

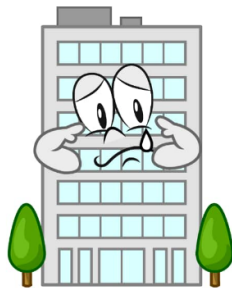
Budget 2024: No joie de vivre, but there's hope

Many express disappointment, but all is not lost



by Staff Writer | July 23, 2024

SHARE



Finance Minister Nirmala Sitharaman presented her record seventh consecutive Union Budget 2024-25 during the Budget Session of Parliament.

Dhaval Ajmera, director, Ajmera Realty & Infra India: The Union Budget 2024-25 reflects the growth-led vision of the government towards building a dynamic Viksit Bharat. The reforms announced by the honourable Finance Minister like widening of tax-exemption limit on home loans to Rs 3 lakh and enabling a stamp-duty cut for women homebuyers will act as a sense of encouragement for fence-sitters to make the move along with resonating a strong message for women empowerment. Keeping in check the motive to promote housing for EWS, the announcement about the allocation of additional 3 crore homes under PMAY along with interest subvention schemes about affordable homes will contribute to the vision of Housing for All. Overarching this, the 10-lakh crore outlay to boost urban housing under PMAY 2.0 will elevate the demand for affordable homes. The state-wise moderation of stamp duty rates is a strong move that will potentially enable relief to homebuyers from the stamp duty and registration charges, thus propelling housing demand across new and emerging markets. However, the sector still awaits the need to redefine the definition of affordable homes to include home sizes from 60 sq.m to 90 sq.m, rather than the current price bracket of ₹45 lakh, and incentivization to developers and homebuyers to develop and invest in green projects to save the environment.

Kavita Shirvaiker, acting MD, Patel Engineering: The Union Budget's emphasis on infrastructure development marks a significant leap toward our nation's future. The substantial allocation for capital expenditure and long-term interest-free loans to states reflects a forward-thinking strategy aimed at stimulating economic growth and innovation. Encouraging private sector participation through viability gap funding and market-based financing frameworks will foster a dynamic environment for infrastructure advancements. These initiatives are poised to significantly improve connectivity, boost productivity, and create numerous job opportunities across various sectors. By prioritizing sustainable development and leveraging both public and private investments, this budget positions India on a robust path to becoming a global leader in infrastructure excellence.

Aashit Verma, founder of Hanto Workspaces: This is a welcome move from the government as this is bound to boost industries related to raw materials required for these housing projects. Such demand should lead to competition and new companies providing quality products at low rates. These projects might also help cross state migrant workers to own houses and permanently shift to their place of work which should help drive the local economy and reduce cost of constructions.

Vikas Garg, joint MD, Ganga Realty: We welcome Budget 2024 wholeheartedly as it introduced PMAY Urban Housing 2.0 with a budget allocation of Rs 10 lakh crore. It will help the lower strata of society residing in slums and ghettos to get a permanent roof over their heads. The central government will incentivize housing projects with financial aid of close to Rs 2 lakh crore which will be given to the needy people at subsidized rates. Furthermore, Rental housing was also the cynosure of the Budget which will be built on PPP mode for the amelioration of industrial workers. Moreover, the Budget proclamations raise hopes and aspirations for a bright future ahead in terms of both infrastructure and housing.

Pavitra Shankar, MD, Brigade Enterprises: We welcome the thrust of the government on infrastructure development, job creation and provision of Rs 2.2 Lakh crore central assistance to make urban housing more affordable. The digitization of land records using GIS is a good move as it will bring in a better degree of accuracy and transparency. The union budget 2024 however has not addressed some of the key demands of the real estate sector, including granting of industry status, input tax credit, reduction of GST and single window clearance. Additionally, there is only a marginal increase in savings on individual income tax under the new taxation regime. We urge the union government to reconsider the focus on the real estate sector to include these demands.

Rajiv Gupta, MD, Wave Group: The Budget 2024-25 is very encouraging for the real estate sector, focusing on infrastructure development in rural and urban areas. The thrust on building three crore additional housing under the PM-AWAS yojana is an essential step in bridging the housing gap for the poor and middle class. The Rs 10 lakh crore overall allocation to urban housing will bolster the growth momentum. The suggestion to state governments to lower stamp duties, particularly for properties purchased by women, will undoubtedly boost sales. The budget lays the foundation for sustainable real estate growth, promoting cities as growth hubs of new India.

Link: <https://www.constructionweekonline.in/business/budget-2024-no-joie-de-vivre-but-theres-hope>