



CREDAI Bengal
**DAILY NEWS
UPDATE**

15 - 10 - 2020



GK Da Says

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Tomorrow's Webinar

Dear Member,

You are requested to participate in the Webinar with the **Hon'ble Minister of Housing, Smt. Chandrima Bhattacharya** along with Senior Officials from **WBHRA, PCB, FIRE Dept., IGR, KMC TOMORROW 16th October 2020 at 1:30 PM** on Zoom.

Please Register in advance for this webinar at the link given below :

https://us02web.zoom.us/webinar/register/WN_OlceBAb5TOOIAfpYf-liNA



CREDAI
BENGAL

Webinar on
Important Issues concerning Real Estate
in the gracious presence of



Smt. Chandrima Bhattacharya
Hon'ble Minister of Housing
Government of West Bengal

Senior functionaries from WBHRA,
IGR, Fire Dept., PCB & KMC will also
be present as panelists.

Online Interactive Session on
Real Estate Issues
Date : Friday 16th October, 2020
Time : 1:30 PM



States must consider cutting stamp duty on property registrations to boost demand: Housing secy

<https://www.outlookindia.com/newscroll/states-must-consider-cutting-stamp-duty-on-property-registrations-to-boost-demand-housing-secy/1955220>

Housing and Urban Affairs Secretary Durga Shanker Mishra on Wednesday asked states to reduce stamp duty on registration of properties as it will help reduce the overall real estate cost and boost housing sales. Addressing a webinar organised by CREDAI in collaboration with Nangia Andersen India, Mishra said the government has taken various measures in the past six years for revival of this sector such as enactment of realty law RERA. The finance ministry as well as the Reserve Bank of India (RBI) have taken several steps during the lockdown to address the concern of the real estate sector, he added. "Measures taken during the past six years and also during the lockdown have started showing results," Mishra said. The secretary noted that the property registrations in Mumbai, Maharashtra, have improved and are back to pre-COVID-19 level.

Builders look for ways to overcome legal hurdles to development rules

<https://www.newindianexpress.com/cities/chennai/2020/oct/15/builders-look-for-ways-to-overcome-legal-hurdles-to-development-rules-2210400.html>

Builders in the State are a harried lot as the Tamil Nadu Combined Development Rules (TNCDR) are facing a legal challenge in the Madras High Court (Madurai Bench). Now, approvals for buildings are given with a clause — that it's subject to the outcome of the judgment in a writ petition filed in court. “Though we are really happy that the floor space index has been increased from 1.5 to 2 in the State, there is concern because of this uncertainty,” says Builders Association of India (BIA) State treasurer S Ramaprabhu. He says the approvals are being granted after taking into account the new amendments in the Combined Development and Building Rules of 2019. Explaining the legal hassle, Ramaprabhu says, “Imagine the construction happens as per the new relaxation, and at a later stage the court gives a verdict that is not favorable

Navi Mumbai: CIDCO extends completion of ongoing projects for 9 months; developers welcome the decision

<https://www.freepressjournal.in/mumbai/navi-mumbai-cidco-extends-completion-of-ongoing-projects-for-9-months-developers-welcome-the-decision>

A major respite for developers in Navi Mumbai as the City and Industrial Development Corporation Limited (CIDCO) gives 9 months extension to complete the ongoing project which was delayed due to a sudden lockdown in March across the country. Developers' body expressed happiness over the decision and termed it is a huge relief for them as they are already going through a difficult phase. Thousands of ongoing projects stopped after a nationwide lockdown was imposed on March 24 due to the outbreak of the pandemic. The construction work of all ongoing projects also halted. Initially, developers provided food and shelter to construction workers in an initial couple of months. However, the lockdown was lingered due to the spread of the virus more than it was perceived and workers returned to their hometown due to uncertainty on the resumption of work.

Only Standard Loan Accounts As Of March 1 Can Be Recast Under Moratorium: RBI

<https://www.ndtv.com/business/only-standard-loan-accounts-as-of-march-1-can-be-recast-under-moratorium-rbi-2309914>

The Reserve Bank of India (RBI) has clarified that loans which have remained standard without any defaults as of March 1, 2020, will be eligible for restructuring under the pandemic-related resolution framework issued in August. In clarifications issued late last night to borrowers as well as lenders about the August 6 circular, RBI said a loan account that was due for more than 30 days as on March 1, 2020, but subsequently got regularised, will not be ineligible for resolution under the COVID-19 resolution framework. This is because the restructuring framework is applicable only for eligible borrowers who were classified as standard as of March 1, 2020.

Bring something concrete, common man's Diwali in government's hand: SC on loan relief

<https://timesofindia.indiatimes.com/business/india-business/bring-something-concrete-common-mans-diwali-in-governments-hand-sc-on-loan-relief/articleshow/78662162.cms>

The Supreme Court on Wednesday said the centre should implement "as soon as possible" interest waiver on loans of up to Rs 2 crore under the Reserve Bank of India (RBI) moratorium scheme in view of the Covid-19 pandemic, saying the common man's Diwali is in the government's hands.

The apex court sought know from the Centre as to whether the benefit of loan interest waiver for borrowers of up to Rs 2 crore during the moratorium period has "percolated" to the common man.

Magicbricks to offer home loan services, ties up with SBI, HDFC and 11 other lenders

<https://www.livemint.com/money/personal-finance/magicbricks-to-offer-home-loan-services-ties-up-with-sbi-hdfc-11-other-banks-11602690424583.html>

Magicbricks, the popular real estate portal, on Wednesday said that it has entered into home loan services ahead of the festive season. "To enable home buyers to avail medium to long term loans to finance their dream home", Magicbricks has tied up with 13 leading lenders in the country. The new initiative will allow loan seekers to compare the best available offers and rates, gain online and offline assistance during the application process, the company said. Customer can get a home loan from banks including SBI, PNB HFL, HDFC LTD, ICICI Bank, Bank Of Baroda, Cholamandalam, Hero Fincorp, Sundaram Home Finance LTD, L&T Housing Finance LTD, IIFL, IDFC First, Bajaj Finserv and Federal Bank on Magicbricks' platform.

Loan restructuring applies to all credit substitutes: RBI

<https://indianexpress.com/article/business/banking-and-finance/loan-restructuring-applies-to-all-credit-substitutes-rbi-6726525/>

The Reserve Bank of India (RBI) has clarified that the loan resolution framework can be invoked for investment exposures that are credit substitutes like corporate bonds and commercial papers. “The resolution framework may be invoked for resolution of all exposures of lending institutions to eligible borrowers, including investment exposures,” the RBI said in a clarification on resolution framework for Covid-related stress. However, the resolution framework is without prejudice to all applicable guidelines issued by the relevant financial sector regulators and other departments of the RBI in respect of any particular exposure.

Gross NPAs of banks may jump to 11.5% by end of FY21: Care Rating

<https://www.livemint.com/industry/banking/gross-npas-of-banks-may-jump-to-11-5-by-end-of-fy21-care-rating-11602667501256.html>

The gross non-performing assets (NPAs) ratio of Indian banks is likely to be 11 to 11.5% by end of current fiscal and they are likely to restructure 4 to 5% of the overall bank credit outstanding, according to Care Rating. Besides, the asset quality data post the COVID-19 lockdown is uncertain due to a developing regulatory scenario. Multiple stakeholder objectives and moratorium computation with various firms have varying ways of computing moratorium, said the rating agency.

Residential sales bounce back in July-Sept quarter, but prices see muted growth

<https://www.cnbctv18.com/real-estate/residential-sales-bounce-back-in-july-sept-quarter-but-prices-see-muted-growth-7198471.htm>

In what can be considered as a sharp recovery for the real estate sector, research reports suggest that India's eight prime residential markets saw an increase of 85 percent in the residential sales in the July-September quarter as against the performance in the April-June quarter in the current calendar year. According to the Real Insight Q3 2020 report by online real estate brokerage firm PropTiger.com, the quarterly analysis of India's eight prime residential markets show that the residential home sales aggregated to 35,132 units during Q3 of the current calendar year, marking an increase of 85 percent over the previous quarter.

Incentives to be given for construction of affordable rental housing complexes

<https://www.livemint.com/news/india/incentives-to-be-given-for-construction-of-affordable-rental-housing-complexes-11602683297350.html>

Incentives and benefits including free floor area ratio, concessional project finance, trunk infrastructure facilities free of cost will be a part of the Affordable Rental Housing Complexes (ARHCs) for urban migrants and poor, union minister for housing and urban affairs Hardeep Singh Puri said on Wednesday.

Puri launched a portal for the scheme and released the guidelines and guidebook. The scheme under Pradhan Mantri Awas Yojana -Urban has been taken up to provide dignified and affordable living spaces to varied groups of urban migrants and poor including industrial & construction workers, migrants working with market associations, educational and health institutions, hospitality sector, long term tourists or visitors and students.

SC welcomes relief on interest but wants it to be speeded up

<https://timesofindia.indiatimes.com/business/india-business/sc-welcomes-relief-on-interest-but-wants-it-to-be-speeded-up/articleshow/78670926.cms>

The Supreme Court on Wednesday said it was a “welcome move” on the Centre's part to waive compound interest on instalments of loans up to Rs 2 crore payable during the six-month moratorium period of March 1 to August 31 but frowned upon the over one-month time it sought to implement the decision. A bench of Justices Ashok Bhushan, R S Reddy and M R Shah asked the government to speed up the process of implementation and said, "We welcome the Centre's decision taken in the interest of the common man. We want it to be implemented expeditiously." Before arguments for the day were closed, Justice Shah said in a lighter vein, "Their (people's) Diwali is in your hands. "In its October 2 affidavit, the government had informed the court about waiver of interest on interest for instalments during the moratorium period for loans up to Rs 2 crore availed of by MSMEs and small borrowers.

Banks can rejig realty loans based on project, not realtor

<https://timesofindia.indiatimes.com/business/india-business/banks-can-rejig-realty-loans-based-on-project-not-realtor/articleshow/78670985.cms>

The Reserve Bank of India (RBI) has permitted banks to restructure loans to real estate companies on the basis of the project rather than the developer. It has also indicated that banks can restructure loans drawn by a borrower during the current fiscal, provided the account was classified as 'standard' (not overdue for more than 30 days) as on March 1, 2020. These clarifications were issued by the central bank in a set of frequently asked questions (FAQs) on their solution framework for Covid-related stress announced last month. On real estate, the RBI said, "Only in respect of borrowers belonging to real estate sector, and have both residential and commercial real estate business, the prescribed thresholds for the financial parameters may be applied at the project level."

Cement demand in Q2 revives across India, excluding south

<https://www.livemint.com/market/mark-to-market/cement-demand-in-the-september-quarter-recovers-across-india-barring-south-11602652988823.html>

After a washout June quarter, cement demand in the September quarter revived in most regions. Latest dealers channel checks by brokerages show that cement demand improved in the northern, central and eastern India. South and some markets of western India were the exceptions. Improving labour availability and festival demand from the individual home building segment are aiding demand growth.

The demand scenario in semi-rural and rural regions was better than that in urban areas. "As per feedback from dealers in north, labour has started coming back (40%+ as per our rural channel checks in September 2020) and hence they are seeing an uptick in volumes. Checks with large project companies suggest the availability of labour at project sites has improved to around 80% of the normal levels," JM Financial Institutional Securities Ltd said in a note. Demand recovery in south was impacted by stricter lockdowns, especially in Tamil Nadu and Kerala. Dealers indicated that this region is still facing a shortage of labour.

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