

Demand for under-construction properties fall in Delhi-NCR

Demand for under-construction properties in the Delhi-National Capital Region (NCR) fell in January-March 2018, compared to October-December 2017, due to the 12 per cent Goods and Services Tax (GST) imposed on the segment, a report said on Monday.

"Demand for under-construction properties have reduced considerably in the wake of an effective 12 per cent GST levied on the segment," the 99acres.com Insite Report said.

However, the Gurgaon-Faridabad residential belts reported a steady demand for projects nearing completion.

The trend is anticipated to change as soon as Haryana sets up a regulatory body under the Real Estate (Regulation and Development) Act, the report said.

Commenting on the report, Maneesh Upadhyaya, Chief Business Officer, 99acres.com, said:

"Under-construction units are increasingly loosing charm among end-buyers due to delivery delays in the past and the GST burden. Other budget categories maintained a status-quo with the previous quarter in terms of enquiries and sales volume."

According to the survey, demand in the affordable housing segment fell in January-March 2018, compared to the corresponding period of 2017.

"Surprisingly, demand for properties in the affordable bracket (within Rs 40 lakh) reported a declining graph in January-March 2018 vis-a-vis the March-ending quarter in 2017 as availability in the bracket stagnated in the same period," the report said.

However, the report noted a rise in demand in the luxury and ultra-luxury segments (Rs 1 crore and above) and observed that contrary to other segments, there was demand-supply equilibrium in these high budget segments.

It said that with the industry getting accustomed to RERA and GST, market was seen regaining normalcy in the first quarter of 2018 across the country.

Growing transparency and improved processes were expected to fuel this trend in the future, it added.

--IANS

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