

Budget 2019 expectations: What realtors want from Modi govt, and how potential flat buyers will benefit from it

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The Indian real estate sector has done well last year. According to a CREDAI report, the first three quarters of 2018 saw a 40% rise in the sales of real estate properties. Schemes like Deen Dayal Aawas Yojana and Pradhan Mantri Aawas Yojna boosted the affordable housing sector which led the construction of over 31 lakh homes in urban areas and 51 lakh in rural areas. The implementation of new reforms like RERA and GST has resulted in more transparency in the sector. Experts hope that the new framework in terms of policies, technology in the infrastructural segment will surely encourage the growth of housing in both urban and countryside areas.

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"Infrastructure sector is an important key to drive the Indian Economy and India's overall development. The real estate sector is expected to see the biggest boost in budget 2019 with the development of world-class infrastructure. Various measures towards growth like extension of income tax exemption applicable to current affordable housing units up to 60 square meters carpet area to 150 square meters, single window clearance for real estate projects to avoid delays, higher investments in key government initiatives like Bharatmala (connecting east-west of India) and Sagarmala (upgrading the port and the connected infrastructure) projects will be valuable for the sector. Increase in investment in roads by 10-20 per cent (urban, rural and national highways), higher investments in the Railways, especially for passenger protection and security will boost connectivity as well as empower safety measures. Budget 2019 is expected to push the Indian real estate sector towards growth and development," said Ashish Sarin, Director and CEO, AlphaCorp.

Sarin also said that 2019 would be a year of launches and his company has planned new projects in various consumer segments.

M3M Group's Director Pankaj Bansal said that the Budget 2019 should look at allocating a specific amount for developing infrastructure.

"With the 2019 budget, the real estate sector may witness a positive overhaul. The time is now for the country to leverage on its massive potential to become not only a global player but also improve the socio-economic situation within the country. The time is now for the country to catapult itself on a high-growth trajectory. And the real estate is the powerhouse that cannot only propel the country on this path while creating jobs and bringing prosperity to a large number of people in the process. The upcoming Budget should also look at allocating a specific amount for developing infrastructure and improving connectivity in the peripheral areas of cities, especially the metros," said Bansal.

Major transformations have happened in the sector in the last couple of years, which has created a more transparent business environment strengthening market sentiments. Chairman of Realistic Realtors Harinder Singh said that he expects the government to announce favourable incentives in the form of more tax benefits on interest for home loans.

'After a bleak phase for long & transformational reforms in the upcoming budget, if government gives much-awaited push to support & announce favourable incentives in the form of more tax benefits on interest for home loans, coupled with the availability of funds at optimum cost for the real estate sector and stronger government participation in solving the problem of incomplete projects/inventories across the country, this will certainly ensure to bring back the huge piled-up demand in the housing sector that occupies more than 80 per cent of the entire real estate sector and 2019 may see a revival of the housing sector much earlier than expected otherwise,' said Singh.

Any sops clubbed with tax benefits announced in the budget will act as a catalyst for the real estate sector.