

Real Estate And Budget 2017-18

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Surendra Hiranandani,

CMD, House of Hiranandani

Budget 2017 can be termed as a reform-oriented budget where the expenditure was well directed towards economic growth and development, especially in the rural areas. It also reflected the government's concern and priority to improve the investment climate.



Navin M Raheja,

CMD, Raheja Developers

Infrastructure status to affordable housing would mean easier access to funds, quicker loan approvals, gentle approach by banks for project delays, interest rate benefits, and more relaxed financing norms in term of debt-equity ratio and moratorium period.



Deepak Kapoor,

President CREDAI-Western U.P. & Director, Gulshan Homz

Affordable housing developers will now be eligible for various government incentives and subsidies. With the basic slab of income tax now reduced to half the effect, people will have access to higher disposable income which can now be utilised for saving and investment purposes.

Vineet Relia,

Managing Director, SARE Homes

The move to provide tax relief on unsold stock as liability to pay capital gains will arise only in the year a project is completed is welcomed. It will help developers plan their liquidity better.



Kapil Wadhawan,

Chairman & Managing Director, DHFL

Steps such as allocation of Rs 23,000 crore for PMAY, extension of Affordable Housing Programme to 5 years, benefit to be based on carpet area, refinancing of loans by NHB and proposal to complete 1 crore houses by 2019 indicate a strong emphasis on the housing and real estate sector.

Rajesh Narain Gupta,

Managing Partner, SNG & Partners

The budget is a big boost to affordable housing. Granting infrastructure status will allow developers to avail several benefits such as cheaper loans, institutional funding and tax benefits. All this would lead to reduction in cost of construction and better profit margins.

Rohit Gera,

Managing Director, Gera Developments & VP, CREDAI - Pune Metro

There are a number of positives for the realty sector such as the reduction of holding period for long term capital gain as well as clarification on the date of tax in case of joint development. Unfortunately, the steps taken will not be enough to kick start the sector.

Navin Makhija,

Managing Director, The Wadhwa Group

The Union Budget 2017-18 has struck the right chord by keeping the long-term objectives in mind. The government has successfully managed to address the housing needs of millions by increasing the budget allocated to affordable housing to Rs 23,000 crore.

Boman R Irani,

Chairman & Managing Director, Rustomjee Group

Real estate sector has been made an asset class for investors by bringing reforms in the long-term capital gains tax structure. This is good news for investors as the move will allow in yielding moderate to good returns from property investments.

Ahammed MP,

Chairman, Malabar Group of Companies

It is an excellent budget which gives priority to infrastructure development and agriculture sector. The budget has done justice to almost all sectors, especially the real estate sector which has received a shot in the arm.

Naveen Mypala,

Executive Director, Aliens Group

The budget has been friendly and we look forward to greater deal of regularity coming into real estate. The grant of infrastructure status to affordable housing will bring relief for many homebuyers and developers alike.

Mudhit Gupta,

CMD, EMGEE Group

Granting infrastructure status to affordable housing is a game changer. The move will substantially reduce interest rates and thereby, the overall borrowing costs. Besides, it will also lure foreign investments and increase the lending threshold of the banks as now they will be able to fund land deals too.

Venkatesh Gopalakrishnan,



President - Business Development & Chief Investment Officer, Shapoorji Pallonji Real Estate.

Initiatives including the reduction in the tenure of long-term capital gain tax from 3 years to 2 years, rationalization of capital gains, infrastructure status to affordable housing and most importantly the SOPS inter-alia, are all positive steps targeted to revive the real estate sector.

Tushad Dubash,

Director, Duville Estates

The reduction of the period for long term capital gains tax coupled with reintroduction of capital gains tax saving investments will attract more landowners to capitalize on their land holdings, thereby bringing more land into development.

Ashish Shah,

Chief Operating Officer, Radius Developers

Awarding infrastructure status to affordable housing will pave way for real estate growth. The additional support will help us move closer to the vision of 'Housing for All' at a much faster pace. We also appreciate tax relief provided to the sector, specifically in form of capital gains tax benefit.

Pratik K Mehta,

Managing Director, Unishire

Overall a great budget. However, we would have been thrilled if our FM had extended industry status to other housing segments too. The move would have eased the funding process and expedited project deliveries.

Kumar Bharat,

Director, BCC Infrastructures Pvt Ltd

The entire focus on affordable housing, real estate, capital gains reduction for long term in real estate holdings is good because real estate affects everything else - steel, cement, employment of the unskilled workers. All this will result in growth especially consumption led growth.

Prashant Tiwari,

Chairman, Prateek Group

The budget focused on infrastructure development including airports and roads. This will help in healthy growth of real estate. The new FDI policy under consideration and tax relief on unsold stock as liability to pay capital gains only in the year of project completion will give boost to the sector.

Sukraj Nahar,

CMD, Nahar Group



An announcement of job creation measures and lower tax rates for certain income bands are likely to increase money circulation in the hands of the consumer and improve overall buying sentiment in the real estate sector.

Kishore Bhatija,

MD, Real Estate Development, K Raheja Corp

The tax relief for developers on unsold inventory is a positive step, resulting in lower burden on their shoulders. The changes in income tax slabs will generate more liquidity in the hands of consumers, boosting consumption.

Rattan Hawelia,

Founder & Chairman, Hawelia Group

Affordable housing getting infrastructure status will result in increased participation from private players by paving the way for cheaper loans. Further, the positive announcements concerning taxes will provide respite to investors.

Anand Piramal,

Executive Director, Piramal Group

It is heartening to see affordable housing get infrastructure status, which along with the increased completion timelines will significantly pave the way for 'Housing for All' to become reality by 2022.

Vineet Goyal,

Joint Managing Director, Kohinoor Development Corporation

With the criteria for affordable housing being changed from a built-up area of 30 and 60 sq mt to carpet area of 30 and 60 sq mt, affordable housing units will become more spacious, making the segment more attractive to buyers.



Kishor Pate,

CMD, Amit Enterprises Housing Ltd

The outlay for rural housing under PMAY of Rs 23,000 crores and the announcement that 1 crore rural houses will be created by 2019 will help address the housing needs of the homeless and potentially help reduce pressure on urban areas, if it is in conjunction with employment generation.



Sanjay Malhotra,

CEO, Emaar India

Infrastructure status for affordable housing along with increased allocations under NHB and PMAY-Gramin, will enable larger funding available to homebuyers and developers at a lower cost and also make the sector eligible for various incentives.

Ashok Gupta ,

CMD, Ajnara India Ltd

With a mammoth budget investment plan for the infrastructure sector, various untapped regions will gain connectivity with major cities. This development will further broaden the avenues for realty development across the country.

Neeraj Bansal,

Partner and Head of Real Estate, KPMG in India

Affordable housing developers will now be eligible for several govt. incentives, subsidies, tax benefits and most importantly institutional funding. The status could also mean that the Government may release land specifically for affordable housing in central locations of major urban centers.

Abhishek Lodha,

MD, Lodha Group

This budget will empower the middle-class. Reduction in Income Tax rates, both for earners up to Rs 5 lakhs and MSMEs, will help in increasing their purchasing power and shall also impact demand for affordable housing positively.

Chintan Sheth,

Director, Sheth Corp

Tax relief to developers on unsold inventories and reduction of long term capital gains tax period from 3 to 2 years will provide relief to both investors and developers. These benefits can be transferred to the buyer, thereby reducing their financial burden while purchasing a home.

Rahul Shah,

CEO, Sumer Group

The grant of infrastructure status to affordable housing would boost investment from private players in the segment. REITs will open ways for the realty sector to get easy funding and ensure timely completion of projects.

Rohit Poddar,

MD, Poddar Housing & Development Ltd



The tax holiday status for apartments with carpet area up to 30 sq m and 60 sq m clearly defines the size and location of projects and apartments, with no room for ambiguity.

Rajesh Krishnan,

MD & CEO Brick Eagle

Conferring infrastructure status to affordable housing will make borrowing for projects easier. The government has already eased norms for registered FPIs for investment in the infra sector which will prove beneficial to the affordable housing sector.

Rajesh Doshi,

Managing Director, ACME Group

The reduction in holding period for capital gains tax will help people sell existing properties and upgrade. The change in indexation timeline from 1981 to 2001 will also give a huge tax break to those who want to upgrade from older flats.

Anil Kothuri,

President & Head, Edelweiss Retail Finance

The budget is not inflationary. Consequently, interest rates are expected to be benign, which will lower the EMIs on home loans. The middle class will benefit owing measures on affordable housing, SMEs and lower personal tax rates up to Rs 5 lakh.

RK Arora,

Chairman, Supertech Ltd

The permission to complete affordable housing Projects in 5 years to qualify for Tax exemption in 80IB is a relief. The new Credit Linked Subsidy Scheme for MIG, with allocation of Rs 1000 crore, will revive housing demand.

Vijay Pawar,

Managing Director, Mirador Group

The cut in the tax rates at the lower income brackets will make it easier for poor to spend on housing. They will also be able to get bigger homes as now carpet area will be considered as a measurement for affordable housing, instead of built-up area.

Neeraj Gulati,

MD, Assotech Realty Pvt Ltd

Refinancing individual loans worth Rs 20,000 crore from NHB will bring capital relief to the lenders. Tax sops to smaller businesses will also augment the purchasing power and is a welcome step for the real estate sector.



Maadhav Poddar,

Tax Partner, Real Estate practice, EY India

The long awaited clarity on taxability in case of Joint Development Agreements will reduce litigation for land owners and give an impetus to execution of more JDAs.

Brijesh Bhanote,

CMO, Paras Buildtech

Infra status to affordable housing is an incentive for private developers as cheaper financing options will be available now. Measures related to JDA will also provide relief to the sector already suffering from demonetisation.

Anuj Puri,

Chairman & Country Head, JLL India

The Budget missed out on giving any additional income tax incentives to first-time homebuyers or providing higher tax savings on home loans and house insurance premiums. Nor did it raise house rent deduction limits.

Tapan Sangal,

Executive Director, Lotus Greens

Infrastructure Status to affordable housing will provide access to easier financing and associated tax benefits for such projects, thus giving an impetus to accomplishment of the "Housing for All" mission.

Sachin Sandhir,

Global Managing Director-Emerging Business, RICS

The Budget 2017 broadly focusses on the rural economy, infrastructure, affordable housing, employment, digital economy and fiscal discipline. We believe that it is a fairly balanced Budget.

Getamber Anand,

President – CREDAI National

Infrastructure Status to affordable Housing, additional refinance of Rs 20,000 crore from NHB and lower interest rates reinstate the govt's intent to enable access to cheaper capital.









