially in fluctuating real estate markets, which affects the amount of equity available for reverse mortgage transactions are few other limitations. Addressing these challenges and promoting greater awareness and facilitating better financial security and impact city planning by freeing up significant housing inventory.

### MINISTRIES INVOLVED



### SCHEMES & PROGRAMMES

Atal Vayo  
Abhyudaya Yojana

Higher  
interest rate

Integrated Program  
for Senior Citizens

Income tax  
rebate

Rashtriya Vayoshri  
Yojana

Reverse  
Mortgage

Pradhan Mantri Vaya  
Vandana Yojana

National Program for  
Health Care of the Elderly

# 06 Supply Dynamics – Mapping The Landscape for Senior Living

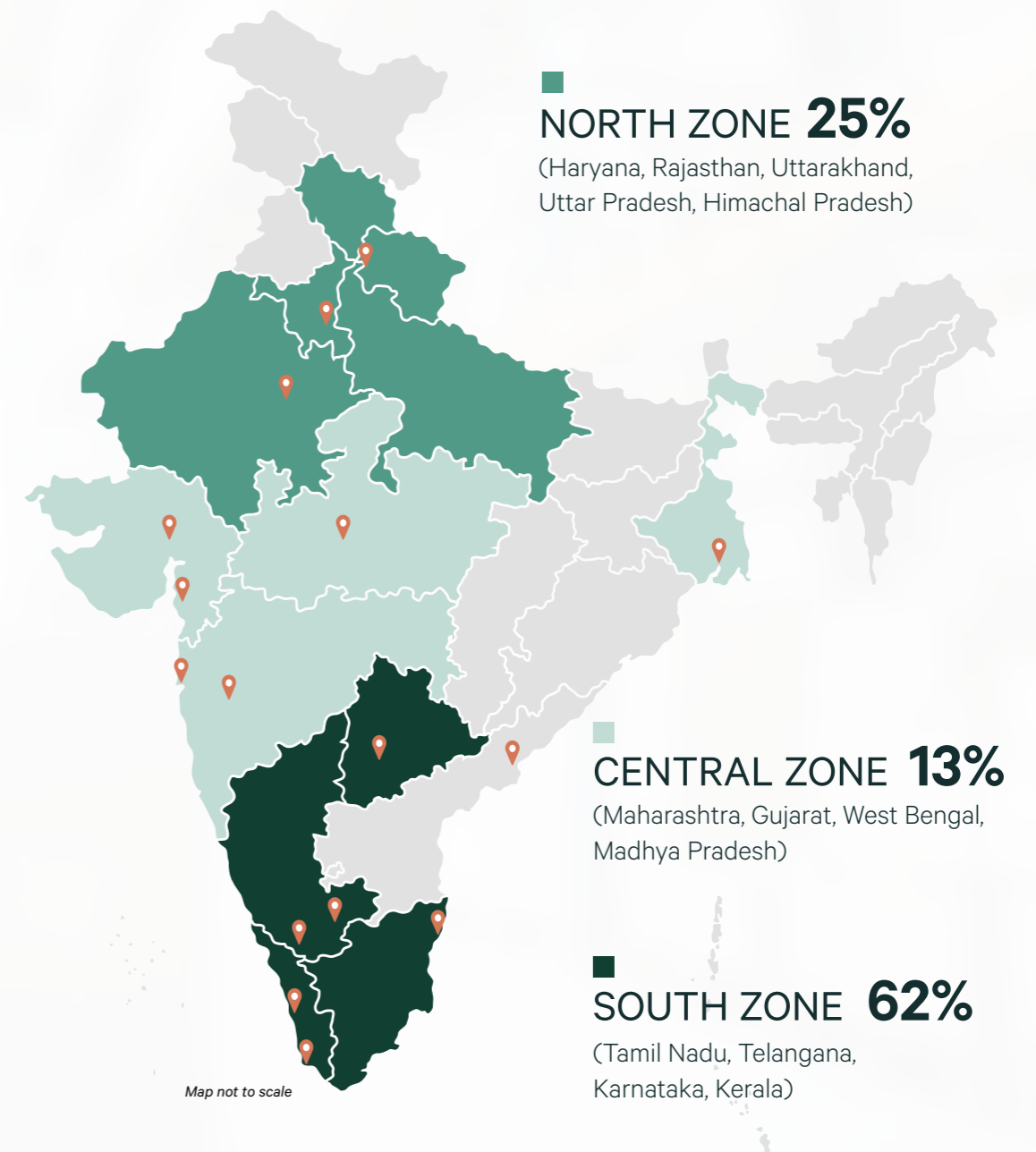
## SUPPLY DYNAMICS OF SENIOR LIVING IN INDIA

India has experienced a significant surge in the number of senior living projects over the past decade, reflecting the growing acceptance and demand in this sector. The following map provides a comprehensive overview of the senior living market across the country. The senior care landscape in India is rapidly evolving, with 18,000 units spread throughout the nation. The southern region, with its favourable climate, improved connectivity, presence of prominent healthcare players, and a higher percentage of parents of NRIs, stands out with a market share of 62%. The majority of senior living projects in India are concentrated in the southern cities of Coimbatore, Bengaluru, and Chennai, contributing to approximately 40% of the country's total inventory. The sale model is the predominant mode of disposition in India, accounting for over 65% of the market, followed by lease / rental and hybrid models. Key players in this segment, including Ashiana Housing, Covai Care, Columbia Pacific, Paranjape, Primus Life and Antara, contribute to around 40% of the total inventory in India.



<p><b>~18,000+</b> Units (Senior living)</p>	<p><b>~65%</b> Sale model proportion</p>	<p><b>~40%</b> Contribution of Coimbatore, Bengaluru &amp; Chennai</p>
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FIGURE 8: Proportion of senior living units across India



## SUPPLY DYNAMICS OF SENIOR CARE SEGMENT

The sub segment of senior care in India is also evolving, with approximately 7,500 units as of February 2024. Again, the southern region stands out, contributing about 74% to this total supply, particularly in organised assisted living segments. This trend is driven by several factors, including the presence of affluent NRI parents, higher levels of affordability, and a growing acceptance of nuclear family structures, evidenced by a higher proportion of elderly living alone compared to the northern states. Additionally, the southern states boast prominent healthcare facilities, facilitating access to tertiary healthcare and fostering awareness of geriatric care services. Moreover, the availability of trained staff, given the region's focus on the healthcare sector, further enhances the quality of senior care. Major players in the senior care segment are concentrated in southern tier-I and II cities such as Chennai, Coimbatore, and Bangalore. In contrast, the distribution is sparse in northern and western regions, including cities such as Delhi-NCR, Pune, and Jaipur, with limited presence of senior care players. However, notable players such as Ashiana, Antara, and Artha are making strides in these regions.

In India, senior care facilities predominantly operate under two formats based on the nature of assistance and services provided, as well as the amenities offered. Primarily, there are Dedicated Senior Care Providers, offering specialised geriatric care services tailored to the needs of the elderly. This segment accounts for approximately 52% of the market share and is dominated by key players such as Athulya Assisted Living and Kites Senior Care, particularly prevalent in the southern states. Conversely, the second prevalent format involves Care provided as part of Senior Community, where residential communities offer care packages alongside housing. Major players, including Vedaanta and Ashiana, provide comprehensive medical care, assisted living service, and nursing care as a part of their offerings. The following figure highlights the key players in both the types of senior care facilities across India.



<sup>16</sup>Senior care reforms in India, NITI Aayog, 2024

FIGURE 9: Key players in senior care segment in India

**Delhi/NCR**



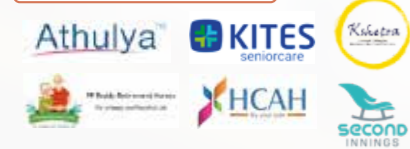
**Jaipur**



**Pune**



**Hyderabad**



**Mysuru**



**Bangalore**



**Kochi**



**Chennai**



**Trivandrum**



**Coimbatore**



Map not to scale

# 07 Age Of Anticipation – Demand Trends in The Segment

Globally, the senior population aged 60 and above is growing at a rate of 3% annually, with an anticipated 160% growth over the next three decades, reaching a staggering 2 billion individuals. In contrast, India's senior population is expected to experience a remarkable 254% growth, making it the fastest-growing demographic segment globally. By 2050, India is projected to house up to 340 million seniors, constituting approximately 17% of the world's elderly population. The concept of retirement homes and organised senior care is gaining traction in India, with the entrenchment of the organised segment estimated to be the highest. Tier-I cities are expected to lead in the adoption of this concept, followed by tier-II cities, driven by socio-economic categorisation and higher affluence levels. Currently, there are around 15-20 key players in the retirement homes space encompassing players such as Antara, Ashiana, Columbia Pacific, Primus Life, Vedaanta, etc. and approximately 8-10 players in the organised senior care / assisted living segment, including KITES senior care, Athulya senior care, Travancore foundation, Signature Aged care, etc.

The current supply in the market, consisting of over 18,000 units, serves as a baseline for estimating the gap between existing supply and likely demand in the segment. By juxtaposing the identified demand drivers such as the increasing NRI population, the rise of nuclear families, and the growing need for specialised care with the existing supply, the projection aims to gauge the potential growth trajectory of the senior living market, thereby informing strategic decisions for stakeholders in the industry.

## A LOOK INTO THE FUTURE

The target population for senior living focuses on individuals aged 60 and above. Currently, there are approximately 150 million elderly individuals in India, a number expected to rise to 230 million over the next 10-12 years, as highlighted in Figure 3. The segment primarily attracts high-income group individuals, with about 7% of the total elderly population falling into this category, projected to increase to 9-10% in the next decade. The concept of senior living and care is predominantly prevalent in urban centres, where approximately 36% of the Indian population resides. Therefore, the focus is on the 60+ population residing in high-income group households in urban areas.

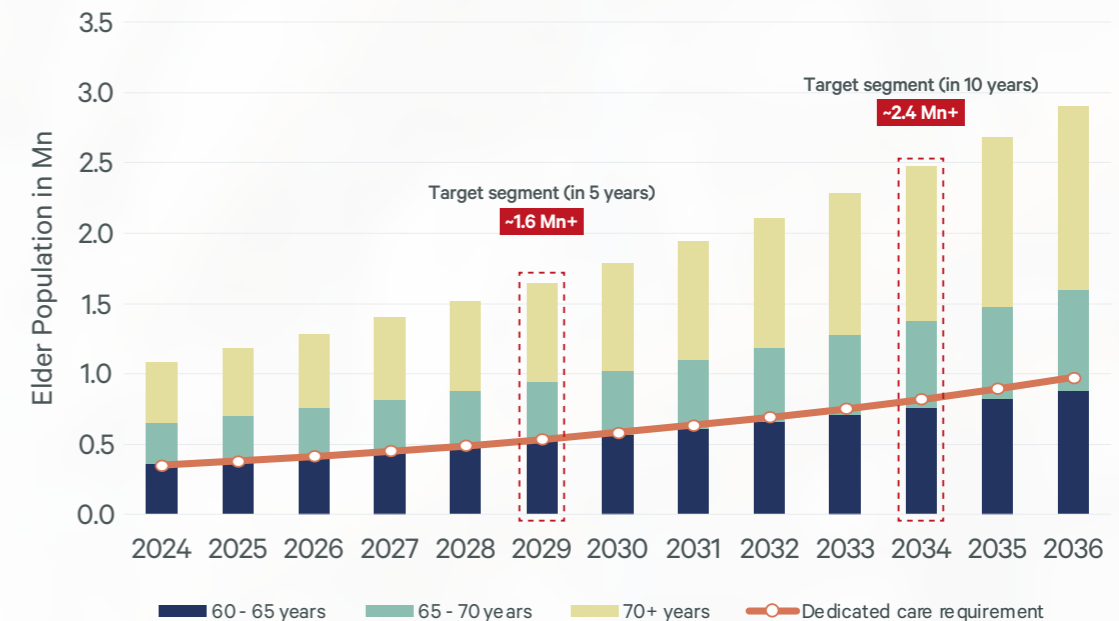
As of 2024, the estimated target population for senior living facilities among high-income group elders in urban areas is 11 million, expected to reach 21 million in the next 10 years. The prevalence of nuclear families in urban areas further drives the demand for senior living, with approximately 26% of elders living in such setups either alone or with spouse, according to the LASI survey. This is also expected to increase over the years considering various reasons such as children opting to study abroad/ other cities, parents preferring to stay in hometown / tier-II cities for retirement, etc. Considering this criterion, the total estimated target for senior living facilities in 2024 is around 1 million, projected to increase to 2.5 million in the next 10 years. However, it's crucial to recognise that this is a niche market, and acceptance levels play a pivotal role in determining its trajectory.

<sup>16</sup>CBRE research, 2024

<sup>17</sup>World Urbanization Prospects, UN, 2018

<sup>18</sup>LASI Survey, NPHCE & IIPS, 2021

FIGURE 10: Estimated elderly population looking out for Senior living facilities in India – 2024 – 2036



On average, 30 – 35 % of this estimated senior living population would require dedicated senior care and assistance facilities, which will vary depending on the type of ailments and level of care required.

While the projected figures indicate substantial demand, the success and sustainability of the segment hinge greatly on public acceptance and awareness of senior living options. Factors such as cultural attitudes towards elderly care, affordability, and perceived quality of life in these facilities will heavily influence the acceptance levels.

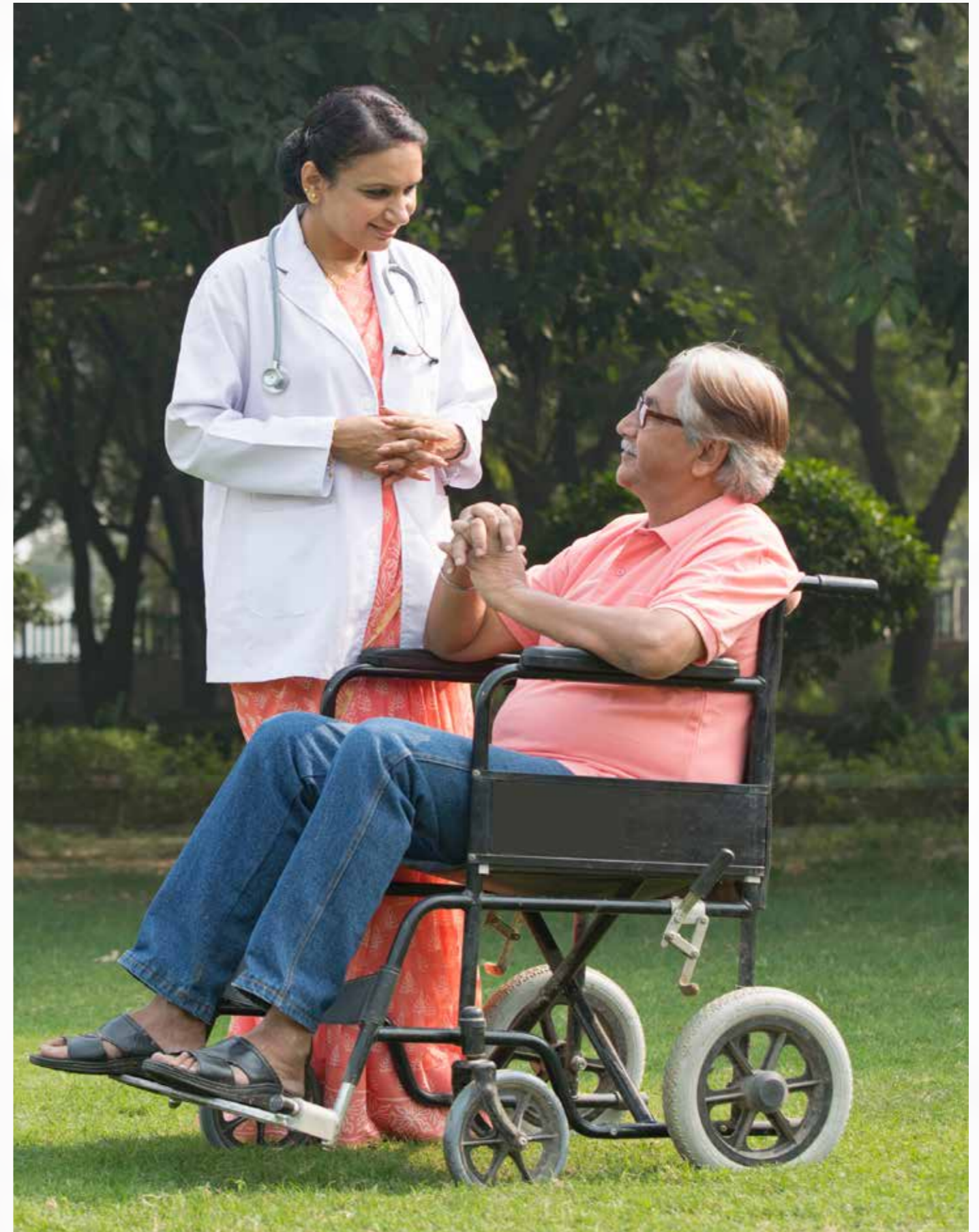
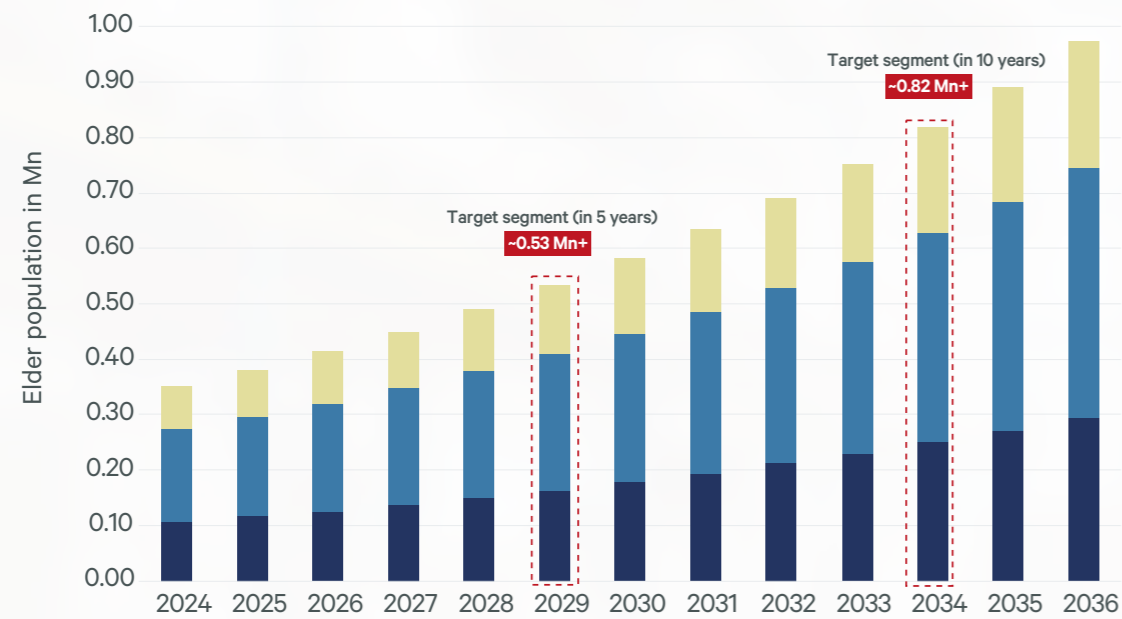
## PIVOTAL ROLE OF ACCEPTANCE LEVELS

India's current penetration rate for senior living stands at less than 1%, a stark contrast to countries like the UK with an 11% penetration rate, the US with over 6%, and Australia with approximately 6.7%. This highlights India's nascent stage in the senior living market, signalling significant room for growth compared to more mature markets where senior living is already well-established and growing steadily. The elderly care market has been ingraining increasingly in India in recent years, particularly since the COVID-19 pandemic. This indicates that the acceptability rate of senior care will likely rise in the years to come. The growing population of NRIs with ageing parents, coupled with the trend towards nuclear families, creates a pressing need for professional and specialised care for seniors who may lack familial support. Additionally, the rising awareness of age-related health issues and the importance of holistic geriatric care is fostering a cultural shift towards embracing senior care solutions. As more families recognise the benefits of dedicated senior care facilities in providing tailored medical assistance, emotional support, and a sense of community for their elderly loved ones, the acceptance rate for such services is expected to rise steadily. Moreover, advancements in healthcare technology and the availability of comprehensive care packages further enhance the appeal of senior care options, driving their increased acceptance across diverse demographics.

### FORECASTING THE GROWING NEED FOR SPECIALIZED CARE

The demand estimation for assisted living in India, as a subset of the broader demand for senior living, focuses specifically on individuals requiring care and assistance for daily activities in various forms. In 2024, the estimated demand for assisted living stands at approximately 0.35 million individuals. Over the next five years, this demand is projected to increase to 0.5 million, reflecting the growing need for specialized care and support services among the elderly population. Looking further ahead, by the end of the next decade, the demand for assisted living is expected to surge to about 0.8 million individuals, underscoring the escalating need for tailored care solutions to accommodate the evolving requirements of aging individuals. These projections highlight the significant growth potential in the assisted living segment, emphasizing the imperative for the development of comprehensive and accessible care facilities to meet the rising demand.

**FIGURE 11: Estimated elderly population for Senior care facilities in India (2024 – 2036)**



# 08 Capitalising on Care – Attracting Investments In The Care Segment

Over the next five years, significant investments are earmarked for both the senior living and care segment, with projections indicating that the total market size in India will more than double its current size. Notably, expansion plans are concentrated in the southern cities of Chennai, Bengaluru, Hyderabad, Coimbatore, and Kochi. Some of the key investments in the sector includes:

Ashiana Housing, a prominent real estate developer, has outlined ambitious plans to invest INR 400-450 crore in the development of senior living and kid-centric housing units across various cities in India. The company intends to expand its footprint by adding projects in Chennai, Pune, Bhiwadi, and Gurugram, alongside initiating mid-income housing projects in tier-II cities.

Columbia Pacific, another major player in the senior living segment, has devised a comprehensive plan to launch four to five projects annually over the next five years. This aggressive expansion strategy aims to bolster its management portfolio to approximately 5,000 residential units, indicating a significant commitment to scaling its operations in India. Additionally, Columbia Pacific is actively seeking partnerships with local realty developers to facilitate its expansion efforts, having already forged alliances with established entities such as the Embassy Group.

Primus Life, a Bangalore-based senior living player with over 10 years of operations, is aiming to add about 2000 units with its recent entry in Mumbai city in addition to Bengaluru, Chennai and Pune. The company aims to set foot in the cities of Hyderabad and Kolkata. Currently, Primus has over 700 units spread in the three metro cities where they have a presence.

KITES Senior Care, backed by Ranjan Pai's Manipal Education & Medical Group, aims to increase its bed capacity to over 1,000 beds within the next six quarters, a substantial rise from the current 340 beds. To support this expansion, the company has secured Rs 45 crore in a Series A funding round, with plans to deepen its presence in key cities such as Bengaluru, Hyderabad, and Chennai.

Athulya Senior Care, a Chennai-based assisted living and transition care provider, is planning to expand their business plan to reach 5,000 beds across the country in the next three to five years' time frame. The company has raised INR 77 crore funding from Morgan Stanley India Infrastructure, touted to be the largest in the senior care space to scale capacity to 2,000 beds.

Antara Senior Care, as part of its Assisted Care Services portfolio, intends to establish three care homes in Bengaluru, collectively offering around 200 beds. These facilities will provide care-at-home services and feature MedCare equipment. The company plans to invest INR 300 crore over the next three to four years to realise this expansion.

Age Care Labs, an elder care platform, recently raised USD 11 million from Rainmatter Capital and Gruhas. With this investment, Age Care Labs acquired Epoch Elder Care, an organisation specialising in elderly care homes focused on assisted living and dementia care. Leveraging its existing business called Emoha, Age Care Labs aims to expand its presence in Bengaluru, Hyderabad, Gurgaon, Mumbai, and Kolkata.

HCAH, after acquiring transition care firm SuVitas Holistic Healthcare, is gearing up for significant expansion. The company plans to increase its bed capacity from 100 to 1,500 beds by investing INR 200 to 300 crore in establishing 30 transition care centres over the next two to three years. These centres will be in prominent cities such as Delhi NCR, Mumbai, Bengaluru, Kolkata, Hyderabad, Chennai, Pune, and Ahmedabad.

These regions are emerging as focal points for growth and development within the senior living industry, reflecting the increasing demand and opportunities for independent and assisted living services in these urban centers.



# 09 Beyond the Horizon – Exploring The Future Growth Potential in Senior Care

The senior living segment in India is experiencing remarkable growth, driven by favourable demographic trends, increasing life expectancy, and evolving preferences for quality living among the elderly population. With a rising number of seniors seeking specialised care and lifestyle options, the demand for senior living facilities has surged significantly in recent years. This burgeoning demand presents a lucrative opportunity for real estate developers and operators to capitalise on the growing market potential. Moreover, strategic investments and expansion plans by key players such as Ashiana Housing and Columbia Pacific underscore the industry's positive outlook and commitment to meeting the evolving needs of senior citizens. As India's population continues to age, the senior living segment is poised for continued expansion and innovation, offering a promising future for stakeholders in the industry.

The senior living segment in India has experienced significant growth since 2020, fuelled by a confluence of factors including favourable demographics, extended life expectancy, heightened prevalence of chronic conditions, and a growing demand for assistance among the elderly population. Additionally, there's a notable shift towards prioritising quality of life during old age, driving increased interest in assisted living facilities. Moreover, rising public awareness and acceptance of such facilities further bolster the demand for senior care services, underscoring the sector's promising outlook and potential for sustained expansion in the coming years.

Currently, there are about **150 mn elderly people (60+)** in India

India's senior population is **growing faster** than the overall population (viz. **3.8%** pa vs **1.8%**)

Growing healthcare needs ~ By 2050, there will be **152 mn people** suffering from dementia in the world

Significant rise expected at the **old-age dependency ratio** – to rise from **16% in 2020 to 34% by 2050**

Median lifespan for Indian females has increased to **73.4 years**, Indian males to **68.5 years**

Almost **70%** senior citizens in India have chronic illness, mainly **CVDs, diabetes, vision related ailments & hypertension**

**Increased disposable incomes** and rising **healthcare needs**

Rise in **nuclear families** – **20%** of the elderly population live **alone or only with a spouse**

The decision to establish and operate senior living facilities in India is influenced by a myriad of factors, including demographic shifts, levels of acceptance and affordability, the availability of healthcare infrastructure, and the regulatory environment. Despite the growing demand propelled by an ageing population and their evolving care needs, the organised assisted living segment in India remains at a nascent stage. There's a pressing need for a focused approach to address this upcoming demand effectively, ensuring the provision of adequate care and support for the elderly population in the years to come.

**Increasing specialised assisted living facilities with trained staff and healthcare professionals** in India over the last decade

Healthcare groups are also venturing into the segment through **partnership with developers** and are playing an active role in the assisted living segment

**Improved Specialized Geriatric Care** is gaining prominence post the COVID-19 pandemic ~ evident from the increasing no. of Geri care hospitals with a focus on comprehensive healthcare

Flexibility in terms of ownership and period of stay - **rental and short stay options**

For enhanced geriatric care in India, several **policy initiatives** such as NPHCE, National Health Policy and community-based programmes are undertaken by the Govt.

Developers in the segment are expressing optimism about the future of the senior living segment, highlighting the increasing demand for specialized care and lifestyle options among seniors. They recognize the market's potential for sustained expansion and innovation, which is evident through their expansion plans, with a focus on increasing their presence in urban centers and tapping into high-income group households. They aim to scale up their operations by launching new projects and increasing bed capacities to meet growing demand. They are also seeking various types of funds to support their expansion efforts. These include investment from real estate developers, private equity firms, and strategic partnerships with healthcare groups. Funds are earmarked for developing new projects, acquiring land, and enhancing infrastructure to deliver high-quality senior living experiences.

The outlook for the segment is positive, with continued expansion expected in urban centres and Tier-II cities. Developers are perched to capitalize on the growing demand by investing in new projects, enhancing infrastructure, and forging strategic partnerships to deliver comprehensive senior living solutions. As acceptance levels rise and affordability improves, the senior living segment is poised for sustained growth and innovation in the years to come. Industry leaders emphasize the booming potential of the senior care sector in India, recognizing the need for structured care programs, targeted policies, and specialized medical services to meet the evolving preferences of the ageing population. They advocate for an integrated care ecosystem to ensure a better quality of life for seniors, highlighting the importance of socio-economic and financial interventions.



# Thank You

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