

CREDAI Seeks Affordable Housing Push

“In affordable housing, though the tax incentive that developers are getting looks reasonable, there is no last-mile effort from the government.”

- CREDAI national president, Jaxay Shah

The national real estate body Credai is pushing for more reforms in the sector to enable speedy growth across asset classes including the nation’s ambitious affordable housing programme. In a letter addressed to Hardeep Puri, Ministry of Housing and Urban Affairs, Credai sought to initiate certain amendments. It expressed concerns over the lack of ease of attaining construction approvals from the Government authorities which is causing a negative impact on project costs and delivery, holding the government authorities responsible.

Credai national president, Jaxay Shah, told Telangana Today, “In affordable housing, though the tax incentive that developers are getting looks reasonable, there is no last-mile effort from the government.”

Credai has been urging the Government to address other issues such as reducing the high GST rate of 12 per cent on all homes purchased and not only those under Credit Linked Subsidy Scheme (CLSS) and providing means for land financing to build houses under the affordable housing segment. Of the total 70,000 beneficiaries under the CLSS, MIG beneficiaries account for less than 5,000. Income should be the criteria for affordable housing allocation and not the unit measurement, he points out.

The real estate body believes that despite the segment being granted the infrastructure status, it is very difficult for developers to obtain finance to build affordable houses as banks and financial institutions still do not recognize the infrastructure status and no advantages of the same are being offered to the developers of the segment.

Read more at: <https://telanganatoday.com/credai-seeks-affordable-housing-push>