



07-Nov-2019

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Daily Real Estate
News-Wrap
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CREDAI Bengal Daily News Update | 07.11.19

Newspaper/Online	Live Mint (online)
Date	November 06, 2019
Link	https://www.livemint.com/industry/infrastructure/realtors-welcome-govt-s-decision-to-help-complete-stalled-housing-projects-11573063035947.html

Realtors welcome govt's decision to help complete stalled housing projects

- **CREDAI President Satish Magar said, all developers have been enabled to rise above all challenges and complete their project**
- **Raheja Developers Nayan Raheja welcomed the move saying this will provide relief to homebuyers as well as developers and boost housing demand**

Real estate developers welcomed the government's move to create a ₹25,000-crore fund to help complete over 1,600 stalled housing projects, saying it will solve the long-pending problem of homebuyers.

"It's a very welcome change from the initial announcement (of September 14). Now the only criteria for eligibility is networth positive projects," real estate developers association CREDAI Chairman Jaxay Shah said.

The move, according to him, will ensure that the fund is actually deployed to complete incomplete projects which are even NPA or also in NCLT.

"We are certain that a majority of stuck homebuyers will benefit from the announcement of a ₹25,000 crore stress fund which is going to be increased in value if needed," Shah said.

Property brokerage firm Anarock's Chairman Anuj Puri said the move will bring huge relief to stuck homebuyers and boost sentiment in the sector which is facing a demand slowdown.

In his comments, NAREDCO President Niranjan Hirnandani said the vexed problem of delayed and stalled real estate projects appears to have found a solution.

The announcement will prove to be a win-win for both, home buyers as also real estate developers, "but the devil in the detail in this case will be quick implementation," he said.

Welcoming the decision, Anshuman Magazine, Chairman and CEO - India, South East Asia, Middle East and Africa at CBRE said the move will go a long way in building confidence in the real estate sector not only from the end user perspective but also from an investors' perspective.

Knight Frank CMD Shishir Baijal said the inclusion of projects under NPAs and NCLT into the gamut of eligible projects, albeit net positive projects, into the special window funding is a welcome decision.

"The extension of this benefit to mid income beyond the affordable housing segment is a critical step forward. We welcome these changes and feel that this will help create greater momentum in stock movement," Baijal added.

Dhruv Agarwala, Group CEO of Elara Technologies, that owns PropTiger.com and Housing.com, was of the opinion that the decision will be a "big relief" not only for consumers whose delivery is stalled but also for the builders who were desperate to raise funds to complete their projects but unfortunately couldn't complete them because of lack of funds.

"This will also encourage prospective buyers who have delayed the buying decision," said Agarwala.

With this announcement, CREDAI President Satish Magar said, all developers have been enabled to rise above all challenges and complete their project without further delay.

These measures would have a wider impact by accelerating the much-sought investments, growth and above all employment, he added.

Raheja Developers Nayan Raheja welcomed the move saying this will provide relief to homebuyers as well as developers and boost housing demand.

Meanwhile, Deloitte partner Rohinton Sidhwa said getting stalled real estate projects moving through government sponsored funding will breathe life into the housing market.

The AIF 2 structure of the fund is a pass through for tax purposes.

The fund does not pay tax on its investment income and hence will facilitate the financing activities in a tax efficient manner, Sidhwa added.

Announcing the Cabinet decision, Finance Minister Nirmala Sitharaman said several sovereign funds have expressed interest in the scheme and may join at a later stage.

Newspaper/Online	Millennium Post (online)
Date	November 07, 2019

millenniumpost
NO HALF TRUTHS

Kolkata Edition

Date - 7 Nov'19

Cabinet approves ₹25,000 crore fund for over 1,600 stalled housing projects

In all, 4.58 lakh housing units are being targeted to be completed with a view to generate employment

NEW DELHI: The government on Wednesday approved a Rs 25,000 crore fund to help complete over 1,600 stalled housing projects, including ones that have been declared NPAs or admitted for insolvency proceedings, as it looks to boost growth by steering consumption in real estate and associated sectors.

The move is likely to help 4.59 lakh housing units across the country.

Continuing with steps she began announcing within a month of Parliament approving her maiden Budget, Finance Minister Nirmala Sitharaman said the Alternative Investment Fund (AIF) will comprise Rs 10,000 crore coming from the government and the remaining being provided by state insurer LIC and the country's largest lender SBI.

The minister also said several sovereign funds have shown interest and may join the scheme at a later stage.

Meanwhile, sources said about Rs 3.5 lakh crore has been invested in the over 1,600 stalled projects, and investment of Rs 55,000 crore to Rs 80,000 crore would be needed to complete them. The fund, to be set up as Cat-

egory-II AIF registered with SEBI, will be managed by SBICAP Ventures Limited.

The AIF, which was first announced by Sitharaman on September 14, will act as a 'special window' to provide loans to over 1,600 incomplete affordable and middle-lower income housing projects.

In all, 4.58 lakh housing units are being targeted to be completed with a view to generate employment as well as revive demand of cement, iron and steel industries.

Sitharaman said the scheme, approved by the Union Cabinet headed by Prime Minister Narendra Modi, is a modified version of the September 14 plan.

"Government's intention is completion of housing projects," the minister said after the Cabinet meeting.

She further said meetings were held with homebuyers, associations, banks and RBI during the past few months and it was decided to modify the scheme by including even those projects which have been declared non-performing assets (NPAs) by lenders, and also those which have



been dragged to the NCLT for insolvency proceedings.

She, however, said only RERA-registered projects with positive networth will be provided funds.

The AIF funds will be released in stages through an escrow account and will be contingent upon completion of the approved phase, she said, adding the size of the fund may be increased with the participation of sovereign

and pension funds.

Sitharaman said the government is seized of the problem faced by homebuyers who are forced to pay EMIs on loans taken for buying homes but have not yet got possession and continue to shell out both loan installments and rent.

She also said the Reserve Bank of India would be soon coming out with a clarifactory note on the scheme.

Meanwhile, real estate developers' association CREDAI welcomed the move saying, it will solve the long-pending problem of homebuyers.

"It's a very welcome change from the initial announcement (of September 14). Now the only criteria for eligibility is networth positive projects... this will ensure that the fund is actually deployed to complete incomplete projects which are even NPA or also in NCLT.

"We are certain that a majority of stuck homebuyers will benefit from the announcement of a Rs 25,000 crore stress fund which is going to be increased in value if needed," CREDAI Chairman Jaxay Shah said.

Quick deployment of money and efficient decision making for qualification of projects will solve the long pending problems of homebuyers, he said. Property brokerage firm Anarock's Chairman Anuj Puri said the move will bring huge relief to stuck homebuyers and boost sentiment in the sector which is facing a demand slowdown.

Finance Minister Nirmala Sitharaman will review the state of economy

at a meeting of the Financial Stability and Development Council (FSDC) on Thursday to be attended by sectoral regulators, including RBI Governor Shaktikanta Das.

The FSDC is the apex body of sectoral regulators, headed by the finance minister.

According to sources, the meeting will take stock of various measures taken by the government to boost the sagging growth which hit a six-year low of 5 per cent in the first quarter of the current fiscal.

The meeting will review the current global and domestic economic situation and financial stability issues, including those concerning banking and NBFCs, sources added.

Besides RBI Governor, Securities and Exchange Board of India chairman Ajay Tyagi, Insurance Regulatory and Development Authority of India (IRDAI) chairman Subhash Chandra Khuntia, Insolvency and Bankruptcy Board of India (IBBI) chairman M S Sahoo and Pension Fund Regulatory and Development Authority Ravi Mittal will attend the meeting.

AGENCIES

Newspaper/Online	Financial Express (online)
Date	November 07, 2019
Link	https://www.financialexpress.com/industry/real-estate-woes-important-to-permit-one-time-recast-of-certain-loans-says-hdfc-chairman/1756857/

Real estate woes: Important to permit one-time recast of certain loans, says HDFC chairman

Parekh argued that if these restructured accounts are considered as standard assets for a period of about 12 months, lenders will stop being so diffident.

HDFC chairman Deepak Parekh on Wednesday said the crisis of confidence in lending to the real estate sector can be overcome if lenders are allowed a one-time restructuring of certain real estate loans – particularly for stuck projects where building approvals have been delayed. Parekh was delivering a speech at the India Mortgage Leadership Conclave.

Parekh argued that if these restructured accounts are considered as standard assets for a period of about 12 months, lenders will stop being so diffident. “This is not a new suggestion. An exceptional regulatory treatment was permitted by the RBI in 2008, which helped revive sentiment. This in itself would enable last-mile funding even to assets that have slipped owing to tight funding conditions and ensure that these projects are completed,” he said.

Parekh accepted that such a step may lead to arguments about it being akin to kicking non-performing assets (NPA) down the road again. “But my stance is that real estate loans are different. The value of the land is always there. Delays in granting building approvals is not always in the hands of the developer and we still don’t have a single window mechanism for such approvals,” he said.

Parekh said there are developers who genuinely need last-mile funding. “Many are being denied their rightful funding in an environment that has become wary of lending to the sector. At a time like this, one can’t afford to end up in a situation where oxygen is cut-off for even the stronger developers. This could happen if the risk averseness prolongs, he said.

On his outlook about the sector, Parekh said a formalised rental market will reduce the skew as more vacant homes will get occupied. “Housing is going to get more niche. For instance, in the recent period, student housing is gaining traction. It is estimated that currently only one in five students enrolled in higher education is fortunate to get accommodation in an institutional set-

up, leaving most students to seek alternatives like rental accommodation. Real estate investors are finding that student housing can offer good returns on investments,” he said.

Parekh is optimistic about real estate investment trusts (REITs) emerging as a preferred alternative investment avenue with estimates indicating that nearly \$20-25 billion could be raised by commercial real estate developers over three-four years.

Parekh believes that the laws of financial markets are such that one player never gets stronger at the cost of another’s failure. “It is always a rising tide that lifts all boats. And one entity’s downfall always has contagion effects. We have gone through an unusually difficult phase, but this too will pass.”

Newspaper/Online	ET Realty (online)
Date	November 07, 2019
Link	https://realty.economictimes.indiatimes.com/news/allied-industries/banks-unanimous-in-seeking-one-time-loan-recast-for-realtors/71947655

Banks unanimous in seeking one-time loan recast for realtors

The demand made on Wednesday came ahead of the government later in the evening approving setting up of Rs 25,000-crore bailout fund to finance as many as 1,600 stalled housing projects.

Lenders unanimously have called for a one-time restructuring mechanism to save the tens of hundreds of stalled realty projects with an additional funding option to help such projects get completed.

The demand made on Wednesday came ahead of the government later in the evening approving setting up of a Rs 25,000-crore bailout fund to finance as many as 1,600 stalled housing projects.

"Personally, I believe we can overcome this crisis of confidence if we are allowed to carry out a one-time restructuring of certain real estate loans, particularly those stalled projects where approvals have been delayed," HDFC chairman Deepak Parekh said while addressing the India mortgage conclave here earlier in the day.

If these restructured accounts are considered as standard assets for a period of say, 12 months, then the lenders will stop being so diffident, he added and pointed out when in 2008 the Reserve Bank allowed an exceptional regulatory treatment it had helped in reviving the sentiment.

State Bank chairman Rajnish Kumar said if there is scope for restructuring, then one should do it.

Axis Bank managing director Amitabh Choudhry said there are many realty projects with over 60 percent construction completed but are not able to carry forward for paucity of funds.

"We need to have a mechanism where lenders can restructure these assets and make additional lending after securing stronger governance and strict end-use monitoring and help complete these projects," he said.

Parekh said there are many developers who genuinely need the last-mile funding but many of them are denied the same as the environment has become very wary of the sector.

"We can't afford to end up in a situation where we cut off the oxygen to even developers with strong balancesheet as lenders remain risk averse," Parekh said.

Blaming the rising number of stalled projects to risk averseness of bankers, Chaudhry said, "we need to have a special dispensation to resolve such cases in a quick and efficient manner-- be it

cases being dealt with at their end by lenders or cases admitted in NCLTs," he added.

Stating that REITS are emerging as a preferred alternative investment avenue for realtors, Parekh said, "it is estimated that USD20-25 billion can be raised by commercial developers over the next three-four years".

Calling for cross-border securitisation given the scale of resources required for housing finance, Parekh rued that reverse mortgage, which enables senior citizens to convert their biggest asset--their homes--into a monthly stream of income, is yet to take-off in the country.

Chaudhry chipped in saying suggesting government looking at making reverse mortgage more lucrative.

Newspaper/Online	ET Realty (online)
Date	November 06, 2019
Link	https://realty.economictimes.indiatimes.com/news/regulatory/mumbai-bmc-to-give-property-tax-rebates-for-waste-processing/71937102

Mumbai: BMC to give property tax rebates for waste processing

The rates vary 5-15% depending on the extent of waste disposal and processing of greywater.

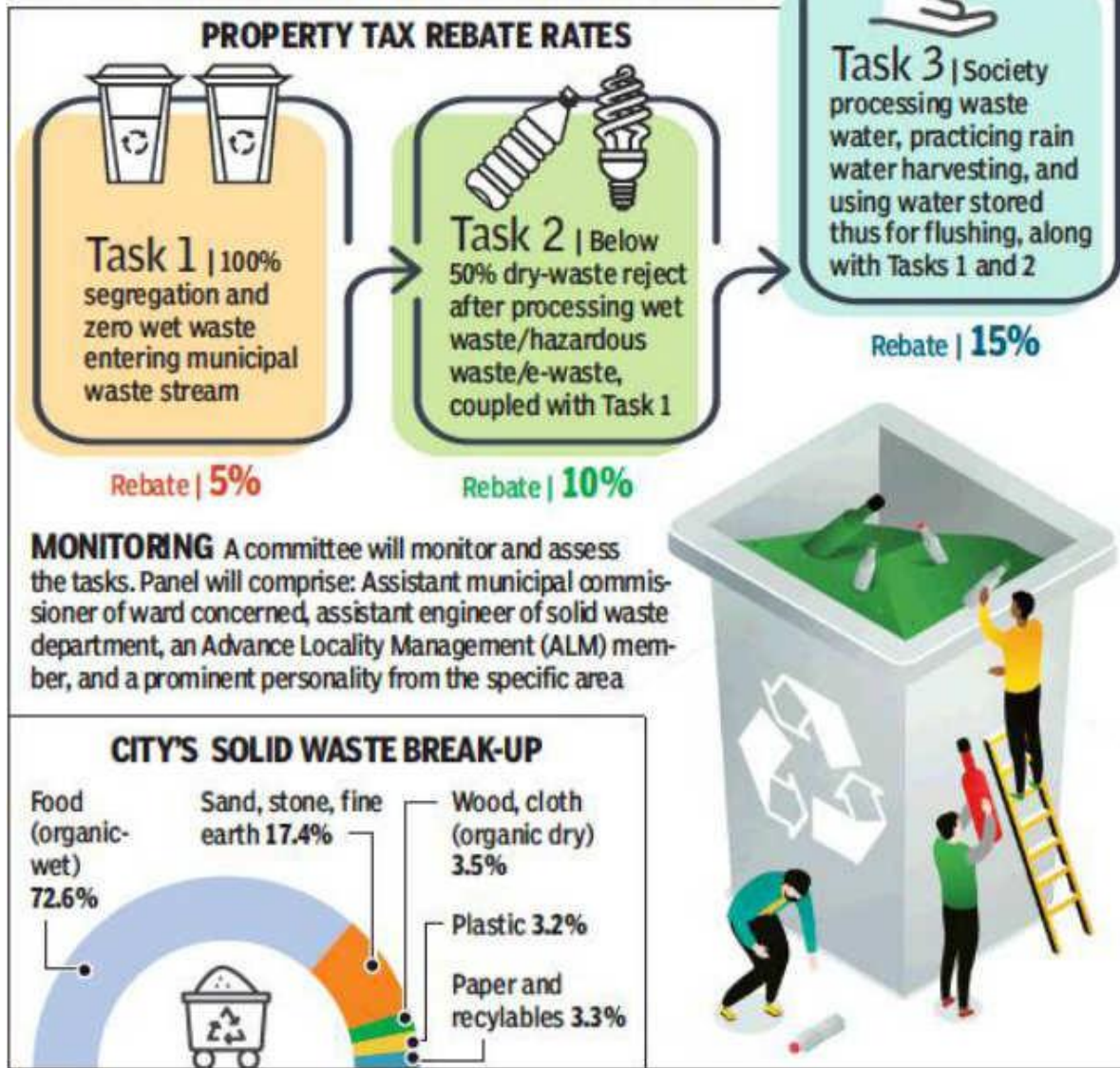
Even as the BMC has started rolling out its property tax rebates to housing societies segregating and composting waste and recycling greywater, the rebates will not come easy.

First, the rates vary 5-15% depending on the extent of waste disposal and processing of greywater (all wastewater generated in households or offices from streams without foecal contamination, i.e. all streams except for toilet wastewater).

Second, a committee will be formed in each ward, which would be expected to periodically inspect whether or not a housing society is following rebate conditions. The society's continued eligibility would depend on the panel's report.

The municipal commissioner cleared a proposal in August to give a 15% property tax rebate to housing societies for segregating their waste, processing wet waste on their premises, disposing dry waste through recyclers, and using harvested rainwater or greywater.

MAX 15% FOR 3 SPECIFIED TASKS



The scheme aims at disciplining citizens with regard to waste disposal and reducing the amount of garbage that piles up at the dumping grounds. Societies that follow any one criteria will get a 5% rebate in property tax.

Those fulfilling two will get a 10% rebate, and those following all three a 15% rebate (see graphic). While the first two criteria involve waste management, the third pertains to rainwater harvesting or greywater processing.

At every ward, officials from the solid waste department (SWD) have started holding meetings with residents to inform them further about the scheme, informed deputy municipal commissioner (SWD) Ashok Khaire. The monitoring panels too have started being formed, he said.

Activists said the rebates should have been uniform. “A uniform rebate would have helped build goodwill among residents. Graded rebates are like dangling a carrot,” said Zahida Banatwala from the Juhu Citizens Welfare Group. Bandra corporator Asif Zakeria said the administration was to revert to the civic standing committee with the scheme’s fine print, but didn’t do so.

Newspaper/Online	ET Realty (online)
Date	November 06, 2019
Link	https://realty.economictimes.indiatimes.com/news/regulatory/lucknow-development-body-fails-to-implement-ban-on-construction-activities/71931734

Lucknow development body fails to implement ban on construction activities

A TOI realty check found construction norms being violated in prominent localities like Mahanagar, Aliganj, Niralanagar, Gomtinagar, Jankipuram and Aishbagh.

As the state capital continues to cough through pollution, some private and government agencies are brazenly flouting the government order to halt all construction activities.

A TOI realty check found construction norms being violated in prominent localities like Mahanagar, Aliganj, Niralanagar, Gomtinagar, Jankipuram and Aishbagh. At many under-construction units, building material was not covered with green nets to prevent dust from polluting the air.

In view of the deteriorating air quality, the state government had directed the Lucknow Development Authority (LDA) to ensure that no construction takes place in the city. However, the LDA has failed to implement the order.

In Mahanagar, construction work of a three-storey housing unit was in progress. The contractor, Mahesh Patel claimed to be unaware of any government order.

Tarun Verma, a resident of Mahanagar Sec-C, said, “Initially, they didn’t even put a green net to prevent dust from mixing in the air. Since my father has a breathing problem, I took up the issue with the contractor and a small green net was placed. However, it has failed to prevent the dust from coming outside.”

Similar situation was found in Aliganj, where locals have been gasping under “eye-burning pollution”. Shikhar Saxena, a resident, said, “Forget about stopping the construction work, the site near my house is not even following the NGT norms. The entire locality gets walloped with dust causing redness in our eyes and breathing problems.”

LDA vice-chairman P N Singh said, “We have issued notices to 90 construction sites to stop construction work. Our zonal officials are regular drives to ensure that no construction work takes place in the city till the pollution level improves.”

Newspaper/Online	ET Realty (online)
Date	November 06, 2019
Link	https://realty.economictimes.indiatimes.com/news/industry/building-workers-in-maharashtra-to-get-smart-cards-from-2020/71934486

Building workers in Maharashtra to get smart cards from 2020

The labour welfare board would set up 41 work facilitation centres across the state to enable workers register themselves without any hassles.

The online registration of construction workers and allocation of smart cards would take off in the state next year to ensure their safety and security on the site.

The labour welfare board would set up 41 work facilitation centres across the state to enable workers register themselves without any hassles. Eight offices are ready at Aurangabad, Jalna, Worli, Solapur, Amravati, Panvel, Bhandara and Nanded. The rest would be operational after the necessary area is allocated.

S C Shrirangam, CEO of Maharashtra Building and Other Construction Workers’ Welfare Board, said five officials from a private company would be appointed in each centre to help the district labour officers. Three would operate from the office. The other two would visit sites to register the workers.

The Maharashtra Labour Welfare Board is a statutory body constituted under the Bombay Labour Welfare Fund Act, 1953. It conducts labour welfare activities through welfare centres and encourages all workers to register with it. Even contractors working on projects like road construction, water supply, drainage and pipelines can register as workers with the board.

At present, the state has 20.6 lakh registered workers. Of them, as many as 13.1 lakh are active. Officials from the board stressed the number of construction workers would go up once the online registration process was rolled out.

Workers would be able to register once they have the mandatory 90-day work certificate from the labour officials and the developer. “It is a very simple process and once they provide all their identity details and biometrics, they can register for a minimal registration fee of Rs 25. They will have to deposit Re 1 every month and Rs 60 for five years. They will have to renew their membership every year at the online centres,” Shrirangam said.

The registered workers would be eligible for several social security benefits under the Labour Welfare Act. The smart card with a unique identification number would help workers access social schemes. The portable benefit cards would be issued under the Unorganised Workers Social Security Act, 2008. “This would allow workers to self-certify they are unorganised workers and get benefits,” an official said.

Newspaper/Online	ET Realty (online)
Date	November 06, 2019
Link	https://realty.economictimes.indiatimes.com/news/residential/vijayawada-civic-body-needs-200-acres-to-construct-70000-affordable-homes/71936853

Vijayawada civic body needs 200 acres to construct 70,000 affordable homes

Revenue authorities have started verifying land records and have found around 500 acre in Poramboku and have assigned lands at Jakkampudi and Kothuru Tadepalli village limits.

Acquiring land for the affordable housing project is proving to be a big challenge for the Vijayawada Municipal Corporation (VMC). While it has already zeroed in around 500 acre, the civic body needs to acquire 200 acre more to construct 70,000 affordable houses in the city. However, residents of nagara panchayats surrounding the city are not really keen to give up the land.

Revenue authorities have started verifying land records and have found around 500 acre in Poramboku and have assigned lands at Jakkampudi and Kothuru Tadepalli village limits. Officials said that they have to acquire around 200 acre of land from these villages to construct the planned mega township.

However, villagers, especially those from Kothuru Tadepalli, strongly oppose the move. “We are very happy that our area is becoming into a megacity. The demand for our lands has increased in recent times. But we are not ready to trust VMC and give our valuable lands. The state government hasn’t given any rehabilitation or compensatory land to those farmers who gave their lands for the Jakkampudi colony earlier. Officials should finalise a compensation package that will be acceptable to the farmers,” said K Rambabu, a farmer from Kothuru Tadepalli. “The government should not destroy hills and damage the ecosystem in the name of housing colonies,” he added.

The civic body which had initially prepared a list of around 60,000 beneficiaries is looking to construct around 70,000 affordable houses in the city.

Newspaper/Online	ET Realty (online)
Date	November 06, 2019
Link	https://realty.economictimes.indiatimes.com/news/technology/karnataka-sub-registrars-says-arent-tech-savvy-over-property-portal-breach/71940510

Karnataka: Sub-registrars says 'aren't tech-savvy' over property portal breach

The 20 sub-registrars, who have sought quashing of the FIR filed against them with cybercrime police, said they don't have access to the database where all the documents registered by the department are stored.

Probe into the government's property portal breach case has taken an interesting turn with the subregistrars saying they are not technically competent to tamper with the computer systems to commit fraud.

The 20 sub-registrars, who have sought quashing of the FIR filed against them with cybercrime police, said they don't have access to the database where all the documents registered by the department are stored.

The sub-registrars were granted bail by city civil court judge K Narayana Prasad on Tuesday with a directive to furnish personal bonds for Rs 50,000 each, with two solvent sureties. The sub-registrars were told to appear before the investigation officer within seven days.

They denied committing violations or fabricating documents. They cited technical glitches in the stamps and registration department's Kaveri (Karnataka valuation and e-registration) and e-swathu portals used for property registration, and these were misconstrued as breaches.

The sub-registrars came under the scanner following a complaint by inspector-general of stamps and registration KV Trilok Chandra that some miscreants had altered property documents without authorisation and had uploaded the documents in the database of the state data centre on December 17 and 18 last year. A sub-registrar said: "We do not have the technical competency to hack into systems."

Newspaper/Online	ET Realty (online)
Date	November 06, 2019
Link	https://realty.economictimes.indiatimes.com/news/infrastructure/odisha-government-to-set-up-special-land-acquisition-cell-for-projects-in-puri/71937025

Odisha government to set up special land acquisition cell for projects in Puri

Besides taking care of the land acquisition process for the approved projects, the cell will also look after legal issues which will arise during the process.

To expedite the land acquisition process in Puri for taking up infrastructure projects approved under the ABADHA scheme, the state government has decided to set up a dedicated land acquisition cell. It will be operated under the collectorate, Puri.

Besides taking care of the land acquisition process for the approved projects, the cell will also look after legal issues which will arise during the process. The state revenue and disaster management department has already given in-principle approval for it, said a senior revenue department official.

The cell will function with 32 officials with experience of handling revenue matters while a joint secretary rank officer will head it. It will work for at least two years, said official sources.

As the projects under the ABADHA scheme will be executed by the state works department with budgetary support from the government, it has been decided to earmark at least 10 per cent of the total land acquisition cost as administrative expenditure.

Initially, the state government has sanctioned Rs 40 crore for acquisition and direct purchase of land for the development projects in Puri.

The district administration is facing a tough task to acquire the land within 75-meters of the Jagannath Temple for development of heritage security zone. While many families residing near the 12th century shrine in Puri are unwilling to vacate their land, chief minister Naveen Patnaik had recently felicitated at least 11 families for voluntarily giving away their land for the infrastructure projects.

Senior officials in the Odisha Bridge and Construction Corporation Ltd (OBCC) justify the decision to have a separate land acquisition cell for Puri projects. Apart from the heritage security zone around the Jagannath Temple, there is a need of land acquisition for other development projects, said an OBCC official.

In its effort to transform Puri into a world-class heritage city, the state government has so far announced projects worth Rs 3208 crore which will be implemented within three years during 2019-20 to 2021-22.



According to the plan, Rs 719 crore will be spent during the current financial year while government will earmark Rs 1402 crore to be spent during 2020-21 and Rs 1097 crore during 2021-22.

Projects worth Rs 2300 crore have already been announced. These include heritage security zone, Shree Setu project, Jagannath Ballav pilgrim centre, Puri lake development project, Musa river revival plan, upgrade of Raghunanda Library and housing projects for the affected.

Newspaper/Online	ET Realty (online)
Date	November 06, 2019
Link	https://realty.economictimes.indiatimes.com/news/regulatory/hc-orders-bengaluru-development-body-to-acquire-or-return-63000-sq-ft-land/71936754

HC orders Bengaluru development body to acquire or return

63,000 sq ft land

A division bench headed by chief justice Abhay Shreeniwas Oka passed this order after dismissing a writ appeal filed by BDA.

The high court has pulled up Bangalore Development Authority for utilising a senior citizen's 63,000 sq ft private land for 17 years without acquiring it or paying compensation. It has been directed to acquire it under the new Land Acquisition Act, 2013 — that entails payment of compensation at market rates — or return it to him.

A division bench headed by chief justice Abhay Shreeniwas Oka passed this order after dismissing a writ appeal filed by BDA. The bench noted BDA's action is not only arbitrary but also violates Article 300-A of the Constitution.

The bench directed the agency to pay rent/compensation from February 2, 2002 till the date when the notification for acquiring PG Belliappa's land under the new Land Acquisition Act is issued. In addition, it has to pay Rs 1 lakh as legal cost to the landowner.

Belliappa's land in Jettagararahalli village, Hemmigepura, Kengeri Hobli, was utilised by BDA for forming Banashankari 6th Stage Layout in 2002, and despite promises, it failed to acquire the property or hand over 31,613 sq ft of developed land in return.

Belliappa, a resident of Cunningham Road, approached the court claiming BDA illegally appropriated 63,612 sq ft belonging to him, without even undertaking the acquisition process. He contended that a senior citizen like him was made to suffer for 16 years without any compensation.

BDA admitted to using 63,000 sq ft of his land for formation of roads, parks and sites without acquiring it. It undertook that it would give 50% of the developed land — 7,296 sq ft — to Belliappa, as per the government order dated October 9, 2018, subject to land availability. On March 1, 2018, a single bench told BDA to give 31,613 sq ft of developed land and Rs 1 lakh to Belliappa as compensation for each year.

Date	November 06, 2019
Link	https://realty.economictimes.indiatimes.com/news/industry/slowdown-has-created-a-lot-of-opportunity-for-godrej-properties-pirojsha-godrej/71940761

Slowdown has created a lot of opportunity for Godrej Properties:

Pirojsha Godrej

Our bookings value growth as a measure of operation sales during the quarter, registered about 90% increase year-on-year during the quarter.

Not just us, but all leading developers are seeing increases in market shares over the last couple of years and that trend has continued during the quarter, says **Pirojsha Godrej**, MD & CEO, **Godrej Properties**. Excerpts from an interview with ETNOW.

Godrej Properties consolidated net profit for Q2 has risen 50% YoY at Rs 31 crore. How would you describe your performance?

Our bookings value growth as a measure of operation sales during the quarter, registered about 90% increase year-on-year during the quarter. In terms of volume sold, we saw more than 100% or a doubling of growth. We are very happy with the momentum during the quarter which again was a strong uptick both on y-o-y numbers as well as on q-o-q numbers. The accounting revenue which you might be referring to is linked to projects getting completed and therefore entering revenue recognition. It is inherently going to be a lumpy number in real estate.

We did not have any major projects getting their occupation certificate in this number. That is why revenues were not growing but certainly from a booking value perspective which is the operating metric that we track, there was quite robust growth. The highlights that led to that growth were that we had projects for the first time that we launched in six new cities in the quarter. Those cities were Mumbai, Delhi, Bangalore, Pune, Kolkata and Ahmadabad.

This is our first-ever project launch in the Delhi market which we are quite excited about. That project has done very well. We also saw a very strong response to the launch we had in our Pune project which was the first of the six projects that we added last year in a large portfolio transaction we had done. We are quite excited to see that project get off to a good start.

The other highlight that perhaps does not get fully visible in the results has published was on the business development side, where while we did not announce new deals during the quarter. The visibility in terms of the number of term sheets we have signed and the active deal discussions that are in advance stage, are probably the best they have ever been. We are quite excited about that as well.

Has there been any impact of the economic slowdown on your business?

There is no question that the overall Indian economy has seen a slowdown in the last quarter and that has also impacted the real estate sector. In many ways, one could argue that the real estate sector has been driving this slowdown, given that it has been witnessing a decline for five or six years now.

But I do not think that has really impacted Godrej Properties. In fact, that is creating a lot of opportunity for the company because customers are still quite excited to buy properties from leading developers across various cities; developers who they can trust will deliver the homes, who are not under any kind of financial pressure. So what you will see is not just us, but all leading developers are seeing increases in market shares over the last couple of years and that trend has continued during the quarter.

You had nine launches in the first half of the year. When do you see revenue addition in these projects? Secondly any new projects for the coming quarter that you can talk to us about?

Revenues recognition with the accounting standard change that happened about 12 months ago in the sector has now actually got very backended because what happens is you add a project from a business development perspective, then go through the design and regulatory approval stage.

Then typically we would launch the project as soon as we receive all the regulatory approvals before we even start construction. Then we have to go through the full construction timeline and only upon getting the occupancy certification for the project do we recognise any revenues in that project. Projects that we launched in the first half of this financial year, realistically will hit revenue recognition three years from now.

And about new launches?

Yes, we have a fairly robust launch calendar plan for the year. We hope to get done 14 or 15 new launches in the rest of the year. In fairness, most of these are linked to receipt of regulatory approvals. I am sure a few of these will slip into the next financial year. But both on the business development pipeline side and on the sales launch side, we are quite excited about how the pipeline is looking.

No new deals were signed but quite a few term sheets have been signed this quarter. What is the nature of these deals and could you share any timeline with us?

The timelines are somewhat unpredictable and lot of these deals tend to not even fructify, but we have almost 20 term sheets signed over the last four or five months. Even assuming a lot of them fall through, we do expect to see strong momentum in business development in the next six months.

What are you seeing in terms of trends as far as the commercial and residential sectors are concerned? What is the price trends that you are currently witnessing?

The residential sector has been down cycle now since 2013. What we are seeing now is relatively stable - both volume and price-wise. We are not seeing any continued decline, at least any that is noticeable. We are also seeing a lot of consolidation and opportunities for market share gains. Pricing has also been broadly flattish in most markets, but in some markets like NCR, there has been a sharp price reduction from peak levels.

On the commercial side, commercial real estate sector recovery started in about 2015. That

continues to be doing very well and both leasing volumes and rates have seen a pretty steady increase. The commercial sector has been doing quite well.

Newspaper/Online	ET Realty (online)
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What is your outlook for the second half of the year? Do you finally see some kind of revival happening? Did festive season in any way contribute to this?

It is going to take a little bit longer for the residential sector to recover. A lot of liquidity issues are present in the sector. A lot of developers are struggling to access capital; a lot of NBFCs have turned extremely conservative because of their own liquidity pressures. All of this is going to take a little bit more time to resolve. I do not expect very robust second half for the sector as a whole. The opportunity could be different for individual players.

Date	November 06, 2019
Link	https://realty.economictimes.indiatimes.com/news/industry/uttar-pradesh-construction-work-will-draw-rs-1-lakh-fine-till-air-clears/71935551
Newspaper/Online	ET Realty (online)

Uttar Pradesh: Construction work will draw Rs 1 lakh fine till air clears

UP chief secretary RK Tiwari on Tuesday directed the officials concerned to ensure no construction activities are carried out till the air quality improves and impose a fine of Rs 1 lakh on those found violating the ban orders.

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Expressing concern over spike in air pollution level, particularly in Ghaziabad, Greater Noida and Noida, which have been figuring among top polluted places in the country for last one week, he directed all divisional commissioners and district magistrates in the state to ensure compliance of the November 2 Supreme Court order on air pollution control.

“In case of non-compliance, local administration and municipal corporation will be held responsible. Steps should also be taken at every level including gram panchayat, gram pradhan and lekhpal to stop burning of agricultural waste in the state,” he added.

The chief secretary also directed officers to ensure measures to check dengue, availability of dengue ward, medicines and other facilities in government hospitals.

“A joint team of additional CMOs and officers of local civic body will be formed to ensure that the staff and units work efficiently to prevent dengue in affected areas,” he said.

Date	November 06, 2019
Link	https://realty.economictimes.indiatimes.com/news/allied-industries/somany-ceramics-net-profit-up-61-in-q2-fy20/71941388

Somany Ceramics' net profit up 61% in Q2 FY20

Currently we are running at about 80-85 per cent of our capacity, Abhishek Somany, managing director of the company had said in October.

Somany Ceramics reported a growth of 61 per cent in its net profit during the second quarter of the financial year 2019-20. Its profit after tax (PAT) stood at Rs 8.84 crore as against Rs 5.50 crore it recorded in the corresponding quarter previous year, the company said in a BSE filing.

The company's net income was Rs 424.13 crore in Q2 FY20, a growth of 7 per cent from Rs 395.68 crore it registered in the similar quarter last year.

It has so far utilized Rs 43.83 crore out of Rs 120 crore it raised through qualified institutions placement of equity shares in December 2015. The balance Rs 76.17 crore has been temporarily invested mainly in the debt instruments/funds.

Mentor Financial Services issued a cheque of Rs 26.18 crore, against amounts due which bounced owing to insufficient funds. The company has issued demand notices to Mentor, its directors and authorized signatories for repayment. "In view of the continued default, it has also filed criminal complaint against Mentor and its directors," the company said in the regulatory filing.

Speaking to **ETRealty** in October, Abhishek Somany, managing director of the company had said, "I think all industries have faced issues in the first six months of FY20. In the first quarter we were running at about 80-85 per cent of our capacity, in August it went down further. In September we are back to about 85 per cent capacity utilisation."

"In the last few months there has been a stock reduction in the market by the distributors. We hope they would start restocking in coming months," he added.

Tier-II and III cities constitute of about 70-75 per cent of company's revenue. "About 40 per cent of our demand comes from North India, 30% comes from South and rest comes from East and West India. In the last few months, demand from South India has been impacted," said Somany.
