



## DAILY NEWSLETTER

(CREDAI-MCHI, NATIONAL, MMR)

TUESDAY

16<sup>TH</sup> June 20

### MCHI NEWS

#### 1. KYT (KNOW YOUR TOWN)

##### Headline:

POST COVID REAL ESTATE | MR. AJAY ASHAR |  
MR . NIKHIL BALLAL

##### Link:

<https://www.youtube.com/watch?v=qfOITEpDmW4&feature=youtu.be>

### CREDAI NEWS

#### 1. TAX SCAN

##### Headline

## **ITAT directs CIT(A) to re-consider CREDAI's set off Claim against Income from Real Estate Exhibition**

### **Link:**

<https://www.taxscan.in/itat-directs-cita-to-re-consider-credais-set-off-claim-against-income-from-real-estate-exhibition/60627/>

In a recent order granting relief to the leading industry body, the Confederation of Real Estate Developers Association of India (CREDAI), the Bangalore bench of the Income Tax Appellate Tribunal (ITAT) has directed the Commissioner of Income Tax (Appeals) to reconsider its order refusing the claim of set-off against the income earned from the real estate exhibition. The assessee, an association of persons filed its income tax return. During the assessment proceedings, the assessing officer noted that the assessee has conducted exhibitions of “real estate projects” in Bangalore and Dubai and earned an income of Rs.1,29,74,413/- which is declared in the return. The AO noticed that the assessee has claimed expenses not relating to exhibitions also, against the above said net income received on conducting exhibitions. Based on this, the AO held that the other expenditure is not entitled to adjust against exhibition income.

## **BANK, FINANCE, NBFC NEWS**

### **1. Economic Times**

#### **Headline:**

**Won't take any exposure on the corporate side for FY20-21: PNB Housing**

**Link:**

[https://economictimes.indiatimes.com/markets/expert-view/wont-take-any-exposure-on-the-corporate-side-for-fy20-21-pnb-housing/articleshow/76384705.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/markets/expert-view/wont-take-any-exposure-on-the-corporate-side-for-fy20-21-pnb-housing/articleshow/76384705.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

Our retail loans have moved up from 78% to 82% and the corporates have cut down to 18%, says Neeraj Vyas, MD & CEO.

Update us on the housing demand that you foresee. What would be your strategy in the post-Covid era?

Even during the lockdown we got a lot of enquiries and applications from the retail customer. So I feel demand will remain. I would not say affordable housing because if I say affordable housing probably the message goes that it is only Rs 25 lakh; I would use the word mass housing. As I described to you, a house costing around Rs 75 to 90 lakh and the loan amount not exceeding Rs 75 lakh; in that, the demand will be there and based on our experience, in the month of April during the lockdown itself, we got 1,300 loan applications.

**GST NEWS****1. Times Of India****Headline:****Officials push for hike in GST levies****Link:**

<https://timesofindia.indiatimes.com/business/india-business/officials-push-for-hike-in-gst-levies/articleshow/76395683.cms>

NEW DELHI: It may not be politically palatable, but officials are pushing for quickly reworking GST slabs, along with a rise in levies, while correcting the inverted duty structure on garments, footwear and fertilisers to ensure that states and the Centre earn more revenue amid signs of higher economic activity.

On Friday, several state finance ministers had blocked a move to increase GST on garments and footwear as part of the proposal to correct the inverted duty structure — where the finished product has lower levies than inputs — on the grounds that this was "not the right time" when businesses are demanding a stimulus.

## **2. Hindustan Times**

### **Headline:**

**GST revenue fell 56% in April-May**

### **Link:**

<https://www.hindustantimes.com/india-news/gst-revenue-fell-56-in-april-may/story-E9dDKDTxL1BLcM1nWdMcAM.html>

The Goods and Services Tax (GST) collection and the consumption of diesel – the two weathervanes of economic health – fell by 56% and 42%, respectively in the first two months of the current financial year compared to same period a year ago due to the nationwide lockdown.

Total GST collection in the first two months of FY-21 was Rs 94,323 crore, less than half of Rs 2,14,154 crore collected in the corresponding period of FY-20, according to a government document reviewed by HT.

A sharp fall in GST collections in April and May was expected because of the nationwide lockdown since March 25 that disrupted economic

activities, but the economy is recovering as the GST collection improved significantly in May compared to the previous month, a government official said requesting anonymity.

## **NATIONAL NEWS**

### **1. Money Control**

#### **Headline:**

**'Black money' deals to drop as gap between real estate circle rates and market prices narrows from 100% to 6%**

#### **Link:**

<https://www.moneycontrol.com/news/business/real-estate/black-money-deals-to-drop-as-gap-between-real-estate-circle-rates-and-market-prices-narrows-from-100-to-6-5405971.html>

Various socio-economic factors, over the last few quarters, have impacted the real estate sector. Now, additionally, Coronavirus outbreak has also started showing its effect on the realty market. But, the big question lying unanswered here is - Whether demand for houses, flats will increase post-COVID-19? Nimish Gupta, Managing Director, Royal Institution of Chartered Surveyors (RICS), South Asia, sheds some light on this as he tries to answer and explain post-COVID-19 real estate market.

According to Nimish Gupta, "Market reports for the first quarter of 2020, suggest that ~78,000 ready-to-move-in units, valued at INR 65,950 crore are lying unsold. This amounts to almost 12 per cent of the 6.44 lakh units in cities, awaiting sale. While, there is no doubt that the COVID-19 pandemic has further damaged market sentiment, it is probable that unsold inventory will remain steady in the immediate future. This situation is likely to prevail till such time the situation is clearer. It is expected that developers themselves will hold-off on new

launches or carry only limited launches due to the level of inventory overhang in the market."

## 2. Money Control

### Headline

**SMC Realty drives real estate deals through virtual site visits during lockdown**

### Link

<https://www.moneycontrol.com/news/business/real-estate/smc-realty-drives-real-estate-deals-through-virtual-site-visits-during-lockdown-5406051.html>

COVID-19 pandemic has world-over affected the way businesses are carried out as constant lockdowns made it impossible to meet clients face-to-face. However, every calamity throws up an opportunity and COVID-19 is no different. It has made business owners brainstorm for alternate ways of carrying out their core functions and come up with new strategies. In such times, technology, having enabled people interact with one another with screen sharing and various other functionalities through mobile apps like Zoom and Microsoft Teams has come to the rescue.

## 3. Money Control

### Headline:

**COVID-19 impact | The big daddy of Mumbai's real estate offers 20% discount on properties**

### Link:

<https://www.moneycontrol.com/news/business/real-estate/covid-19-impact-the-big-daddy-of-mumbais-real-estate-offers-20-discount-on-properties-5409091.html>

One of the leading builders in Mumbai has decided to offer residential units at a 20 percent discount in a sign that the crushing slowdown wrought on real estate by the coronavirus pandemic might be finally forcing companies to mark down property prices.

Hiranandani Group, that has undertaken construction of iconic projects such as Hiranandani Gardens and Hiranandani Estate in Mumbai among others, sold a 559 sq ft (carpet area) unit for around Rs 86 lakh at Rs 15,472 a sq ft last week in its project One Hiranandani Park. A similar unit was sold in March — before the impact of COVID-19 was felt on the real estate industry — at a little above Rs 1 crore, or Rs 19,136 a sq ft, said people familiar with the matter.

#### **4. Financial Express**

##### **Headline**

**Real estate in India to realign post-COVID crisis**

##### **Link**

<https://www.financialexpress.com/money/real-estate-in-india-to-realign-post-covid-crisis/1992089/>

As global economies grapple with an economic fall-out in the wake of COVID-19 pandemic, and the clamour for a stimulus package for economic revival grows; India's response so far has been more focused on 'saving lives'. Industries across the Indian economy – including real estate – have supported the government's steps; consider the decision on imposing the lockdown as also extending it. Now, with the situation looking grim and bleak, the focus needs to re-shift from saving lives', it is now the right time to also focus on 'saving livelihood'.

Perhaps, the biggest takeaway in terms of ‘the way forward’ is that demand for owned houses will grow. Those living in rental homes have realized the importance of being in their own homes; NRIs facing challenging times in their present domiciles are looking at creating a safe haven ‘back home’ in India; those who have faced challenges in terms of investments losing value in the aftermath of the pandemic in paper market are seeing the obvious advantage of shifting to real estate as the asset class of choice. So, real estate will be ‘positive’ for both end users and investors. The reputed developers with better credit ratings and best delivery track record will gain traction with an enhanced confidence level among the potential home buyers in the backdrop of this crisis

## **5. Bloomberg Quint**

### **Headline:**

**Housing Is Hot With the Economy in the Deep Freeze**

### **Link:**

<https://www.bloombergquint.com/gadfly/housing-is-hot-with-the-economy-in-the-deep-freeze>

(Bloomberg Opinion) -- No matter how you look at it, the economic fallout from the coronavirus is going to be brutal, with a projected 6.5% decline in real gross domestic product in 2020 and an unemployment rate of 9.3% at year-end, according to the Federal Reserve. In ordinary times, and without any policy response from government, a blow of this magnitude should weaken the housing market.

Yet, what we're starting to see is the very opposite. For various reasons, the supply of homes on the market continues to fall to record lows and home prices are, if anything, accelerating. For many homeowners stressed about the value of their biggest investment, it's a welcome relief.



But this signals one more hurdle for would-be millennial homebuyers as they age into their family-forming years.

## 7. पत्रिका

### Headline:

**उम्मीदें हैं खूब, उद्योगों के साथ रियल इस्टेट में मिलेगा काम**

### Link:

<https://www.patrika.com/jabalpur-news/work-will-be-done-in-real-estate-with-industries-6193873/>

## 8. Hindustan Times

### Headline:

**Build a new economic imagination**

### Link:

<https://epaper.hindustantimes.com/Home/ShareArticle?OrgId=166311cf4e0&imageview=0>

This has been a difficult three months for India. The policy response to the coronavirus disease (Covid-19) and the lockdown has forced it to confront long-ignored realities about the Indian economy— its fragility, regional and spatial concentration and deep structural inequity. It also made visible sources of precarious resilience. Agriculture and associated supply chains, for instance, held together despite significant disruption and fall in demand. Now, as India unlocks and the focus shifts to repair

and reform, policy debates must contend with these realities. India cannot repair and reform without acknowledging its economic failures. Doing so places accepted pathways for growth, shaped by the 1991 moment, back in contention.

## **GENERAL NEWS**

### **1. Hindustan Times**

#### **Headline:**

**City's lifeline back on slow, wary track**

#### **Link:**

<https://epaper.hindustantimes.com/Home/ShareArticle?OrgId=166d5a041b4&imageview=0>

MUMBAI : After 84 days of lockdown, local trains in the city began operations for essential workers on Monday. The first train operated at 4.03am, between Panvel and Chhatrapati Shivaji Maharaj Terminus (CSMT). Distancing norms were observed and passengers were screened before boarding trains. Train services for the general public remain suspended.

Late on Sunday night, the railways had issued a notification allowing Central (CR) and Western Railway (WR) to resume select suburban train services for essential staff, as identified by the state government. On Monday, approximately 60,000 passengers travelled by local trains, according to CR and WR. The state government and Brihanmumbai Municipal Corporation (BMC) submitted a list of who would travel from their respective stations to the railways. Nearly 40,000 railway tickets were sold on Monday.



To board trains, passengers had to undergo thermal screening and show identity cards. Entry and exit points at stations have been limited and are being manned by Railway Protection Force (RPF), Government Railway Police (GRP), Mumbai Police personnel and ticketing staff.

**Prepared by**

**PR Team**

**CREDAI-MCHI**