

NARVIGATE

A Monthly Edition from The National Association of Realtors – India



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Double-Digit
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Home Affordability Improves Across Most Markets

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Home Loans Post Double-Digit Growth

Driven by rising residential demand, India's home loan market continues to strengthen. While the volume and value of home loan disbursements in top cities increased by 10% and 15%, respectively, in FY 2025, ticket size above Rs 1 crore notched up 21% disbursements during the year, **surveys Urban Money**.

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Around NAR-India Events

- NAR-India to Host Prestigious International Real Estate Conference in September 2026
- APPCC and REAP held Blood Donation Camp in Chennai
- REAP AGM held in Taj Clubhouse, Chennai
- CREA (I) held its AGM at Taj Bengaluru
- HRA General Body Meeting & Inner Circle Event termed as a resounding Triumph
- Blood Donation Camp by Hyderabad Realtors Association (HRA)
- Ahmedabad Realtors Association held Blood Donation Camp

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India's DC capacity more than doubled since 2020

India is rapidly becoming one of the fastest growing DC markets in the world driven by availability of land at affordable rates, submarine cable connectivity, uninterrupted power for commercial usage, and strict data localisation norms, says **Collier's survey**.

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Feng Shui: The Relevance of Numbers

Numbers are an integral part with each direction having its own corresponding digit, says **S BS Surendran**

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Tax Talk: No GST on TDRs by Landowner to Developer

The transfer of TDR / FSI as contemplated by Entry 5B, cannot be related to the rights which a developer derives under the agreement of development for constructing the building for the Landowner.



Home Affordability Improves Across Most Markets

There has been a significant development in the residential sector in that homebuying affordability has improved in H1, says KNIGHT FRANK INDIA SURVEY.

Knight Frank India, in its proprietary report, Affordability Index, cited that house purchase affordability of homebuyers has improved in H1 2025 as the RBI slashed the repo rate by 100 bps during the period. According to the Affordability Index, Ahmedabad is the most affordable housing market among the top eight cities, with a ratio of 18%, followed by Pune at 22% and Kolkata at 23%. Mumbai was the least affordable city with an affordability level of 48%, however, it is noteworthy that the market has breached 50% mark for the first time in history of the index.

Knight Frank India's Affordability Index, which tracks the EMI (Equated Monthly Instalment) to income ratio for an average household, witnessed steady improvement from 2010 to 2021 across the eight leading cities of India especially during the pandemic when the Reserve Bank of India (RBI) cut policy repo rate (REPO) to decadal lows. The central bank subsequently raised the REPO rate by 250 bps in a space of nine months starting May 2022 to address high inflation which caused stress on affordability levels. However, with inflation worries subsiding and economic growth regaining focus, the RBI slashed the REPO rate by 100 bps since February 2025. This has improved affordability across 7 of the 8 cities in H1 2025.

Affordability Index of leading eight cities of India

City	EMI to Income Ratio							
	2010	2019	2020	2021	2022	2023	2024	H1 2025
Mumbai	93%	67%	61%	52%	53%	51%	50%	48%
NCR	53%	34%	38%	28%	29%	27%	27%	28%
Bengaluru	48%	32%	28%	26%	27%	26%	27%	27%
Pune	39%	29%	26%	24%	25%	24%	23%	22%
Chennai	51%	30%	26%	24%	27%	25%	25%	24%
Hyderabad	47%	34%	31%	28%	30%	30%	30%	30%
Kolkata	45%	32%	30%	25%	25%	24%	24%	23%
Ahmedabad	46%	25%	24%	20%	22%	21%	20%	18%

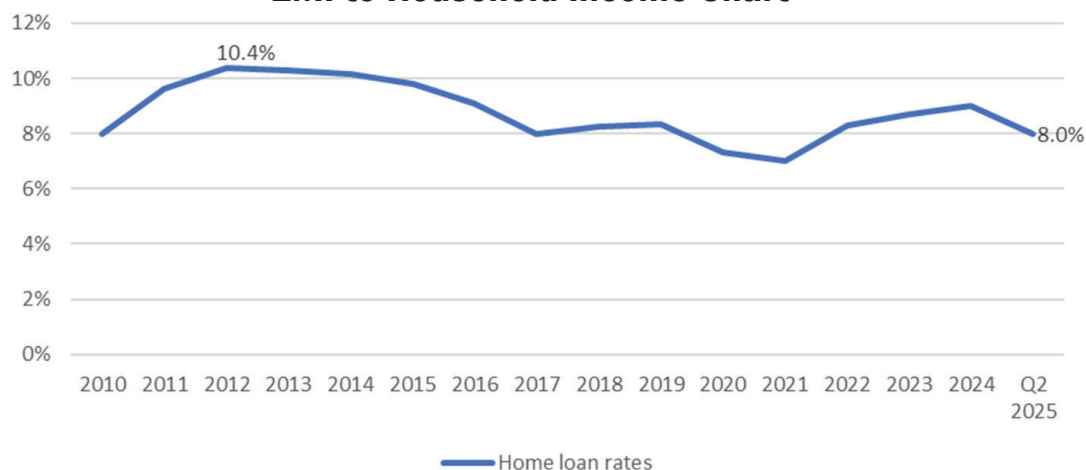
Source: Knight Frank Research. **Note:** For H1 2025, affordability levels are calculated keeping all variables constant, except for the interest rate and home prices. **Note:** The Knight Frank Affordability Index indicates the proportion of income that a household requires, to fund the monthly instalment (EMI) of a housing unit in a particular city. So, a Knight Frank Affordability index level of 40% for a city implies that on an average, households in that city need to spend 40% of their income to fund the EMI of housing loan for that unit. An EMI/ Income ratio over 50% is considered unaffordable as it is the limit beyond which banks rarely underwrite a mortgage.

Domestic tourism remained the backbone during the year, even though the general elections temporarily slowed corporate travel during the election period.

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- EMI, housing unit size and price/ sq ft represent city-level averages.
- EMI: ☐ Loan Tenure - 20 years

EMI to Household Income Chart



Source: Knight Frank Research

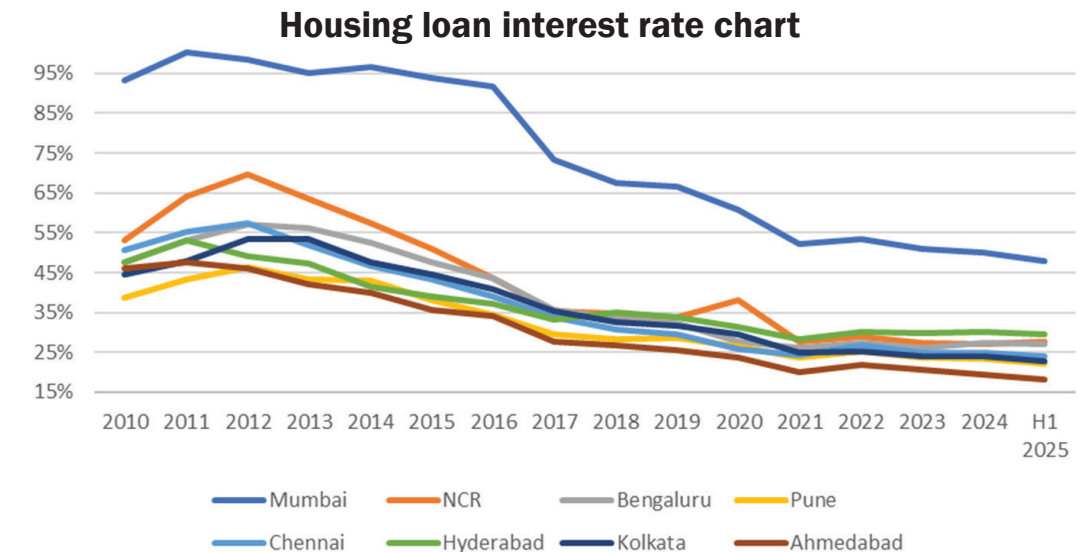
Note: Transmission of policy rate changes vary across institutions, this analysis assumes complete transmission.

- Loan to Value – 80%
- Home loan interest rate - Average home loan rates
- Area of housing unit: House size is fixed for each city across the years but varies within different cities taking into account the average size preference for each city.
- Housing Price: Median housing price for that city

Shishir Baijal, Chairman and Managing Director, Knight Frank India said "Affordability plays a critical role in maintaining homebuyer demand and sustaining sales momentum, both of which are vital contributors to the broader economy. As incomes grow and the economy gains strength, financial confidence among end-users improves, motivating them to commit to long-term investments such as home ownership. Given the RBI's healthy 6.5% GDP growth estimate for FY 2026 and a favourable interest rate scenario, affordability levels are expected to be supportive of homebuyer demand in 2025."

While the Indian economy is not insulated from the volatile geopolitical and economic environment, it continues to enjoy a relatively favourable economic growth and inflation environment. This has supported income growth and enabled lower interest rates which have in turn helped improve affordability despite the increase in residential prices. Incidentally, affordability levels are now at their best since the pandemic and are significantly better than the levels seen at the end of 2024, just before the first rate cut announced in February 2025.

In Mumbai, the affordability index level improved by over 2 percentage points, moving from 50% in 2024 to 48% in



Source: Knight Frank Research

Domestic tourism remained the backbone during the year, even though the general elections temporarily slowed corporate travel during the election period.

in India's financial system by unlocking substantial funds for lending and reducing the cost of borrowing. This infusion of liquidity should spur credit expansion and benefit both developers and urban homebuyers, thereby providing a boost to the broader real estate market. ●

H1 2025. This is the first time in the history of the index that Mumbai has come below the threshold of 50% mark which is considered outer point of affordability. Mumbai's market which has always been above the threshold has now become more affordable due to the reduced home loan rates.

Affordability levels have marginally worsened in NCR during the same period with households now needing to pay 28% of their income for acquiring an average property in the city instead of 27% in 2023. This can be attributed to the steep increase in residential prices which have eclipsed the impact of the interest rate cuts in the NCR.

The RBI's neutral stance and intent to keep interest rates stable is expected to sustain affordability levels in the near term. The interest rate cut and CRR reduction in H1 2025 have significantly enhanced liquidity

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Home Loans Post Double-Digit Growth

Driven by rising residential demand, India's home loan market continues to strengthen. While the volume and value of home loan disbursements in top cities increased by 10% and 15%, respectively, in FY 2025, ticket size above Rs 1 crore notched up 21% disbursements during the year, surveys **URBAN MONEY**.



India's office real estate market maintained its upward trajectory in Q1 2025, driven by robust leasing and tight new supply, pushing overall vacancy down for the seventh consecutive quarter to 15.7% - a cumulatively steep drop of 275 basis points (bps) from 18.45% in Q2 2023. According to Cushman & Wakefield's latest Q1 2025 Office Market Report, supply constraints and strong occupier demand in the first quarter of the year across India's top 8 office markets have resulted in a drop-in vacancy rate by 55 basis points (bps) to 15.7% from 16.25% in Q4 2024.

Residential property registrations across key Indian cities have continued to rise steadily in recent years. Data from Urban Money (FinTech venture by Square Yards),

Residential property registrations across key Indian cities have continued to rise steadily in recent years.

shows that the total number of registered residential transactions in key cities*, as recorded by the Inspector General of Registration (IGR), increased from 3.07 lakh units in FY 2019 to 5.44 lakh units in FY 2025—a 77% growth over the six-year period.

This upward trend is also reflected in the housing finance sector, which plays a critical role in supporting residential real estate. According to Urban Money's latest report, 'Housing Finance - The Quiet Catalyst Driving India's Property Market', both the volume and

value of home loans in major cities have increased by 10% and 15%, respectively. The report covers cities including Bengaluru, Gurugram, Noida & Greater Noida, Hyderabad, Mumbai, Thane, Navi Mumbai, and Pune.

Amit Prakash Singh, CBO Urban Money & Co-Founder, Square Yards, "At Urban Money, we started with a simple goal—make housing finance in India easier, faster, and more accessible. The market was largely fragmented, with long paperwork and delayed sanctions. So, we built a

digital-first platform, forged strong partnerships with lenders, and scaled a robust on-ground network of 500+ offices and 50,000+ agents—enabling us to become India's largest organised distributor of secured mortgages. What's even more encouraging is how the broader market is evolving. As highlighted in our latest report, home loan volumes in top cities grew by 10% YoY, and the total value disbursed rose 15% YoY in FY25. Home loans above Rs. 1 crore now make up 21% of disbursements, reflecting rising demand for premium housing. And with 1 in every 5 home loans going to a woman borrower, we're clearly witnessing a shift towards more empowered and inclusive homeownership. All these shifts highlight rising urban aspirations, stable

credit conditions, and evolving homeownership trends across the country.”

Urban Money's latest trends and insights for FY 2025 highlight key shifts in home loan segment across India's major residential real estate markets:

Property-linked loans, comprising home loans and loans against property, accounted for the largest share—63%—of total loan disbursements in FY 2025.

During the same period, the number of home loans disbursed in the top cities grew by 10% year-on-year. This included a 10% increase among male borrowers and a 9% increase among female borrowers.

In FY 2025, the total value of home loans disbursed in these cities rose by 15%, reflecting a shift towards premium homes as well as notable increase in property prices—up by approximately 55–60% on average since FY 2019. Year-on-year growth in disbursement value stood at 14% for men and a higher 23% for women.

Home loans above the Rs. 1 crore ticket-size accounted for 21% of total disbursements in FY 2025. In comparison, home loans below Rs. 45

City-wise Home Loan Disbursement Trends by Urban Money

City	Average Value of Home Loan Disbursed (Rs. Lakh)	% Growth in Average Home Loan Value Disbursed (FY 2024 vs FY 2025)
Bengaluru	74	9%
Gurugram	88	7%
Noida & Greater Noida	71	4%
Hyderabad	69	4%
Mumbai	99	4%
Thane	68	14%
Navi Mumbai	76	12%
Pune	59	8%

Source: Urban Money

Note: Insights are based on disbursement data trends observed on www.urbanmoney.com and should be viewed as indicative, not definitive.

*Analysis includes key residential markets: Bengaluru, Noida & Greater Noida, Gurugram, Hyderabad, Mumbai, Navi Mumbai, Thane, and Pune.

Home loans above the Rs. 1 crore ticket-size accounted for 21% of total disbursements in FY 2025.

lakh accounted for 47% of disbursements, while those between Rs. 45 lakh and Rs. 1 crore made up 32%.

One in five home loans disbursed during FY 2025

was to a woman borrower, reflecting rising participation of women in property ownership.

The average home loan value in the top cities reached Rs. 74 lakh in FY 2025, marking a 5% year-on-year increase. For male borrowers, the average stood at Rs. 76 lakh (+3% YoY), while for women it was Rs. 70 lakh—growing at the fastest rate of 13% year-on-year.

Mumbai and Gurugram recorded the highest average home loan values, at Rs. 99 lakh and Rs. 88 lakh respectively in FY 2025.

Note: Insights are based on disbursement data trends observed on www.urbanmoney.com and should be viewed as indicative, not definitive.

*Analysis includes key residential markets: Bengaluru, Noida & Greater Noida, Gurugram, Hyderabad, Mumbai, Navi Mumbai, Thane, and Pune.

Source: Urban Money

Fintech and Urbanisation Driving Momentum in Housing Finance

The ongoing growth in residential real estate and housing finance is being driven by strong end-user demand, continued urbanisation, progressive government initiatives, and rapid advances in digital infrastructure. The rise of fintech platforms has played a key role by improving credit assessment processes, expanding access to credit, and enhancing the overall borrowing experience.

Urban Money, a FinTech venture by Square Yards, is at the forefront of this transformation. As one of the largest mortgage distribution networks in India, Urban Money operates as a leading digital lending marketplace and fintech platform. It aggregates loan offerings from banks and NBFCs, delivering a seamless, end-to-end experience—from product selection to documentation, tax and insurance guidance, and disbursement support.

Launched in 2015, Urban Money has grown to become the country's largest organised distributor of secured mortgages. As of FY 2025, it has facilitated loan disbursements worth 61000 crore+, supported by a network of over 50,000 agents and partnerships with more than 150 banks and NBFCs.

Note: * The IGR analysis for registered residential transactions covers seven major cities: Bengaluru, Hyderabad, Mumbai, Navi Mumbai, Noida & Greater Noida, Pune, and Thane. ●



Office Growth Momentum remains strong in H1 2025

India's office market leasing is 33.7 msf of Grade A space in H1, up 13% YoY, says **COLLIERS INDIA SURVEY**.

India's office market continued its strong growth trajectory in Q2 2025, recording 17.8 million square feet of gross leasing across the top seven cities, an 11% increase compared to Q2 2024. This also marks a 12% growth compared to the office space demand in the first quarter of the year and underscores the resilience of commercial real estate in India even in the wake of ongoing global uncertainties.

Bengaluru led leasing activity during Q2 2025 with a 27% share at 4.8 million square feet, reaffirming its position as India's top office market. Hyderabad, Mumbai and Chennai also witnessed strong occupier traction, each recording over 2.5 million square feet of leasing in the quarter—reflecting broad-based demand across established office markets. In fact, five out of the top seven office markets in India witnessed a growth in Grade A space uptake on an annual basis. This momentum signals growing occupier confidence, particularly from flex space operators and firms across sectors such as technology, BFSI and engineering & manufacturing etc.

"India's office market continues its upward trajectory in 2025, building on the momentum of past two years. The robust performance in the first half—with demand reaching 33.7 million square feet, a 13% year-on-year increase—signals sustained occupier confidence and strong

Office Mart H1 Highlights

- ➡ **Q2 2025 sees 17.8 msf of leasing and 14.9 msf of new supply across the top 7 cities, registering an 11% YoY growth in each**
- ➡ **Bengaluru & Hyderabad drive 45% of the total demand, and 51% of the new supply during the quarter**
- ➡ **Technology sector drives 47% of conventional leasing during Q2 2025, followed by BFSI firms at 19% share**
- ➡ **Flex spaces contribute close to one-fourth of the total office space demand in Q2 2025**

market fundamentals. The fact that five of the seven major cities recorded over 2.0 million square feet of leasing each in a single quarter highlights the depth and vibrancy of India office market. Backed by diversifying occupier base, a steady supply pipeline and

growing investor appetite, 2025 is shaping up to be another impressive year for commercial real estate in India. Overall, office space demand looks well placed to reach 65-70 million square feet at least by the end of the year," said Arpit Mehrotra, Managing Director,

Office Services, India, Colliers.

Bengaluru & Hyderabad together drive more than half of new supply during Q2 2025; Pune also sees notable completions

New supply across the top seven office markets remained strong in Q2 2025, with 14.9 million square feet of completions—an 11% increase year-on-year. Bengaluru and Hyderabad together accounted for over half of the quarter's new supply, while Pune also saw notable completions, at 3.3 million square feet. On a half yearly basis too, new supply was concentrated in Bengaluru, Pune and Hyderabad. These three cities cumulatively accounted for 70% of the 24.8 million square

Trends in Grade A gross absorption (in million sq feet)

City	Q2 2025	Q2 2024	YoY change (Q2 2025 vs Q2 2024)	H1 2025	H1 2024	YoY change (H1 2025 vs H1 2024)
Bengaluru	4.8	4.8	0%	9.3	8.8	6%
Chennai	2.6	2	30%	5.5	3.5	57%
Delhi-NCR	2.2	1.9	16%	5.5	4.4	25%
Hyderabad	3.2	2.6	23%	4.9	5.5	-11%
Kolkata	0.6	0.3	100%	0.7	0.5	40%
Mumbai	2.8	3.5	-20%	5	5.4	-7%
Pune	1.6	1	60%	2.8	1.8	56%
Pan India	17.8	16.1	11%	33.7	29.9	13%

Source: Colliers

Gross absorption does not include lease renewals, pre-commitments and deals where only a letter of Intent has been signed. Top 7 cities include Bengaluru, Chennai, Delhi-NCR, Hyderabad, Kolkata, Mumbai, and Pune

Trends in Grade A new supply (in million sq feet)

City	Q2 2025	Q2 2024	YoY change	H1 2025	H1 2024	YoY change
			(Q2 2025 vs Q2 2024)			(H1 2025 vs H1 2024)
Bengaluru	4.1	2	105%	7.8	6.4	22%
Chennai	1.3	0.6	117%	1.5	0.9	67%
Delhi-NCR	1.1	2.7	-59%	3.8	3.2	19%
Hyderabad	3.5	3.6	-3%	3.8	6.2	-39%
Kolkata	0	0.2	-100%	0.1	0.4	-75%
Mumbai	1.6	4	-60%	2	5	-60%
Pune	3.3	0.3	1000%	5.8	1.3	346%
Pan India	14.9	13.4	11%	24.8	23.4	6%

Source: Colliers

Top 7 cities include Bengaluru, Chennai, Delhi-NCR, Hyderabad, Kolkata, Mumbai, and Pune

estate in India throughout 2025 and beyond,” said Vimal Nadar, National Director and Head of Research, Colliers India.

Vacancies and rentals remained rangebound across most cities

Although office space demand continued to outpace new supply across most cities in the second quarter of the year, vacancy levels remained rangebound on account of relocations and churns. While overall vacancy level remained almost stable at 16.2%, Pune and Hyderabad, with significant completions in Q2 2025 were at relatively higher vacancy levels. Average rentals, meanwhile, remained

feet of completions in H1 2025.

India's office leasing in Q2 2025 remained broad-based, with traction in both conventional and flex space uptake. Of the total 17.8 million square feet of leasing across the top seven cities, leasing by flex space operators stood at 4.3 million square feet. Following the all-time high quarterly demand in Q4 2024, flex operators took more than 4 million square feet of Grade A space for the second time ever in Q2 2025.

Conventional leasing remained buoyant at 13.5 million square feet, led primarily by the Technology and BFSI sectors. Technology firms alone accounted for 6.4 million square feet space uptake—a 42% YoY growth, driven largely by Global Capability Center (GCC) expansion. Cumulatively, technology occupiers have leased over 10 million square feet of conventional space in H1 2025, reflecting the sector's criticality and its role in shaping India's office market trajectory.

“Flex spaces are increasingly establishing themselves as a key demand driver in India's office market. With 4.3 million

Key deals Q2 2025 Pan India (conventional leasing)

City	Occupier/Tenant	Area leased (sq ft)	Building Name	Micro market
Hyderabad	Tata Consultancy Services	1,018,400	Rajapushpa Paradigm	Off SBD
Mumbai	Wipro	387,100	Mindspace Business Parks	Navi Mumbai
Kolkata	Capgemini	241,000	Candor	PBD
Delhi NCR	Tata Consultancy Services	240,000		

square feet of leasing in Q2 2025—a 65% YoY rise—flex operators are not just fuelling demand, but also actively defining occupier workplace preferences. While Bengaluru continues to be the epicentre, accounting for one-third of the

flex activity during Q2 2025, other mature markets such as Mumbai, Hyderabad and Chennai continue to witness notable flex space uptake. Given the current momentum, flex spaces are likely to define contours of commercial real

largely stable on a sequential basis. Overall, the office market with its wide rental spectrum across cities and micro markets continued to present an attractive proposition for global players to consolidate in India. ●

Trends in Grade A new supply (in million sq feet)

	Q2 2025 (Share in %)	Q2 2024	YoY change	H1 2025 (Share in %)	H1 2024	YoY change
			%			
Conventional leasing (msf)	13.5 (76%)	13.5 (84%)	0%	27.2 (81%)	25.5 (85%)	7%
Conventional leasing (msf)	13.5 (76%)	13.5 (84%)	0%	27.2 (81%)	25.5 (85%)	7%
Total	17.8	16.1	11%	33.7	29.9	13%

Source: Colliers

Legitimising the Backbone:

Rise of RERA-Registered Brokers and the Quiet Revolution Led by NAR-INDIA

The brokerage community is finally moving from the informal periphery to the institutional core of India's real estate framework, says AMIT CHOPRA.

In a significant milestone for the Indian real estate sector, the Maharashtra Real Estate Regulatory Authority (MahaRERA) recently announced that it has registered over 50,000 real estate agents since its inception eight years ago. While this figure represents the sheer scale of the realty brokerage ecosystem, it also reflects a deeper, more meaningful shift: the brokerage community is finally moving from the informal periphery to the institutional core of India's real estate framework.

Of the 50,673 agents registered with MahaRERA over the years, 31,980 remain actively registered, while 18,693 registrations have been cancelled. These cancellations stem not only from regulatory lapses but also from agents voluntarily choosing not to renew for various reasons. Importantly, the registration footprint spans over 150 cities outside Maharashtra, including New Delhi, Bengaluru, Hyderabad, Goa, and even Patna and Jammu—underscoring how MahaRERA's model is influencing nationwide practice.

From Informal Practice to Recognised Profession

This transformation in the brokerage space didn't occur spontaneously. A large part of the credit goes to the National



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NATIONAL ASSOCIATION OF REALTORS - INDIA

Association of Realtors - India (NAR-INDIA), the country's apex body for real estate brokers and advisors. It is through persistent advocacy by NAR-INDIA that the brokerage profession has been formally recognised as the third integral pillar of Indian real estate—alongside developers and consumers—and critically, was also brought under the regulatory ambit of RERA.

contribute constructively to the sector's evolution.

Advocacy for Exams, Syllabus Design, and Training

One of the most significant regulatory developments in Maharashtra has been the mandating of training, examinations, and certification for real estate agents. What is not widely known is that this too was a result of sustained

organisations empanelled by MahaRERA to conduct the training programs that are mandatory for agents to become eligible to appear for the competency exam. This has established a formal pathway for brokers to gain credibility and align themselves with best practices—something the sector has long needed.

A Self-Regulatory Organisation with a National Role

Recognising the role of NAR-INDIA in fostering professionalism and accountability, MahaRERA declared it as a Self-Regulatory Organisation (SRO). This allows the body to monitor, mentor, and guide member agents across India, ensuring compliance, ethics, and continuous learning. Beyond training and advocacy, NAR-INDIA also organises pan-India conventions, workshops, knowledge sessions, and CSR activities, helping build a community and ecosystem for real estate advisors who once worked in silos.

It is now steadily becoming the collective voice of brokers,

Of the 50,673 agents registered with MahaRERA over the years, 31,980 remain actively registered, while 18,693 registrations have been cancelled.

NAR-INDIA's efforts culminated in it being granted representation on the Central RERA Consultative Committee, along with prominent industry bodies like NAREDCO and CREDAI. This gives the brokerage fraternity a platform at the national policymaking table, allowing it to voice its unique concerns and

advocacy by NAR-INDIA. The association not only pushed for the introduction of minimum educational standards and professional certification for agents, but also played a consultative role in the design of the examination syllabus adopted by MahaRERA.

Furthermore, NAR-INDIA is among the authorised

agents, realtors, and those engaged in transactional advisory services, unifying the trade across geographies and languages, and setting benchmarks for industry conduct.

Standing Up for the Fraternity: The Magicbricks Episode

A recent and defining moment in this journey came when Magicbricks, a major real estate listing portal, published a series of videos that portrayed real estate brokers in a poor light—ironically, while earning a substantial share of its business from broker listings. In response, NAR-INDIA took a strong and principled stance, issuing a directive to its members to disengage and delist properties from the platform.

This unprecedented move sent a clear signal—not just to Magicbricks but to the wider

Today, what was once an unregulated and often misunderstood trade is on the path to becoming a respectable, recognised, and regulated profession.

market—that the brokerage community now has a unified voice that will stand up when the profession is undermined or misrepresented. For thousands of agents, this marked the first time they felt truly represented, protected, and empowered at a national level.

Why This Matters—For the Sector and the Public?

The increasing formalisation of real estate brokerage in India has benefits that go far beyond industry sentiment. For consumers, it means engaging with trained and accountable professionals.

For developers, it means working with advisors who understand compliance and ethics. For the market as a whole, it promises greater transparency, smoother transactions, and fewer disputes.

Moreover, as regulators like MahaRERA set the bar higher—registering not only brokers but over 50,000 real estate projects, with nearly half of them in the Mumbai Metropolitan Region and Pune—it becomes critical that all stakeholders operate within a defined framework. NAR-INDIA is helping ensure that brokers are not left behind in

this evolution.

A Profession Ascendant

Today, what was once an unregulated and often misunderstood trade is on the path to becoming a respectable, recognised, and regulated profession. Thanks to the vision, advocacy, and institution-building efforts of NAR-INDIA, India's brokers are finding their place in the sun—trained, certified, and united. The journey isn't over. Challenges remain in ensuring compliance, onboarding the unregistered, and navigating market volatility. But one thing is now certain: India's real estate brokers are no longer invisible. They are organised. They are empowered. And they are here to stay. ●



Mr Amit Chopra is President, NAR-India.

Savills Realty Roundup

- Apple India leased 12,616 sq. ft. (1,172 sq. m.) office space at Sky City Mall, Borivali East, Mumbai
- The Greater Mohali Area Development Authority (GMADA) plans to acquire 2,600-acre of land in Mohali for commercial, institutional, industrial, and residential purposes
- Westridge Investments, a UK-based investment firm is set to divest a 9.8% stake in Aptus Value Housing
- Dai-ichi Life signed an agreement with Capgemini to establish its first GCC outside Japan, in Hyderabad
- WeWork India leased 0.2 million sq. ft. (18,580 sq. m.) office space cumulatively in WeWork Eon Free Zone, Pune, and WeWork Ramanujan Intellion Park, Chennai
- MMRDA allots a 90,535 sq. ft. (8,411 sq. m.) commercial plot in BKC, Mumbai to Schloss Bangalore for developing a 250-key luxury hotel
- Godrej Properties acquires 14-acre land parcel in the Kharadi-Wagholi corridor of Pune
- Ascent-K, Aurionpro Toshi, and Amber Enterprises to invest INR 4,000 cr. to develop manufacturing facilities near NOIDA International Airport
- Tesla leased 24,565 sq. ft. (2,276 sq. m.) warehouse space at Lodha Industrial and Logistics Park, Kurla, Mumbai
- Samsung India Electronics leased 60,000 sq. ft. (5,574 sq. m.) managed office space at WeWork in the Olympia Cyberspace Facility, Chennai



- Arkade Developers acquire 6.2-acre land in Thane, Mumbai for Rs 172.4 cr.
- Emaar India to invest INR 400 cr. to develop a residential project on a 2.9-acre plot in Lucknow
- Whiteland Corporation invests INR 5,600 cr. in a luxury residential project in Gurugram
- Blackstone gets approval from CCI for Rs 1,167 cr. investment in Kolte-Patil Developers
- The Wealth Company launches Rs 2,000 cr. Bharat Bhoomi Fund to invest in real estate
- The Goa Government approves the State Heritage Policy to promote the state's unique cultural heritage. ●



NAR-India to Host Prestigious International Real Estate Conference in September 2026

The International Real Estate Conference (IREC), the world's foremost biennial gathering of real estate leaders, investors, developers, and educators organised under the aegis of the U.S.-based National Association of REALTORS® (NAR), is set for its next milestone in India's Hyderabad. The city will host the 7th edition scheduled in September 2026, under the stewardship of NAR-INDIA, with the Hyderabad Realtors Association (HRA) serving as the local host.

Since its launch in Asia in 2015, IREC has convened in key cities—Manila (2015), Bangkok (2016), Incheon (2017), Hanoi (2018), Tokyo (2019)—and, after a Covid-induced hiatus, resumed with the sixth edition in Kuala Lumpur (Sept 2024), themed “Bridging Borders, Building Opportunities”.

IREC 2026 in September 2026 will bring together a diverse spectrum of real estate stakeholders—developers, financiers, regulators, technologists, and academics. NAR-INDIA encourages early delegate registration and sponsorship engagement.

India's Winning Bid & Leadership

NAR-INDIA President Amit Chopra expressed pride in India's successful bid, led by its Vice-Chairman Tarun Bhatia (Chair, Global Affairs Sub-committee). Highlighting India's track record with past conventions—marked by active participation from the Government of India and engagements like last year's

address by the Housing & Urban Development Minister, Amit Chopra said: “Hosting IREC 2026 reinforces India's place as a top investment destination.”

Tarun Bhatia added that showcasing India's leadership in previous events underscored NAR-INDIA's capacities and global partnerships, tipping the scales in its favour.

Building on Kuala Lumpur's Momentum

At IREC 2024, NAR-INDIA's delegation, with leaders such as Chairman, Sumanth Reddy and Bhatia, played a central role in forums, study tours, and the “India: Overview & Opportunities” session that drew keen interest from global investors. “The response was overwhelmingly positive,” said Bhatia, as India seized the spotlight on the global stage.

The delegation emerged with strengthened international ties, an influx of applications for International Realtor Membership, and new collaborations—setting a strong foundation for India to host the next iteration.

What to Expect in Hyderabad?

As one of Asia's fastest-growing metro areas, Hyderabad will leverage IREC to showcase its infrastructure boom, technology-driven smart-city initiatives, and investor-friendly real estate policies. The HRA, in association with NAR-INDIA, plans a curated agenda featuring:

➡ Thought leadership sessions on proptech, ESG-integrated real estate,

and global investment frameworks.

➡ Investor roundtables connecting global capital with Indian project leaders.

➡ Government engagement, reaffirming support from central and state real estate and urban development ministries.

➡ Immersive site visits to Hyderabad's marquee projects—commercial hubs, mixed-use developments, and transport-oriented corridors.

development, distribution, financing, regulation, and academia. It acts as a gateway to knowledge-sharing on emerging trends and tech innovations—areas where India has rapidly progressed.

By bringing IREC to Hyderabad, NAR-INDIA exemplifies India's arrival as a premier real estate hub. The event is expected to attract hundreds of international delegates, investors, and media, concurrently spotlighting India's growth story.

About IREC

Launched in 2015, IREC is NAR's premier international conference for real estate professionals, held biennially

Why This Matters?

IREC stands as NAR's signature global conference, aligning professionals across

What do the Leadership team says?

➡ This is India's moment to shine before global real estate leaders. Hosting IREC 2026 allows us to showcase our dynamic sectors and investor-ready environment. We look forward to strong participation from the Government of India and top industry leaders. Bringing IREC 2026 to India is a landmark achievement, and it wouldn't have been possible without the dedication and tireless efforts of Team Global, NAR India. From preparing a compelling application to building international consensus and showcasing India's readiness to host a global platform, the team worked with passion, precision, and persistence every step of the way. Proud of what we've achieved - IREC 2026, Hyderabad... here we come! - **Amit Chopra**, President, NAR-INDIA

➡ Our Kuala Lumpur presentation showcased India's readiness on a world stage. Winning IREC 2026 reaffirms investor confidence and our global standing, and the past National Conventions underlined our ability to host such events. IREC 2026 is more than just a global real estate conference—it's a defining moment for India and for NAR India. For the first time, we're not just participating on the global stage, we're hosting it. Hyderabad will welcome the world, and together, we will shape the future of real estate through collaboration, innovation, and shared vision. - **Tarun Bhatia**, Vice Chairman & Chair-Global Affairs, NAR-INDIA.



in partnership with bilateral trade associations in Asia. The next edition—the 7th IREC—will occur in Hyderabad, India, in Sep 2026.

About NAR-INDIA

The National Association of REALTORS-India, founded in 2008, is the apex body for Indian real estate practitioners,

affiliated with NAR Global and interconnected with organizations such as CREDAI, NAREDCO, and the National Housing Bank. Through its network of 40+ state/regional associations and 50,000+ members, NAR-INDIA champions professionalism, ethics, and global engagement.

About HRA

Hyderabad Realtors Association, established in 2006, represents the region's leading real estate professionals.

A key policy objective of HRA is to promote ethical brokerage practices, capacity building, and sustainable urban

development.

Editor's Note: India's hosting of IREC marks a key strategic milestone for the country's proptech, infrastructure, and investment ecosystem—on par with its footprint in global trade shows welcoming major international players. ●

APPCC and REAP held Blood Donation Camp in Chennai



Under the guidance of NAR-India, REAP and APPCC, Chennai team jointly held a

blood donation camp recently in Chennai. There was encouraging response among members and

the leadership team expressed warm appreciation and gratitude for the way in which the entire

event was conducted to ensure support to the needy in the society. ●

REAP AGM held in Taj Clubhouse, Chennai

The The AGM was held recently at Taj Clubhouse in Chennai. Among the dignitaries present include Sumant Reddy, Chairman, NAR-India, C R Shivakumar, former President, NAR-India, Ashish, Treasurer, NAR-India, Ramkumar K, South Zone, NAR-India and Makes Somani, past president and RERA chairman, NAR-India.

Besides fellow realtors from across India took part in the occasion. There was admiration over the support extended by NAR-India leadership to various associations operating across the country. ●



CREA (I) held its AGM at Taj Bengaluru

The CREA (I) Bengaluru has held its annual general meeting on June 19 at Taj Bengaluru. The event was successful with the active participation of 175+ members and passing 100% resolutions. The new managing committee for the year 2025-2026 was also selected during the occasion besides celebrating the 15th anniversary of CREA (I) in all its grandeur.

The CREA (I) team expressed its warm appreciation for B Prabhu, Organising Secretary and K Ramkumar, South Zone Head of NAR-India for being an integral part of the AGM. Incidentally NAR-India Chairman and President could not make it to the event but were duly acknowledged by the members at CREA (I). The sponsor of the event took pride in stating that the event was the best world-class realtor event they took part so far. ●

The CREA (I) Bengaluru has held its annual general meeting on June 19 at Taj Bengaluru.





HRA General Body Meeting & Inner Circle Event termed as a resounding Triumph

The HRA's Inner Circle Member exclusive event, held on June 17, alongside the HRA

General Body Meeting, has been considered as exceptionally noteworthy driving attention and admiration, according to

Rahul Kopurwar, Honorary Secretary-HRA..

The presence of the NAR-India leadership added additional

value to the memorable and auspicious occasion, thanks to the participation of Tarun Bhatia, Chandresh Vithalani, ●





Ashish Mehta, and Ram Kumar for their gracious presence and all-round support. With a remarkable 90% attendance, the event amply revealed the strong commitment of members.

Among the highlight of

Ajitesh Koru Polu, founder of ASBL's engaging talk on "Realtor ROI in a Digital World" which offered actionable strategies and sparked meaningful discussion.

the event, specific mention should be made about Ajitesh Koru Polu, founder of ASBL's engaging talk on "Realtor ROI in a Digital World" which offered actionable strategies and sparked meaningful discussion. ●



Blood Donation Camp by Hyderabad Realtors Association

The Hyderabad Realtors Association (HRA) has successfully organised a blood donation camp in association with Rotary club.

The camp was held to support children suffering from thalassemia, many of whom require frequent blood transfusions as part of their ongoing treatment. It is heartening to witness a strong response from HRA members and their extended networks for the blood donation camp.

During the event, a significant number of blood units were collected, each

contributing directly to saving lives.

This initiative was made possible through the collective efforts of our office bearers and executive committee members, whose overall dedication and coordination ensured the camp's smooth execution resulting in resounding success. Needless to say, that it was a proud moment that reflected the values of the association to uphold in the process compassion, social responsibility, and meaningful community engagement. ●



Ahmedabad Realtors Association held Blood Donation Camp



The Ahmedabad Realtors Association (ARA), in collaboration with the Indian Red Cross Society, successfully organised a blood donation camp on June 22 in support of Thalassemia warriors at Aangan garden restaurant, on Rajpath Rangoli Road, Ambli in Ahmedabad.

The response to the event was

quite encouraging with a total of 226 units of blood collected on that day. Incidentally, 31 units were medically rejected due to health-related issues such as high blood pressure, diabetes, and ongoing thyroid medication.

This noble initiative was dedicated to support deserving children battling Thalassemia,

who are in dire need of regular blood transfusions to survive and thrive. Thalassemia is an inherited blood disorder that causes the body to make fewer healthy red blood cells and less haemoglobin than normal.

ARA President Urmil Patel and Secretary Dhvani Shah expressed gratitude for the way in which all the ARA members,

volunteers, donors, friends, families, and well-wishers who came forward and stood united for contributing to the life-saving cause.

The event not only highlighted the association's commitment to social responsibility but also reinforced the power of community in creating meaningful impact. ●

India Capital Market - Key Investment Activity

Property Type	Investor	Investee	City	Investment (Rs billion)
Retail	Mindspace REIT	Sustain Properties	Hyderabad	20.38
Residential	Alpha Wave Global	I-Ven Realty	Mumbai	12.57
Residential	Blackstone	Kolte Patil	Pan India	11.67
Retail	Nexur REIT	Vega City mall	Bengaluru	9.13
Residential	HDFC Capital	Total Environment	Bengaluru	13.0

Office Sale Transactions

Buyer	Buyer's sector	Investment (Rs million)	Area (sqft)	City
Accutest Research Laboratories Pvt Ltd	Pharmaceuticals	15,241	123,000	Mumbai
Tata Investment Corporation	BFSI	1,480	61,000	Mumbai
Lokmat Media Pvt Ltd.	Media	200	4,500	Mumbai

First Close / Amount Raised (USD Million)

Buyer	Buyer's sector	Investment (Rs million)	Area
Nuvama – Cushman & Wakefield	Office	196.0	345.0
Motilal Oswal Alternates – India Realty Excellence Fund VI	Residential	196.0	345.0
Etonhurst Capital – Mumbai Redevelopment Fund	Residential	21.0	58.0

Source: Cushman & Wakefield

Affordability Index of leading eight cities of India

City	EMI to Income Ratio							
	2010	2019	2020	2021	2022	2023	2024	H1 2025
Mumbai	93%	67%	61%	52%	53%	51%	50%	48%
NCR	53%	34%	38%	28%	29%	27%	27%	28%
Bengaluru	48%	32%	28%	26%	27%	26%	27%	27%
Pune	39%	29%	26%	24%	25%	24%	23%	22%
Chennai	51%	30%	26%	24%	27%	25%	25%	24%
Hyderabad	47%	34%	31%	28%	30%	30%	30%	30%
Kolkata	45%	32%	30%	25%	25%	24%	24%	23%
Ahmedabad	46%	25%	24%	20%	22%	21%	20%	18%

Source: Knight Frank Research. Note: For H1 2025, affordability levels are calculated keeping all variables constant, except for the interest rate and home prices.

India's DC capacity more than doubled since 2020

India is rapidly becoming one of the fastest growing DC markets in the world driven by availability of land at affordable rates, submarine cable connectivity, uninterrupted power for commercial usage, and strict data localisation norms, says COLLIERS SURVEY.

India's DC market has entered a transformative phase and has scaled up significantly in recent years. The demand for colocation as well as hyperscale DCs has been gaining traction across major cities of the country. India's overall DC stock across top seven cities has increased over 3X times in the last 6-7 years to about 16 million sq ft, with about 1,263 MW capacity as of April 2025.

With rise in demand for digital & cloud services, increasing IoT & AI adoption, favourable government policies and higher internet penetration as well as data consumption, major DC operators both domestic and international are expanding their presence in the country, committing long-term investments in key markets including Tier II/III cities. India is rapidly becoming one of the fastest growing DC markets in the world driven by availability of land at affordable rates, submarine cable connectivity, uninterrupted power for commercial usage, and strict data localization norms.

In the coming years, the demand for high density racks, energy storage, and robust computation systems will further rise. India's DC market is primed for exponential growth and will have a competitive advantage in the wider APAC region considering inherent strengths in the four key components of DC industry development namely – land, electricity, infrastructure and



Photos: freepik.com

In the coming years, the demand for high density racks, energy storage, and robust computation systems will further rise.

skilled talent. Interestingly, high energy requirements will also expedite the need for green, energy-efficient data storage solutions and cooling systems in the Indian DC market.

Key growth drivers in India
Rapid digitalization to fuel DC expansion in India
Digitalization of Indian economy

172 bn in 2024 UPI 16X

times rise in UPI transactions compared to 2019

>5.9 bn in 2024 2.5X times rise in IMPS transactions compared to 2019

>4.0 bn in 2024 11X times rise in FASTag transactions compared to 2019

Source: National Payments Corporation of India (NPCI)

India has undergone

a significant digital transformation in the last decade. The development of robust digital services such as AADHAR (biometric identity), DIGI-Locker along with the introduction of cashless transactions through Unified Payments Interface (UPI), Immediate Payment Services (IMPS), and FASTag for seamless toll access has strengthened India's digital public infrastructure. India now ranks as the third largest digitalized economy in the world, after the USA & China and this rapid digitalization has amplified the DC demand in the country.

DC Capacity 1,263 MW	DC capacity 82 MW
Tier I cities	Tier II and III cities
DC stock: ~16 msf	DC stock: 1 msf

Source: Colliers

The project aims to accelerate delivery of e-services and optimise government ICT infrastructure while rolling out e-Gov applications.

Favourable government policies

Digital India Mission 2015

A flagship programme which aims to develop India into a digitally literate economic powerhouse. It focuses on improving online infrastructure and internet connectivity.

National Digital Communication Policy 2018

Aims to establish a robust and affordable digital communication ecosystem in the country by focusing on universal broadband connectivity, high-speed internet and attracting significant investments in IoT.

Rising data consumption & rapid 5G deployment

Quantum increase in data consumption and 5G service deployment will not only improve digital efficiency & governance but also benefit multiple sectors including manufacturing, retail, healthcare, agriculture and real estate. Moreover, increased penetration of social media and OTT platforms has led to exponential rise in data consumption, boosting the demand for DCs in the country.

>970 million as of 2024 Internet subscribers in India.

>90% as of 2024 Mid-bandwidth 5G coverage in India

in terms of geography

> USD 4.5 billion as of 2024

OTT - India OTT market likely to surpass USD 25 billion by 2033

Favourable government policies

National E-commerce Policy 2019

Aims to regulate e-commerce sector in India by advocating data protection and localization, safeguarding consumers' rights, fair competition and robust data governance.

Source: Telecom Regulatory Authority of India (TRAI), Industry

National Broadband Mission (2.0) 2025

In continuation to the initial program launched in 2019, the mission aims to expand broadband infrastructure and affordable internet access across various satellite and remote areas of the country.

Growing convergence of cloud computation and AI

India is rapidly scaling up its public cloud service ecosystem and Artificial Intelligence (AI) market, backed by strong government initiatives such as the India-AI Mission and Public AI Computation, a growing AI start-up ecosystem and Generative AI-ready tech talent. This growing convergence of cloud-based services, AI and

Trends in DC capacity/supply addition in MW across top 7 Indian cities

*Data centre capacity represents total IT load capacity including occupied as well as unoccupied

▮▮▮ Mumbai continues to drive bulk of DC activity in India backed by robust power availability, infrastructure sufficiency and presence of multiple submarine landing stations

▮▮▮ While Chennai, Delhi-NCR, Pune and Bengaluru are already relatively established markets, Kolkata's potential of being a zonal data centre hub for East India is noteworthy

▮▮▮ During 2024, majority of the top cities witnessed an uptick in data centre supply addition

▮▮▮ Mumbai & Delhi NCR together saw about 111 MW of DC capacity additions in 2024 which accounted for 56% of new supply during the year.

machine learning is likely to lead to multifold increase in DC demand over the next few years.

>USD 9 bn in 2024 - AI market size in India projected to reach USD 17 billion by 2030
USD 8.3 bn in 2023 - Indian public cloud services (PCS) market PCS is likely to reach USD 25.5 billion by 2028

18,693 GPUs GPUs - India has so far developed almost twice the GPU* target initially set in the AI Mission

Favourable government policies:

National Cloud Service Project 2014

The project aims to accelerate delivery of e-services and optimise government ICT infrastructure while rolling out e-Gov applications. The initiative ensures optimal cloud utilisation to speed up deployment of these applications.

India AI mission 2024

The mission aims to promote ethical AI development and expand AI innovation by enhancing computing access, improving data quality, developing indigenous AI capabilities and attracting top

AI talent.

DC Landscape in Tier II/III cities

▮▮▮ India's DC industry is expanding beyond Tier I cities with operators and investors looking to gain first mover advantage in emerging Tier II/III cities. As of April 2025, Tier II/III cities such as Vijayawada, Jaipur, Mohali, Ahmedabad, Nashik, Kochi, etc. collectively accounted for 6% of the India's DC capacity to the tune of 82 MW. DC real estate footprint in these smaller cities is currently at around 1 million sq ft.

▮▮▮ Vijayawada accounted for the bulk of DC capacity amongst the Tier II/III cities followed by Mohali, and Jaipur.

Going ahead, with increased adoption of cloud computation, AI & IoT, 5G deployment, rise of e-commerce in Tier II/III cities and steadfast implementation of state specific data centre policies, DC growth is likely to accelerate in other emerging hotspots such as Indore, Raipur, Patna, Lucknow, Visakhapatnam, Hubballi, Coimbatore, Madurai, etc.

Mumbai & Chennai together hold close to two-thirds of the DC capacity in India 23%. ●

Feng Shui: The Relevance of Numbers

Numbers are an integral part with each direction having its corresponding digit, says **S BS SURENDRAN**.

Door numbers and building numbers are considered to play a significant role in the quality of 'Chi' energy swirling around the premises of your home. Numbers are an integral part of Feng Shui, with each direction having its own corresponding digit. They have a significance in terms of energy and vitality of a building too. Numbers can be utilised to help create better luck and by placing certain Feng shui objects based on the five elements theory in the correct number in the correct direction, you can energise and empower them to mitigate bad energy.

When one gets to own a property for which the number does not appear quite conducive it gives rise to many negative thoughts in the minds of the owner and also creates unrest. A house number by itself does not create problems, but negativity can be created when combined with other aspects.

The numbers 1, 6, and 8 are said to be the most



favorable numbers according to Feng Shui principles. On the other hand, the most unfavorable numbers are 2 and 5. However, no decision on buying a property can be based solely on the building number, one needs to examine other important elements of Feng Shui, including location and the surrounding area before making a final decision.

We have no possibility to choose our property numbers and hence we have no control on the type of energy it possesses and in case the number is unfavourable, you can still work around the number to transform the

energy of the property without having to change the same.

You could begin by primarily looking at the following things:

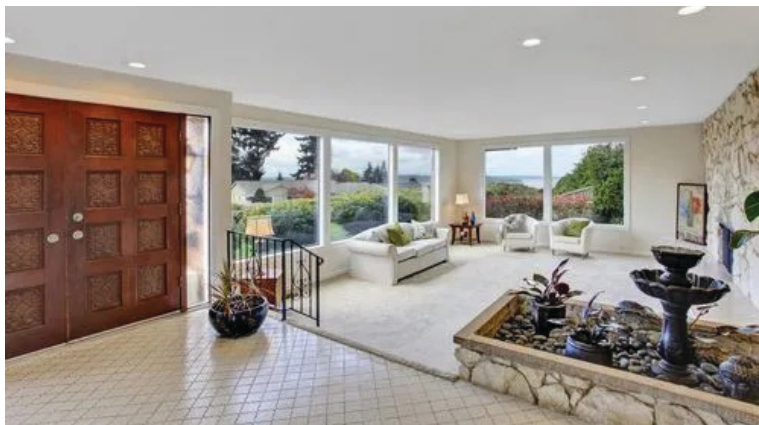
- Start by looking outside your home and avoid displaying the house numbers on the door or outside walls.
- Keep the porch area clean and lush green plants can counteract inauspicious numbers.
- To help create a free flowing environment for 'chi' energy, wind 'chimes' are considered good. Five rods with hollow metal wind 'chimes' could be suspended at the porch.
- Use of moving water like fountains or even birth baths can help absorb and deflect bad energy.
- You could place the Chinese "Fu Dogs" (lion faced dogs) facing outwards close to the main door entrance as they are the mythical creatures to control the bad energy flowing in and



around the home. If you own a property with the door number as 4 or 13 which is considered negative, the simplest remedy is to draw a circle around the number. The circle is extremely powerful and encloses the inauspicious effects of a negative number. You could also consider getting the numbers etched onto a ceramic plate with a circle around the number as ceramic is earth element and can control the bad energy of the property.

The reality we need to consider and not get too worried about building numbers is that as we cannot change the numbers we need not have to dwell on them too much as it can trigger off negative vibes through our thoughts and enhance negativity and not counter it. ●

Mr. Surendran is an Accredited Master Fengshui Consultant, Bioenergetician and Traditional Vaastu Practitioner.



No GST on TDRs by Landowner to Developer

M/s Shrinivasa Realcon Private Ltd. Vs. Deputy Commissioner Anti-Evasion Branch, CGST & Central Excise Nagpur & Ors.1. Source: DHRUVA ADVISORS LLP.

The Bombay High Court, Nagpur Bench ('High Court'), in a recent ruling, has held that no GST is payable on services supplied by way of Transfer of Development Rights ('TDR') or Floor Space Index ('FSI').

Facts of the case

- Srinivasa Realcon Private Limited ('Petitioner'), had entered into an Agreement of Sale ('Agreement') with the Landowner for development of a plot.
- As per the Agreement, the Petitioner was allowed to develop the plot of land in return for a monetary consideration and 2 apartments therein.

- The Petitioner received notice and consequently an order alleging that the transaction was liable to GST under the Reverse Charge Mechanism ('RCM') under Entry 5B of Notification 11/2017 - Central Tax (Rate) dated June 28, 2017 ('the Notification') in terms of which GST is payable by the Promoter under RCM on "services supplied by any person by way of TDR or Floor Space Index (FSI) (including additional FSI) for construction of a project by a promoter".

Arguments in the case

- The Petitioner contended that the transaction does not fall within the scope and ambit of Entry 5B so as to attract GST as all that the Agreement indicates is

a service supplied by any person by way of TDR/ FSI for development of a plot of land. In other words, the agreement is purely a development agreement, where the developer constructs the project using the landowner's FSI.

- Entry 5B of the Notification applies only when there is a service by way of transfer of TDR/ FSI to a developer. The Petitioner is not receiving any such service but rather providing construction service under a development contract.
- TDR, as defined under Regulation 11.2.1 of the Unified Development Control and Promotion Regulations ('UDCPR'), has a very specific technical meaning involving compensation in FSI.

The agreement in question does not fall under this category.

- The Revenue on the other hand argued that there is an implied transfer of rights, attracting levy under Entry 5B of the Notification.

Discussion and Findings

- The High Court perused the language of Entry 5B and indicated that it relates to services which can be said to be supplied by any person by way of supply of TDR/ FSI for construction of a project by a promoter.
- The expression "Transfer

of development rights" in Entry 5B, would only relate to TDR as contemplated in the UDCPR provisions.

- The transfer of TDR / FSI as contemplated by Entry 5B, cannot be related to the rights which a developer derives under the agreement of development for constructing the building for the landowner, in lieu of the landowner agreeing to permit the developer to transfer certain built-up units.
- Clause 18 merely mandates compliance under the Maharashtra Apartment Ownership Act, 1970 and does not evidence any transfer of TDR/FSI.
- The High Court therefore allowing the petition, quashed the show cause notice and order levying the GST.

Dhruva Comments

The Hon'ble High Court has made a critical distinction between the standalone transfer of TDR/FSI and the transfer of development rights under a Joint Development Agreement ('JDA'), relying on the definition under the UDCPR.

The Hon'ble Bombay High Court has recently stayed another matter in the case of Nirmal Lifestyle Developers v. Union of India & Ors in the context of revenue sharing arrangements relying on the decision of Hon'ble Gujarat



High Court in the case of Gujarat Chamber of Commerce and Industry v. Union of India & Ors.

The Hon'ble Telangana High Court in the case of Prahitha Construction v. Union of India and Ors.2 had previously held that the transfer of the development rights to developers by way of JDA with the landowners, would fall within the purview of taxable service under GST. This Apex Court subsequently affirmed this decision.

Presently, the transfer of development rights in a JDA is treated as a taxable supply under GST, notwithstanding the fact that construction services rendered by the developer to the landowner are also subject to GST. The High Court's reasoning introduces a nuanced interpretation that could pave the way for a more equitable tax treatment, though its acceptance will ultimately depend on the evolution of jurisprudence in this area. ●