

Realtors hope for industry tag, sops

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Gurgaon: City realtors have their fingers crossed for the Union Budget. Having borne the brunt of a slow market, excess supply and demonetisation, they now hope the sector will be classified as an industry, and for some tax sops to push demand.

According to Gurgaon's developers, the status of industry for real estate will not only save it from dual commercial taxes, but also make it easier for them to source finances from banks and other financial institutions. They also hope funds will be allocated for serious infrastructure development, with demonetisation having created surplus cash reserves with the government. With the Real Estate (Regulation and Development) Act, 2016 becoming a reality, the industry hopes it can only go up from here.

Naveen Raheja, chairman of the real estate biggie Raheja Developers, said the real estate sector has a lot of expectations from the budget. "We expect some sops to enable the Prime Minister's 'housing for all' policy. Besides, the sector needs support like special in-

terest subsidy for disposal of piled up inventories. The Centre should increase income tax exemption from Rs 2 lakh to Rs 4 lakh," he said.

Industry insiders say the budget will be keenly watched. "We hope the 2017 Budget will bring in large benefits to the real estate sector. The roadmap for implementation of the GST Bill can be a game-changer," said Vineet Taing, president, Vatika Business Centre. He added GST is expected to lower construction cost, which can be passed on to the buyers.

BUDGET 2017

Tax sops are highly anticipated by industry members. "From the perspective of the real estate sector, a tax-friendly budget, an increased capital base, complemented by recently-announced interest rate cuts means growth, as it will trigger consumption demand in a big way," said Pankaj Bansal, director M3M Group.

He added high purchasing power will result in people opting for real estate as an avenue for returns, as interest rates on deposits are expected to decrease.

Union Budget 2017: Gurugram realtors hope for industry tag, sops



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