

Real Estate Sector's Comments On Post Union Budget 2019-20



Mr. Bhairay Dalal, Partner & Leader - Real Estate Tax,



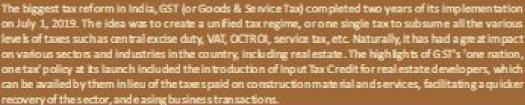
"Overall, a forward-looking Budget for the real estate sector. Laying down a roadmap for Rental Housing is a step in right direction to align with global trends of co-living spaces, given the changing demographics in the country. The increased thrust on education is likely to boost the Student Housing asset class. Aligning the affordable housing definition with GST and may lead to certain 'under planning' project developers to go back to the drawing board."

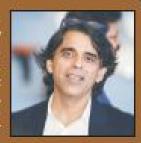
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Real Estate Sector's Views On The Completion of Two Years Of GST on 1st July

□ BuildSupply

Mr. Sameer Nayar, Founder and CEO, BuildSupply





and affordable housing was 12% and 8% with input tax credit, noscope for builders to raise prices. respectively. Input tax credit is the credit on the material used for with the new GST rate but about the input tax credit which the credit benefits (for Projects launched prior to Feb 2019) or go for _real estate sector will witness more formal the new reduced GST rate without the input tax credit. The

Before the February GST Council meeting, the GST on real estate reduction in GST rates also bodies well for the homebuyer as there is

But, with the new regime the overall cost of construction for the project. In February, this was revised to 5% without input credit—developers has gone up by 10-12% as there is no input tax credit. and 1% for affordable housing without input credit. Majority of the available. GST has definitely brought transparency and developers were unhappy about the change. Their issue was not accountability to the real estate sector, investor sentiment has also seen a surge thanks to RERA, GST and the emergence of affordable government dropped in the change. Now real estate developers housing as an important real estate asset class. After two years, as have the option to opt for the old GST rate along with input tax. GST continues to become much more streamlined and refined, the

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The Union Government's plan to set up an integrated online platform for the Real Estate Regulatory Authority (RERA) of all states and UTs



Mr. Rakesh Reddy, Director, Aparna Constructions & Estates Pvt. Ltd.



"RERA has the potential to be the most significant policy intervention in the real estate sector. The overal goal of the policy is to protect the interests of home buyers in an efficient and transparent manner However, for the industry to realize the maximum benefits of RERA, it has to be functional in its fullest capacity across India. RERA provides a unified legal regime for the purchase of property and seeks to

Standardise the practice across the country. One of the major challenges for all states was the roll-out of the web portal, ensuring that it is glitch-free with a user-friendly interface. This created a disparity among states in how each implemented RERA, which led to uncertainty and inefficiency. Currently, only select states have a fully operational RERA policy. A common online platform for all States and Union Territories will be beneficial for all stakeholders. A streamlined, single window portal will ensure transparency and accountability. Home buyers will have a single portal to seek information on best practices and the RERA rulings issued for all states. For real estated evelopers, project approvals will be dearly determined."

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