

Publication	rprealtyplus.com
Date	5 January 2024
Link	<a href="https://www.rprealtyplus.com/news-views/shriram-properties-on-track-to-register-25-yoy-revenue-growth-113511.html">https://www.rprealtyplus.com/news-views/shriram-properties-on-track-to-register-25-yoy-revenue-growth-113511.html</a>

**SHRIRAM PROPERTIES ON TRACK TO REGISTER 25% YOY REVENUE GROWTH**  
**Shriram Properties On Track To Register 25% YoY Revenue Growth**



Bengaluru-based real estate player Shriram Properties is on track to register a 25% year-on-year growth in revenue to clock Rs 2,300 crore this financial year. The realty player is also anticipating a 20% surge in its annual sales on the back of a 14% year-on-year rise in housing prices so far.

Industry players attribute this price jump in 2023 to a demand rally accompanied with increase in raw material prices, labor wages and interest on capital. With five residential projects slated to be launched across Bengaluru and Chennai in coming months, the brand is looking to collectively deliver over 4.5 million square feet of saleable area during the fiscal ending on March 31, 2024.

Company Chairman and Managing Director Murali Malayappan attested to a shifting of focus towards the premium end of the middle housing segment in the future. “We’ve been dominant in the mid-market segment, (moving) to mid-premium now because that is where the demand is also going up phenomenally well today,” he said.

He listed minimal stamp duty charges, a lower Goods and Services Tax and a single window clearance for regulatory approvals as actionable measures to improve the supply of budget housing units in the country.

Publication	rediff.com
Date	11 January 2024
Link	<a href="https://www.rediff.com/money/report/union-budget-24-realty-players-high-rise-expectations/20240110.htm">https://www.rediff.com/money/report/union-budget-24-realty-players-high-rise-expectations/20240110.htm</a>

### Union Budget '24; Realty Players High-Rise Expectations:



Photograph: Amit Dave/Reuters During 2023, the Indian real estate sector — both housing and commercial — witnessed buoyancy fueled by demand, supply, and absorption, and the sector is banking on the upcoming Budget to keep the momentum going. Mumbai-based Sattva Group wants the government to focus on the critical pillars for long-term growth. The company emphasized on the infrastructure boom with increased allocation, lower goods and services tax (GST) rates, incentives for affordable housing and single-window clearance to fast-track projects and support liquidity. “We expect an infrastructure boost as a result of increased allocations, recognizing the direct impact on property values and demand.

“Tax reforms are a top priority, with hopes for lower GST rates and expanded deductions to boost demand and investment,” said Bijay Agarwal, managing director (MD), Sattva Group.

“A firm commitment to single-window clearance aims to reduce roadblocks and speed up projects.

"RERA amendments are anticipated to enhance regulatory mechanisms. “With optimism, We await collaborative efforts propelling the sector towards sustainable Growth,” he added further.

Bengaluru’s Shriram Properties expects the Union Budget to lay stress on the tax burden and Stamp duty.

“The developer said that properties in the affordable housing category face a tax burd”

Photograph: Amit Dave/Reuters

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Bengaluru's Shriram Properties expects the Union Budget to lay stress on the tax burden and Stamp duty.

"The developer said that properties in the affordable housing category face a tax burden ranging from 25 per cent to 30 per cent.

"Moreover, developers have to pay an 18 per cent GST on construction.

"While the potential for affordable housing remains significant, developers hesitate to Venture into this segment due to lack of viability.

"The government must priorities it in the upcoming Budget.

"Additionally, there is a need for governmental intervention to urge state governments to eliminate stamp duty and establish a unified agency for streamlined approval processes," said Murali Malayappan, chairman and managing director, Shriram Properties.

Embassy Group expects the Budget to talk about decreasing home loan interest rates and repo rates, along with offering special bank and equated-monthly instalment (EMI) discounts.

The company expects the finance minister to focus on tax rebates.

"The upcoming Union Budget will play a crucial role in defining and sustaining the real estate Sector's growth in the coming days.

"Since millennials have become the most important segment in the property market, revising the price cap for affordable and mid-segment homes is needed.

"Under Section 24 of the Income Tax Act, a hike in the tax rebate on home loan interest from Rs 2 lakh to Rs 5 lakh will add momentum to housing demand," said Reese Sebastian Karimpanal, executive president, residential business, Embassy Group.

Real estate consultancy Anarock Group said several interest stimulants that were offered to affordable housing developers and consumers over the years have expired in the last one- two years.

The group believes that it is imperative to revive and extend significant benefits, such as tax breaks.

This will encourage developers to construct more affordable housing. Land shortages are also something the group expects the Budget to address.

“The real estate industry invariably presents the finance ministry with a very ambitious wish List every year before the annual Budget.

"Industry status for the housing sector and single-window clearance for housing projects are standard asks and remain in place this year, as well," said Anuj Puri, chairman of Anarock Group.

Knight Frank said it expects the Budget to further tweak some of the present laws to boost affordable housing.

“For a large section of the population, affordability remains the biggest challenge.

"On this front, the Budget has provided relief in the past by facilitating tax deductions for principal and interest components of home loans.

"We believe that some laws can be tweaked further to have a real impact on affordability.

"At present, Section 80 C of the Income Tax Act does not provide for a focused benefit on housing.

"This is the largest and most important expense item for most taxpayers during their Lifetimes," said Vivek Rathi, national director research, Knight Frank India.

Credit rating agency CRISIL expects the Budget to cover three topics under direct and indirect taxes.

Firstly, an increase in deduction limit to home buyers on home loan interest u/s 24(b) to Rs 3.5 lakh from the existing Rs 2 lak. Also, it called for extending the benefit of deduction u/s 80EEA for homes with value of up to Rs 75 lakh from the existing Rs 45 lakh. In addition, CRISIL looks forward to a reduction in GST rates on construction materials.