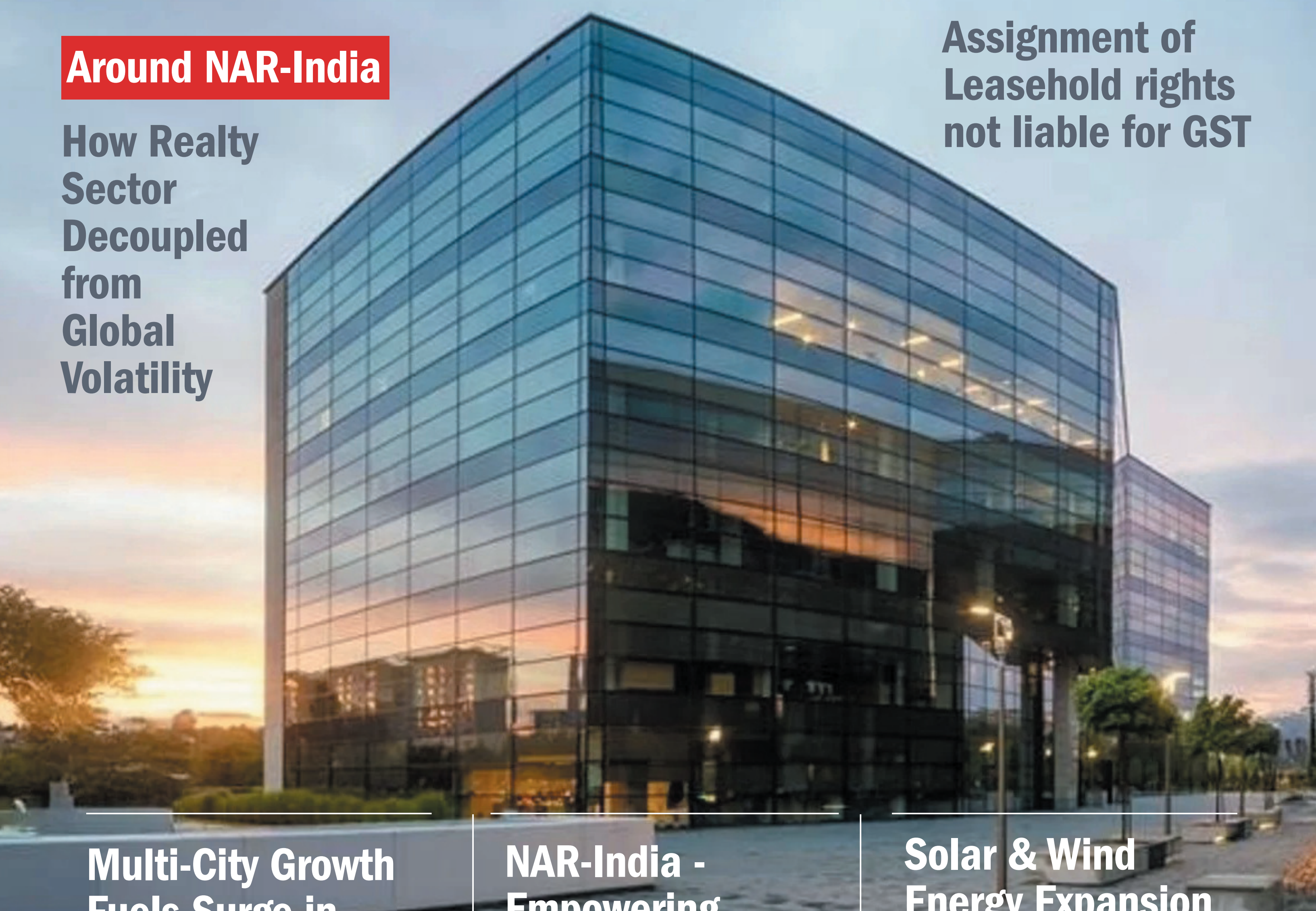
Vol. 5 - Issue 1 - June 2026

NARVIGATE

A Monthly Edition from The National Association of Realtors – India



Around NAR-India

How Realty Sector Decoupled from Global Volatility

Assignment of Leasehold rights not liable for GST

Multi-City Growth Fuels Surge in Developers' Pre-sales

Real Estate Financing Landscape Has Transformed for Better

NAR-India - Empowering Realtors, Enhancing Profession

International Real Estate Conference in Hyderabad on September 25-27

Solar & Wind Energy Expansion Set to Trigger Land Investments

Real Estate Financing Landscape Has Transformed for Better

Contents

Page 4-5

How Realty Sector Decoupled from Global Volatility

Defying the gravity of global slowdowns, Indian realty sector is poised for a turnaround in development, thanks to a slew of measures taken to insulate itself by relying on massive domestic engines, reports **V Nagarajan.**

Page 6-8

Multi-City Growth Fuels Surge in Developers' Pre-sales

There has been an 18% growth in sales revenue among listed developers due to expansion across multiple citiaes, says **Anarock survey.**

age 9-11

India's Hotel Investment Surges 67%

There has been a surge in hospitality sector to USD 567 million in 2025 and Tier II - III cities drive expansion as institutional capital dominates growth, says **JLL survey.**

age 12

Solar & Wind Energy Expansion Set to Trigger Land Investments

The solar and wind energy expansion alone will trigger US$10-15 billion land investment opportunity by the year 2030, says **Colliers India survey.**

age 13-14

Real Estate Financing Landscape Has Transformed for Better

From plotted layout developers raising Rs.5 crore to conglomerates closing Rs.26,000 WWcrore deals - the rules of capital have been rewritten. Here is what every real estate builder and developer in India needs to understand right now, say K **Ezhil Vendhan and Vincent Paul..**

Page 15-17

Around NAR-India Events

Narvigate – 2026, annual convention in Mumbai

- **APP Delhi-NCR** receives Grihitha
- World Thalassemia Day held to raise Health Awareness
- **APPCC** Quarterly Meeting calls for Enhancing Membership

Page 18-19

Welcoming the World:

Why Hyderabad Is Ready to Host IREC 2026

By the Hyderabad Realtors Association, host of the International Real Estate Conference 2026

Page 19-20

NAR-India - Empowering Realtors, Enhancing Profession

Whether you are an established industry leader or an emerging real estate professional, NAR-India offers an ideal platform to connect, collaborate, learn, and grow alongside the country's finest realtors.

Page 22

Feng Shui - Business Growth

One of the simplest Feng shui techniques for activating wealth luck is through the use of symbols, says **S BS Surendran**.

Page 23-24

Assignment of Leases in hold rights not liable for GST

The Bombay High Court held that assignment/transfer of leasehold rights in an industrial plot does not constitute "supply of services" and cannot attract levy of GST.

Image Courtesy: Chatgpt

How Realty Sector Decoupled from Global Volatility

Defying the gravity of global slowdowns, Indian realty sector is poised for a turnaround in development, thanks to a slew of measures taken to insulate itself by relying on massive domestic engines, reports V NAGARAJAN.

The Indian real estate sector continues to demonstrate its resilience amidst rising geopolitical tensions and macroeconomic headwinds. There are opportunities and challenges which the sector has been facing in its remarkable journey over the years. Among the notable factors that tilted the balance in favour of Indian realty sector are talent arbitrage shift, unprecedented demand for premium, ESG-compliant office spaces, strong GDP, proactive monetary relief, democratic shift toward premiumisation, post-RERA development and massive infrastructure linkages.

According to Vestian survey, institutional investments recorded highest first quarter inflow since 2022, valued at USD 1.4 billion. Despite registering a quarterly decline of 62% due to an exceptionally high base in the preceding quarter, investments surged by 74% over the same period a year earlier.

On the commercial front, Global Capability Centres (GCCs), tech giants, and manufacturing companies are projected to drive office space demand past 70 million sq. ft. this year. Gross leasing volume stood at 21.9 MSF across the top 8 cities, registering 13% growth on an annual basis. An estimated 2,400 GCCs are providing employment to over 3.5 million people.

On the residential front, new launches and sales exceeded

AI is significantly challenging the real estate market by automating tasks, improving decision-making, and enhancing customer experiences.

270,000 units. High-end housing has emerged as the leading segment, fuelling value-led growth. By 2027, India is forecast to be home to almost $1.5 million US dollar millionaires and the country's luxury market revenues are projected to touch $12 billion by 2028, according to Kearney. On the flip side, average property prices across 13 major cities rose 14% during the March quarter. Property developers say sales are down by 30% with reported job losses at select sectors.

In a related development, India's logistics and warehousing sector is experiencing a massive boom, driven by booming e-commerce, tech automation, and government infrastructure initiatives. Slated to reach over $500 billion, it is undergoing rapid modernisation to reduce historically high supply chain costs, according to IBEF. However, there are challenges such as supply disruptions, labour migration and higher raw material prices. Construction costs rose to over 25% since the start of the global conflicts with the prolonged West Asia war set to slow down construction activity.

India's hospitality sector demonstrated exceptional momentum in 2025, with hotel investments reaching approximately USD 567 million across 28 transactions, a remarkable 67% increase from the USD 340 million recorded in 2024. This surge reflects robust investor confidence in India's tourism infrastructure and the sector's fundamental strength across multiple market tiers, according to JLL survey.

The realty sector's investment landscape revealed a sophisticated diversification of capital sources. Institutional capital and PE firms led transaction activity at 35% of total volume, followed by HNIs, family offices, and private hotel owners (27%), listed hotel companies (25%), real estate developers (8%), and owner-operators (5%). This balanced investor composition demonstrates the vital sector's appeal across diverse investment philosophies and risk profiles.

Local institutional investors and Real Estate Investment Trusts (REITs) now comprise a staggering 72% of total real estate investment volume. Indian REITs and InvITs have become a democratisation engine, allowing domestic retail and institutional money to aggressively absorb core, income-generating assets, effectively shielding the nation from foreign capital flight.

According to Colliers survey, India's real estate sector is witnessing a phase of consolidation, driven by strong capital flows, regulatory reforms, and developer expansion in untapped markets. Larger developers are gaining market share driven by acquisitions, entry into newer markets, improved operational efficiency, and a clear focus on organic growth. Smaller players in select segments and markets, meanwhile, are increasingly merging or exiting, leading to a more structured and resilient sector.

Above all, the realty sector has shed its traditional and unorganised image. According to recent FICCI-KPMG data, AI adoption among corporate real estate players skyrocketed from under 5% to 91% in just a three-year span.

AI is significantly challenging the real estate market by automating tasks, improving decision-making, and enhancing customer experiences. The integration of AI, digital twins, and advanced prop-tech has completely streamlined supply chains and project management, making Indian real estate a highly transparent, efficient, and sophisticated asset class capable of attracting strict global compliance funds.

Multi-City Growth Fuels Surge in Developers' Pre-sales

There has been an 18% growth in sales revenue among listed developers due to expansion across multiple cities, says ANAROCK SURVEY.

India's residential market demonstrated healthy momentum in Q1 2026 (January-March), with sales reaching 70,631 units, marking an 8% Y-o-Y growth. This growth was significantly underpinned by a remarkable surge in new launches, which totalled 90,023 units – a 13% increase Y-o-Y and a substantial 32% jump quarter-on-quarter. The strong supply pipeline from reputed developers provided buyers with diverse options and reinforced confidence in market stability, translating into steady sales growth.

However, the market showed a slight moderation in momentum, with sales growth at 8% compared to launch activity at 13% Y-o-Y growth, reflecting a more measured buyer approach in response to current economic conditions.

Sales growth was mainly fuelled by strong performance in the premium segment, with homes priced above INR 1 crore recording 30% Y-o-Y growth, particularly in the INR 1.5-3.0 crore category. The gap between robust supply additions and measured sales growth suggests a short-term market recalibration, where developers remain confident in launching new projects driven by premiumization trends and solid long-term fundamentals, while buyers appear to be taking a more cautious approach, thoroughly assessing their options before committing to purchases.

Bengaluru, Mumbai, Pune, and Delhi NCR—the four cities exceeding 10,000-unit sales—together represented approximately 77% of Q1 2026 sales.

India's residential real estate market is increasingly being dominated by developers who have diversified beyond their 'home' markets to establish multi-regional footprints. Data trends across listed real estate companies analysed by ANAROCK Research indicate that some of the top listed developers are expanding aggressively across key cities beyond their home turf – and recording stronger growth in pre-sales revenue in FY26.

ANAROCK's analysis of the investor presentations, annual reports, and regulatory filings of the top 11 listed developers reveals that combined pre-sales revenue increased from INR 1,25,841 Cr in FY25 to INR 1,48,158 Cr in FY26, registering an annual growth of 18%. The analysed developers are Godrej Properties, Prestige Estates, DLF, Lodha (Macrotech), Signature Global, Brigade Enterprises, Puravankara, Oberoi Realty, Kolte-Patil, Keystone (Rustomjee) and Sobha Ltd.

Data trends also indicate that pan-India expansion has now become a major strategic focus for India's top listed developers.

Anuj Puri, Chairman - ANAROCK Group, says, "The strongest growth was witnessed among developers with significant premium and luxury housing portfolios. Prestige Estates tops the chart with a sharp 76% annual growth in pre-sales revenue, followed by Puravankara at 48%, Keystone/Rustomjee at 33%, Sobha at 30%, Godrej Properties at 16% and Lodha at 16%."

Data trends also indicate that pan-India expansion has now become a major strategic focus for India's top listed developers. These players are rapidly reducing dependence on their 'home' markets and expanding into high-demand residential markets across MMR, NCR, Bengaluru, Hyderabad, Pune, and Chennai.

"For instance, nearly 68% of Godrej Properties' FY26 pre-sales came from markets outside MMR," says Puri. "Similarly, Prestige Estates has aggressively diversified beyond Bengaluru, with nearly 60% of its FY26 pre-sales contributed by Mumbai, Hyderabad and NCR. Lodha (Macrotech) also continued reducing its dependence on MMR, with nearly 32% of FY26 pre-sales generated from Pune and Bengaluru markets. Puravankara has been expanding aggressively into redevelopment opportunities in Mumbai and other key cities, reducing Bengaluru's share in its overall business."

Notably bucking this trend, NCR-focused DLF remains heavily concentrated in its home market, with nearly 90% of FY26 pre-sales originating from NCR itself. Signature Global also continued to remain entirely NCR-centric during FY26.

"There is sound logic involved in India's leading developers transitioning from regional brands to national residential platforms," says Anuj Puri. "Players diversifying their geographic exposure are better positioned to capture demand across multiple high-growth corridors - while reducing

Pre-sales Revenue of Top Listed Realty Developers (INR Cr)

Company	FY25	FY26	% Change
Godrej Properties	29,444	34,171	16%
Prestige Estates	17,023	30,024	76%
DLF	21,223	20,143	-5%
Lodha (Macrotech)	17,630	20,530	16%
Signature Global	10,290	8,250	-20%
Brigade Enterprises	7,847	7,424	-5%
Purvankara	5,006	7,407	48%
Oberoi Realty	5,281	5,447	3%
Kolte-Patil	2,791	2,605	-7%
Keystone (Rustomjee)	3,028	4,022	33%
Sobha	6,278	8,135	30%
Total	1,25,841	1,48,158	18%

Source: ANAROCK Research & Advisory

dependence on single-city market cycles. The data clearly highlights that multi-city expansion, particularly in premium and luxury housing, is emerging as the key growth driver for listed developers."

The data clearly highlights that multi-city expansion, particularly in premium and luxury housing, is emerging as the key growth driver for listed developers.

New Launch Pre-sales Data Confirms Strategy

New supply trends across listed developers indicate a growing push toward geographic diversification as these realty firms seek to tap wider housing demand, reduce dependence on single-city cycles, and establish national-scale residential platforms. The most prominent players adopting this strategy are Godrej Properties, Lodha, Prestige, and Sobha.

According to ANAROCK Research, only around 32% of Godrej Properties' FY26 pre-sales came from its home market MMR, compared to 55% in FY21, highlighting its aggressive expansion strategy. Out of the total new units supply by Godrej Properties in the top 7 cities in FY 2026, just 10% was in their home city MMR - the remaining 90% was across other top cities.

- Prestige Estates too reduced Bengaluru dependence sharply, with home-market pre-sales contribution declining from about 90% in FY21 to just 40% in FY26 as Mumbai, Hyderabad and NCR gained prominence in their new launch pipeline. Out of the total new units supply by Prestige Estate in FY 2026, just 33% was in their home market Bengaluru - the remaining new launches were in other top cities.
- Sobha's expansion beyond Bengaluru also accelerated in FY26, with nearly 1/3rd of its launches and sales contribution coming from other markets. Brigade Enterprises and Puravankara also expanded their footprint across Chennai, Hyderabad, Pune and Mumbai markets.
- In contrast, DLF, Oberoi, Keystone and Signature Global continued to remain highly concentrated in their 'home' markets, indicating a more region-focused growth strategy compared to peers pursuing national expansion.

India’s Hotel Investment Surges 67%

There has been a surge in hospitality sector to USD 567 million in 2025 and Tier II - III cities drive expansion as institutional capital dominates growth, says JLL SURVEY.

“India’s hotel investment market is reflecting a clear step-up in both investor confidence and market depth, with rising transaction activity supported by a broader mix of institutional and domestic capital.

India’s hospitality sector demonstrated exceptional momentum in 2025, with hotel investments reaching approximately USD 567 million across 28 transactions, a remarkable 67% increase from the USD 340 million recorded in 2024. This surge reflects robust investor confidence in India’s tourism infrastructure and the sector's fundamental strength across multiple market tiers.

The investment landscape revealed a sophisticated diversification of capital sources. Institutional Capital and Private Equity firms led transaction activity at 35% of total volume, followed by High Net-worth Individuals (HNIs), family offices, and private hotel owners (27%), listed hotel companies (25%), real estate developers (8%), and owner-operators (5%). This balanced investor composition demonstrates the sector's appeal across diverse investment philosophies and risk profiles.

Tier II and III cities emerged as significant growth engines, capturing approximately 40% of total transaction volume, momentum sustained from the previous year. These markets featured premium assets including luxury resorts in Rishikesh, upper-upscale properties in Goa, and upscale to midscale hotels across emerging urban centers such as Ludhiana, Nashik, Vadodara, Udaipur, and Lonavala.

“India’s hotel investment market is reflecting a clear step-up in both investor confidence and market depth, with rising transaction activity supported by a broader mix of institutional and domestic capital. What is particularly encouraging is the continued expansion beyond gateway cities, with Tier II and III markets steadily evolving into more mature, investment-grade destinations backed by improving operating performance and scalability. This shift is meaningfully expanding the investable universe and enabling more strategic capital deployment across geographies. The momentum has carried strongly into 2026, with a robust start to the year underscoring sustained capital appetite. Beyond volumes, we are seeing increasing sophistication in how capital is being deployed, through platform-led strategies and institutional partnerships, signaling a more mature and organized investment landscape. At the same time, strong asset performance has introduced a degree of supply-side discipline, with high-quality hotels being

Image Courtesy: Chatgpt

tightly held, making available opportunities more selective and highly sought after," said Gaurav Sharma, Managing Director, Hotels, India & Senior Director, Hotels Capital Markets, Asia.

"Looking ahead, a supportive policy environment, including land monetization initiatives and tourism-led infrastructure development, is expected to unlock new avenues for investment. While external uncertainties remain a factor to watch, the underlying drivers, resilient domestic demand, infrastructure expansion, and diversified capital sources, provide a strong foundation for continued growth. We expect this to translate into higher transaction activity through the year, with more assets coming to market and increased participation from institutional investors, reinforcing India's position as a compelling hospitality investment destination," he added.

Beyond traditional hotel transactions, 2025 witnessed substantial institutional capital deployment for consolidation and strategic partnerships totaling approximately USD 125 million. The operational performance backdrop supports continued investment activity. Strong hotel performance has created scarcity in tradeable assets as owners increasingly retain high-performing properties. This dynamic has positioned available premium hotels as rare opportunities commanding significant investor attention and premium valuations.

Strong operational assets and premium positioning lead market activity amid geographic expansion

Transaction composition revealed strategic asset preferences. Operational hotels represented 69% of total transaction volume, with under-construction or non-operational properties accounting for 18%, and land transactions including leases comprising 13%. This distribution reflects investor preference for income-producing assets with established operational track records.

Segment analysis showed the luxury category commanding the highest transaction volume share at 42%, followed closely by upscale properties at 41%, indicating strong demand for premium positioning. Upper-upscale (9%), midscale (6%), and economy (2%) segments completed the market distribution.

Branded hotel signings reached 51,647 keys across 424 hotels in 2025—a 23% increase over the previous year. Significantly, 71% of these signings by key count were concentrated in Tier 2 and 3 cities, demonstrating the geographic expansion of organized hospitality into India's emerging urban centers. Management contracts continued their dominance, increasing from 81% in 2024 to 84% in 2025, while franchise agreements held steady at 14%. Lease and revenue-share arrangements declined from 5% to 2%, reflecting operator preferences for asset-light growth models that optimize returns while minimizing capital requirements.

Greenfield development activity reached approximately 33,170 keys in 2025, surpassing 2024's record by 17%. This sustained pipeline expansion signals developer confidence in long-term sector fundamentals despite broader economic uncertainties.

Large-format hotels of 250+ keys gained momentum, with 29 signings in 2025 compared to 21 the previous year. While concentrated in Tier 1 markets including Mumbai, Bengaluru, Hyderabad, Pune, and Delhi, this format expanded into growing markets such as Guwahati, Visakhapatnam, Indore, and Pushkar, demonstrating geographic diversification of premium supply.

Strong momentum continues in 2026, balanced by supply constraints and geopolitical considerations

First quarter 2026 results underscore accelerating momentum, with transaction volumes reaching approximately USD 185 million—a 58% increase from Q1 2025's USD 117 million. Notable activity includes Warburg Pincus acquiring a 41% stake in Fleur Hotels (Lemon Tree Hotels subsidiary) with a USD 107 million commitment for portfolio expansion, alongside operating hotels, land monetization transactions, and platform consolidation acquisitions.

Multiple structural catalysts support sustained investment activity through 2026. Substantial liquidity among listed hotel companies and anticipated capital market entries by additional operators seeking portfolio expansion create favorable conditions for transaction flow, while Institutional Capital and Private Equity funds actively seek deployment opportunities for hotel portfolio acquisitions.

> **Multiple structural catalysts support sustained investment activity through 2026.**

Government initiatives present significant opportunities through land monetization at airports and government-led auctions in strategic micro-markets including Yashobhoomi (IICC), Neopolis in Hyderabad, Fintech City in Chennai, and Jewar Airport. The FY 2027 tourism-focused budget further supports expansion through initiatives to develop 15 new cultural destinations around archaeological sites and transport infrastructure upgrades designed to stimulate demand and development.

Goa exemplifies successful conversion dynamics, consistently demonstrating high rates of independent and unbranded properties transitioning into established brand portfolios. Enhanced connectivity through expanded air services and improved road, rail, and water infrastructure positions Goa for continued growth as India's premier leisure market and year-round tourism destination. Branded hotel openings in 2025 totaled approximately 8,990 keys across 103 hotels, with 64% of keys concentrated in Tier 2 and 3 cities, indicating balanced supply expansion across market segments.

However, certain dynamics warrant careful monitoring. The tightening supply of credible tradeable hotel stock presents both opportunity and constraint—strong operational performance encourages owners to retain high-performing assets, limiting availability of premium properties. This scarcity dynamic supports valuations but may constrain transaction volumes if supply constraints persist. Geopolitical uncertainties could impact international travel patterns and increase stock market volatility, potentially affecting investor sentiment, though the domestic tourism focus of many investments provides some insulation from external shocks.

The market's evolution toward consolidation and platform-level investments reflects sector maturation, with strategic partnerships and entity-level capital deployment indicating sophisticated approaches to scale creation and market positioning rather than purely asset-level transactions. India's hotel investment market demonstrates robust fundamentals supported by diversified capital sources, geographic expansion into emerging markets, government infrastructure initiatives, and strong operational performance. The combination of institutional sophistication, platform consolidation, and expansion into Tier 2 and 3 cities positions the sector for sustained growth while navigating external uncertainties through diversified risk management and strategic market positioning.

Solar & Wind Energy Expansion Set to Trigger Land Investments

The solar and wind energy expansion alone will trigger US$10-15 billion land investment opportunity by the year 2030, says COLLIERS INDIA SURVEY.

Key highlights of the project:

- **India's renewable energy capacity stood at 251 GW in 2025; solar & wind together account for three-fourths of installed capacity**
- **Land, industrial & warehousing segments emerge as key beneficiaries in real estate**
- **Around 270-300 GW of solar & wind capacity to be added by 2030; 7 lakh acres of land opportunity to be unlocked in upcoming projects**
- **Renewable energy OEMs likely to lease 4-7 million sq ft of industrial & warehousing space annually driving 10-15% of the overall demand**

India's renewable energy landscape is poised for significant expansion in the coming years supported by strong policy push and increasing investments especially in solar and wind energy. The growth outlook is led by Government's definitive targets to transition to cleaner & greener energy sources in its bid to become net zero in the long term. As of 2025, installed renewable energy capacity stood at around 251 GW, with solar and wind energy continuing to anchor the capacity mix. With non-fossil sources (renewables and nuclear energy) accounting for 51% of the existing installed capacity and rapid advancements in domestic manufacturing capabilities, India is well positioned to comfortably achieve its target of 500 GW non-fossil-based capacity by 2030. As of 2025, renewable projects of around 146 GW are under various stages of construction and are expected to be completed in the next few years. Colliers estimates about 270-300 GW of solar and wind capacity additions by 2030.

According to Colliers' latest report, 'The Green shift: Renewable prioritization reshaping Indian real estate', scale-up of renewable energy capacity presents significant opportunities for the real estate sector, especially in the areas of land aggregation & acquisition, industrial & warehousing space uptake by Original Equipment Manufacturers (OEM) players and services such as site surveys & feasibility studies, Engineering Procurement & Construction (EPC) solutions, Operations & Maintenance facilities (O&M), etc.

Under-construction projects are currently in various stages of construction and are expected to be completed in the next few years

Renewable energy to unlock new real estate growth frontiers and opportunities

An estimated USD 110-120 billion investment is expected to flow into the renewable energy sector in the next few years, primarily for solar and wind projects. Typically, land aggregation & acquisition accounts for around 10–12% of total costs for solar and wind projects. For solar projects, majority of the land is aggregated and acquired either by private developers or central/state-level nodal authorities in case of relatively larger parks. For wind projects, land is primarily acquired for construction of electrical substations and other critical infrastructure, while the area around turbine sites is often secured through leasing arrangements. By 2030, the upcoming solar and wind projects, would translate into USD 10–15 billion opportunity in land aggregation & acquisition.

Image Courtesy: Chatgpt

Real Estate Financing Landscape Has Transformed for Better

From plotted layout developers raising Rs.5 crore to conglomerates closing Rs.26,000 crore deals - the rules of capital have been rewritten. Here is what every real estate builder and developer in India needs to understand right now, say K EZHIL VENDHAN and VINCENT PAUL.

Not long ago, a real estate developer in Chennai, Bengaluru, or Hyderabad had exactly two choices when they needed capital: walk into their bank branch, or call their NBFC relationship manager. If both said no - and increasingly after 2018 they did — projects stalled, land opportunities were lost, and developers watched well-capitalised competitors win deals they should have won.

That world no longer exists. In its place has emerged one of the most dynamic, diverse, and developer-friendly capital ecosystems India has ever seen - and most builders, developers, and plot developers across the country have not yet fully understood what it means for them.

Image Courtesy: Chatgpt

The traditional funding pyramid for Indian real estate had three tiers: banks at the top (cheapest, most restrictive), NBFCs and Housing Finance Companies in the middle, and developers' own equity at the bottom.

1 **USD 12.4B**
India private credit deployed in CY2025 - 35% growth over 2024

2 **42%**
Real estate share of H2 2025 private credit deal value - the single largest sector

3 **Rs.1.32L Cr**
Raised in Indian real estate through the AIF route since inception

How it used to work - and why it broke

The traditional funding pyramid for Indian real estate had three tiers: banks at the top (cheapest, most restrictive), NBFCs and Housing Finance Companies in the middle, and developers' own equity at the bottom. This was a system built for a simpler era. Banks could not legally fund land acquisition. NBFCs had policy caps on real estate exposure. HFCs focused primarily on retail home loans. The result: developers at the land acquisition and pre-approval stage - the most capital-hungry and time-sensitive phase of any project - were largely on their own.

The IL&FS collapse in 2018 and the subsequent NBFC liquidity crisis made matters significantly worse. Wholesale real estate lending by NBFCs fell sharply. Many developers who had relied on NBFC lines found those lines withdrawn, restructured, or subject to far more stringent conditions than before. The gap between what developers needed and what traditional lenders would provide widened dramatically.

"In 2012, Indian private credit was largely collateral-based lending — LAP, loan against property — with total deal volume near USD 500-600 million per year. By 2024, the market reached USD 10 billion. By 2025, USD 12.4 billion in a single year."

The new landscape: six instruments every developer must know

Into that gap stepped a new generation of capital providers

1. Private credit funds
2. Structured debt platforms
3. HNI wealth aggregators
4. Digital bond marketplaces.

Today, a developer with a credible track record, audited financials, and a clear land acquisition plan can access capital through at least six distinct routes, each with different cost, speed, security requirements, and investor appetite.

1 **STRUCTURED DEBT**
Works even for pre-approval land acquisition with strong

promoter guarantee. Minimum developer size: Rs.5 crore+ topline.

2 **DEBT CAPITAL MARKET** Ideal for developers with Rs.50 crore+ revenue and existing rating. First issuance: 4–6 months.

3 **PRIVATE CREDIT** SEBI-registered fund pools capital from HNIs and institutions, then deploys as secured debt or quasi-

4 **EQUITYPRIVATE EQUITY** A PE fund co-invests as equity in a project-level SPV in exchange for profit participation (target IRR: 18–25%). No monthly interest burden. Developer retains management control. Exit via project sales or refinance. Suitable for premium projects where project GDV exceeds Rs.100 crore.

5 **NBFC STRUCTURED LOAN** Offer developer-specific structured loans far more flexible than bank products. Loan against existing approved inventory unlocks capital at 13–17% without waiting for new approvals.

6 **DIGITAL PLATFORM** actively pool HNI capital into real estate NCDs and AIF investments.

Real deals, real developers — what the market looks like in practice

The transformation is not theoretical. Developers of all sizes across India have used the new capital ecosystem to fund what was previously unfundable.

Recent Examples from India's Real Estate Capital Market

1 **SHAPOORJI PALLONJI GROUP** - USD 3.14 BILLION NCD (2025)

India's largest-ever private NCD placement — entirely structured through private credit funds When state lenders said no, the private credit market stepped in at scale. This single deal underscores that the NCD route now operates at any size.

2 **ALLIANCE GROUP CHENNAI - RS.320 CRORE RESIDENTIAL INVESTMENT**

One of India's leading real estate funds backed Alliance Group's Chennai residential and commercial pipeline — demonstrating that South India developers with strong track records can access institutional equity capital on competitive terms.

3 **DIVYASREE — USD 400 MILLION OFFICE AIF (SOUTH INDIA ANCHOR)**

Anchored by ADIA (Abu Dhabi Investment Authority), this AIF was structured specifically to back DivyaSree's South India commercial pipeline across Bengaluru, Hyderabad, and Chennai. A South India developer accessed global sovereign wealth capital through an AIF structure.

What this means for developers of every size ?

The most important shift in the new landscape is the elimination of a minimum size barrier. In 2012, accessing structured capital required a developer to be of a certain scale — Rs.100 crore+ revenue, listed status, or institutional PE sponsorship. Today, that is no longer true.

A plotted developer with Rs.5 crore in audited revenue and a clean promoter profile can access funds about Rs.5–8 crore. A mid-market residential developer with Rs.50 crore revenue and a CARE BBB rating can raise structured debt at 13–15% and have mutual funds as lenders. A large developer with Rs.500 crore+ revenue and a marquee project pipeline can attract sovereign wealth equity at sub-15% blended cost through an AIF structure.

The critical variables are no longer scale alone. Institutions now underwrite on: track record and execution history, promoter pedigree and personal net worth, project pipeline specificity, land title clarity, and willingness to accept covenant-based monitoring. A 15-year Chennai plotted developer with NIL bank debt and a documented DTCP approval history is often more fundable than a large, leveraged developer with an opaque group structure.

"Real estate remains the dominant sector in India's private credit market — accounting for 42% of all H2 2025 deal value. Fund managers surveyed by EY are explicitly bullish on real estate. The capital is there. The question is whether developers know how to access it."

The five things developers get wrong about the new landscape

1. Waiting for the bank to say yes first. Banks remain the most restrictive lender for land acquisition, pre-approval stages, and early-stage construction. Approaching a bank first, getting a no, and then approaching an AIF or Structured finance which would have easily consumed 3–4 months. The correct sequence is the reverse.

2. Thinking structured debt is only for large developers. A Rs.5 crore fund raise through structured instruments is perfectly legal, well-structured capital raise for a small developer with good fundamentals.

3. Not having audited accounts in order. Every institution will ask for three years of audited financials and ITR copies within 48 hours of a first meeting. Developers without these lose deals to competitors who have them ready.

4. Treating all structured capital as expensive. At 13–15% for a listed NCD or 15–17% for an AIF private credit deal, the all-in cost of capital is often comparable to or lower than the effective cost of delayed projects, lost land opportunities, or equity dilution through distressed sales.

5. Not having a structured advisor. The new capital landscape requires navigation - which instrument, which institution, which structure, which sequence. A developer walking into an institution without preparation, a structured IM, and a clear repayment narrative will not get funded. A developer who arrives through the right advisor, with the right documents, asking for the right amount - will.

Are you a developer who wants access to India's new capital ecosystem?

Whether you are a plotted layout developer looking for Rs.5 crore in land acquisition capital, or a large residential developer with a Rs.500 crore pipeline requiring a structured capital stack — there is a funding solution available in today's market. The conversation begins with understanding your profile, your land, and your timeline.

Debt - Rs.5 crore to Rs.500 crore+

Equity & JV - Rs.25 crore to Rs.500 crore+

All stages: land to construction to refinance.

Pan India — specialising in South India.

Contact: **9176627139**
Email : **raghavrealty@gmail.com**

APP Delhi-NCR receives Grihitha

The APP Delhi-NCR members warmly received Grihitha at Delhi Airport as part of Mission India Summit expedition, a clear indication of the CSR initiative extended by the Delhi branch.

Following the welcome event, APP-Delhi NCR team hosted Grihitha for dinner and an interaction at Aerocity. The evening event was full of enthusiasm, motivating, and well attended by all the members.

World Thalassemia Day held to raise Health Awareness

The APP Delhi NCR partnered with the Rotary Thalassemia Centre, Gurugram to organise an awareness and patient-support activity for World Thalassemia Day on May 8.

Under the active leadership of CSR Head, Maneesh Saxena, and President-elect, APP-Delhi NCR & North Zone Head, Manish Aggarwal, and volunteers conducted the outreach programme to raise awareness, distributed gifts to patients, and coordinated with centre staff to streamline future assistance and services, said Sonia Sachdeva, joint secretary, NAR-India and President APP Delhi NCR.

APPCC Quarterly Meeting calls for Enhancing Membership

Welcoming the Association of Professional Property Consultants of Chennai (APPCC) members to the quarterly AGM coinciding with 10th year completion, chairman K Ramkumar stressed that the association is on a target of reaching 'Mission 300' and sought members' support in this exercise. While it is achievable, Ramkumar said that there is a need to supplement members' support and felt confident to reach the target this year.

According to Ramkumar, the forthcoming International Real Estate conference due to be held in Hyderabad in September, presents a rare opportunity to interact with their fellow members from across the globe. He said that US NAR President will be participating along with other realtors. Arrangements are being made to register members. While the registration is normally Rs 50,000 for global members, for NAR-India members, a nominal Rs 15,000 will be charged.

APPCC President and advisor M R Nazeer said proudly that the association has completed its 10th year of operation. Thanking NAR-India for electing APPCC chairman K Ramkumar as vice-president of NAR-India, he said that there is a long way to go and stressed the need to intensify efforts at all levels to increase the number of members in the association. "I request each and every one of you to take advantage of the networking made available among members as connecting people will only lead to networking," said Nazeer.

Treasurer Sivaramakrishnan presented the annual accounts to the members and requested members to ensure adherence to timely remittance of association fees.

Among the new members introduced at the meeting include veteran realtor Bhadresh Mehta with over four decades of experience in the industry. Expressing deep appreciation for the association, Bhadresh Mehta said that the potential of AI is such that a leading developer had sold 1,400 flats without human intervention. "As chairman of Hindustan Chamber of Commerce for real estate division, we have a unique programme. We should invite industry captains like Anarock chairman Anuj Puri to participate in the exclusive sessions so that every one can benefit. We will plan a programme," said Mehta. Bhadresh Mehta has handled show rooms, lands and other sectors and invited members to visit his office.

Yet another new member, Naresh Babu, introduced by Bala introduce himself said that he has been involved in the real estate business for the past seven years. Babu said that he clinched the Equitas Bank deal with Arihant and sought members support and cooperation to work for mutual benefit.

Shiva, a new member, said that he has completed four projects as an architect. Having studied in Adyar, Shiva said that he is focused on Adyar due to a combination of factors. He expressed his desire to try something new and thanked APPCC for providing him an opportunity to get to know varied members.

Kumar, yet another new member, from Marina Residences & Realty, said that he was involved in the primary market transactions for over 1.5 years and real estate sector for 15 years besides handling residential and commercial sector transactions. He expressed confidence that all the members can come together and benefit in the progress.

Welcoming the World: Why Hyderabad Is Ready to Host IREC 2026

By the Hyderabad Realtors Association, host of the International Real Estate Conference 2026

In September 2026, our city will do something no Indian city has done before.

From 25 to 27 September, the Hyderabad Realtors Association will host the International Real Estate Conference (IREC), bringing the seventh edition of this global platform to India for the first time in its history. After previous editions in Manila, Bangkok, Incheon, Hanoi, Tokyo and Kuala Lumpur, we are honoured that the international real estate community has chosen Hyderabad as its next meeting point.

IREC 2026 is organised by the National Association of Realtors-India (NAR-INDIA), with the National Association of REALTORS (NAR) as strategic partner.

IREC 2026 is organised by the National Association of Realtors-India (NAR-INDIA), with the National Association of REALTORS (NAR) as strategic partner. As host, our role is to welcome more than 2,000 delegates from over 35 countries and to show them why this market, and this city, command the attention they do. The theme guiding our preparations is straightforward: Global Real Estate. One Platform.

Why we believe in this market

We did not pursue this opportunity by chance. India is widely projected to become a $7 trillion economy by 2030, and real estate is among the clearest beneficiaries of that growth. The sector is on course to reach $1 trillion in value by the end of the decade and to contribute an estimated 13 to 15 percent of national GDP.

Institutional capital has taken note. Annual investment into Indian real estate has reached roughly $8.5 billion, drawn by sovereign wealth funds, pension capital and long-term global allocators. Reforms of the RERA era have strengthened transparency and moved the market toward organised, institutionally backed assets. Supported by a $1.4 trillion national infrastructure pipeline, India offers precisely the structural growth story we want to place in front of a global audience.

Why Hyderabad

We are proud of the city we are inviting the world to visit. Hyderabad is India's pharma capital, responsible for around half of the country's bulk drug exports, and its second-largest office market by absorption. It is fast becoming a leading data centre hub, home to more than 375 Global Capability Centres and over 50 million square feet of Grade A office stock, with office transactions surging year on year. It also ranks among India's strongest luxury housing markets, which makes it a natural setting for an event built around premium property.

The conference will be staged across 150,000 square feet at the HITEX Exhibition Centre, in the heart of our technology and business district and roughly 30 kilometres from the airport.

What we bring as host

For 17 years, the Hyderabad Realtors Association has worked to raise the standard of our profession. Our members are 100 percent RERA-registered, and we have twice hosted national conventions in partnership with the Indian School of Business. As a founding pillar of NAR-INDIA, we have helped shape the national agenda and produced three National Presidents. Hosting IREC is, for us, the natural next step in that journey.

Beyond the formal sessions, we are preparing a curtain raiser, a gala night, networking lounges and deal zones designed to turn conversations into partnerships.

A platform built on three pillars

We have structured IREC 2026 as three connected experiences. The Strategic Conference will bring more than 75 global speakers across 30-plus sessions on cross-border investment, market structures, governance and ESG, alongside CEO roundtables. The Real Estate Innovation Showcase will gather more than 100 companies in AI, blockchain, smart construction and digital infrastructure, placing technology providers alongside the developers and asset managers who deploy their tools. The Luxury Property Expo will present curated portfolios across a global pavilion, a national pavilion and a dedicated Hyderabad pavilion spotlighting our city's flagship projects.

An invitation

Beyond the formal sessions, we are preparing a curtain raiser, a gala night, networking lounges and deal zones designed to turn conversations into partnerships. Our intention is that delegates leave with relationships and opportunities, not insight alone.

This is a defining moment for our city and our profession. We invite developers, investors, brokers and partners from across the world to join us in Hyderabad. The door to what comes next opens here. ●

NAR-India: Empowering Realtors, Elevating the Profession

Whether you are an established industry leader or an emerging real estate professional, NAR-India offers an ideal platform to connect, collaborate, learn, and grow alongside the country's finest realtors.

The real estate industry is evolving at an unprecedented pace. As client expectations rise, regulations become more structured, and competition intensifies, success is no longer determined solely by closing transactions.

Today's real estate professionals must continuously enhance their knowledge, strengthen their professional network, embrace ethical business practices, and build lasting trust with clients.

This is where NAR-India (National Association of Realtors – India) plays a transformative role.

As India's premier organisation representing real estate professionals, NAR-India serves as the collective

Image Courtesy: Chatgpt

voice of the realtor community. With a strong presence across 35+ cities, a membership base of over 50,000 realtors, and 38+ member associations nationwide, NAR-India is committed to raising professional standards and creating opportunities that help realtors succeed in every stage of their careers.

A Membership That Creates Opportunities

Joining NAR-India is far more than obtaining a membership certificate—it's about becoming part of a vibrant professional ecosystem dedicated to growth, collaboration, and excellence.

Members gain access to a nationwide network of experienced real estate professionals, enabling them to exchange knowledge, collaborate on business opportunities, and receive trusted referrals across different markets. This extensive network opens new doors, expands business horizons, and creates meaningful relationships that contribute to long-term success.

Building Trust Through Professional Excellence

In today's competitive market, credibility is one of a realtor's greatest assets. NAR-India helps members strengthen their professional reputation by promoting ethical practices, continuous education, and industry-recognised certifications.

Clients naturally place greater confidence in professionals who are associated with an organisation that upholds integrity, transparency, and accountability. Being an NAR-India member demonstrates a commitment to these values, helping realtors differentiate themselves in the marketplace.

Learn, Grow and Stay Ahead

The real estate industry is constantly changing with new regulations, market trends, technologies, and customer expectations. NAR-India ensures that its members remain informed and future-ready through educational programmes, professional development sessions, industry conferences, workshops, and networking events.

These learning opportunities not only enhance knowledge but also equip members with practical insights that can be applied to their businesses, enabling them to deliver greater value to clients.

Expand Your Business Beyond Your City

One of the greatest strengths of NAR-India is its nationwide network. Members have the opportunity to connect with professionals across multiple cities, creating avenues for referrals, co-broking, cross-city collaborations, and access to wider inventory.

This interconnected community allows realtors to serve clients more effectively while expanding their business reach beyond local markets.

A Strong Voice for the Real Estate Community

NAR-India actively represents the interests of realtors at the national level by engaging with policymakers, government bodies, and industry stakeholders. Through collective representation, the association works towards creating a more transparent, ethical, and progressive real estate environment.

As a member, every realtor becomes part of a larger movement dedicated to strengthening the profession and shaping its future.

Preparing for Tomorrow

NAR-India continues to introduce initiatives that enhance the value of membership, including the upcoming Multiple Listing Service (MLS) platform, designed to improve collaboration, increase property visibility, and create better business opportunities for members.

Such technology-driven initiatives ensure that members remain competitive in an increasingly digital real estate landscape.

An Investment in Your Professional Identity

For an annual membership fee of ₹5,000 + GST, realtors gain access to invaluable resources, networking opportunities, educational programmes, industry recognition, and a community committed to professional excellence.

The return on this investment extends far beyond financial benefits—it strengthens credibility, expands business opportunities, enhances professional knowledge, and reinforces a realtor's commitment to ethical and responsible practice.

Join the Movement

Whether you are an established industry leader or an emerging real estate professional, NAR- India offers a platform to connect, collaborate, learn, and grow alongside the country's finest realtors.

Together, we can build a stronger, more trusted, and more professional real estate industry.

NAR-India is not just a membership—it is your professional identity.

Ethics. | Expertise Excellence.

Hyderabad Realtors Association

NATIONAL ASSOCIATION OF REALTORS® GLOBAL

NATIONAL ASSOCIATION OF REALTORS - INDIA

COLLECTIVE VOICE OF REALTORS

100+ EXHIBITORS & PARTNERS

ARE SHOWCASING THE NEXT ERA OF GLOBAL REAL ESTATE

STEP INTO THE FUTURE ONLY AT

International Real Estate Conference - IREC 2026

DATE

25TH 26TH 27TH

SEPTEMBER 2026

VENUE

HITEX, HYDERABAD, INDIA

REGISTER NOW

Business Growth

One of the simplest Feng shui techniques for activating wealth luck is through the use of symbols, says S BS SURENDRAN.

Image courtesy of Gemini AI

Feng shui is an ancient Chinese system of aesthetics believed to utilize the Laws of both heaven (astronomy) and Earth (geography) to help one improve life by receiving positive Qi (energy).

It's a common misconception that Feng Shui is perceived to be approach to just about arranging the furniture in an office or home , however in reality it's a complex combination of calculating the balance and imbalance of energies in a space and using appropriate remedies to counter it.

Feng Shui is in fact an ancient mixture of art and science that revolves around the special Chi energy which is believed to connect everything in the Universe. The main aim of creating good Feng shui is to free the path for the Chi so that it can flow freely without any obstacles.

Most of Chinese homes and business establishments have been using Feng shui to attract good luck and good fortune for the thousands of years. In the East, most business houses often consult a Feng shui Master before commencement of business activity. Feng shui can help you maximize your chances of success in your career or in the business that you are running.

To harmonize good business luck, start with the entrance, room of the key person and seating area of employees.

To enhance business growth, one of the main points if focus is to make sure the office space is maintained in a tidy, uncluttered and clean. The energy flow should aid the wellbeing of the employees and attract more business.

To harmonize good business luck, start with the entrance, room of the key person and seating area of employees. At the outset, the front entrance should be warm, welcoming and clutter free. Keep the entrance well lit, introduce pleasant decor, plants and you could possibly place a water feature at North or Southeast of foyer to activate career and wealth luck. The North is dominated by the water element; so, to attract success in your career, strengthen the element of water in the north. . Installing a wind chime in the north will also work as the element of metal strengthens the element of water.

One of the simplest Feng shui techniques for activating wealth luck is through the use of symbols.

- Do not place any empty vases next to the main door as it is believed to suck the energy entering into the vase, causing void of energy flow.
- Energise the East corner with plants, flowers and paintings that feature lush vegetation and water. Avoid anything metallic in this corner. Wind chimes, scissors and blades cause a lot of harm here.
- To keep good energy, dead plants and flowers must be removed and replaced by new ones. Also keep them free of dead leaves. They should always look healthy.
- Place a hanging faceted crystal in your window, this will activate Qi as well as looking fantastic, when the sun hits them, they produce the most amazing rainbows.
- Place a smooth crystal ball in the Southwest corner of your desk to create the luck of harmonious relationships with all your colleagues.

Mr **Surendran** is an accredited master Fengshui consultant, bioenergetician and traditional Vaastu practitioner.

Assignment of Leasehold rights not liable for GST

India's retail sector evinced steady retailer demand in Q1 2026 (January to March) as gross leasing totalled to 3.1 million sq. ft. for the top seven cities. Despite a 15% quarter-on-quarter (q-o-q) moderation, there was a marginal 1% year-on-year (Y-O-Y) uptick indicative of continued resilience in the leasing momentum. Healthy demand scenario led to a 40-basis point reduction in overall mall vacancy from 12.3% to 11.9% over the previous quarter. The quarterly moderation in retail leasing is largely due to absence of sizeable new mall supply of institutional grade quality following strong mall infusion of 2.5 million sq. ft. in Q4 2025.

The Hon'ble Supreme Court of India dismissed Special Leave Petition (SLP) filed by the Revenue-Department, thereby affirming the judgment of the Bombay High Court (Nagpur Bench) in Writ Petition No. 2145/2025, dated 09-01-2026. The High Court held that assignment/transfer of leasehold rights in an industrial plot allotted by Maharashtra Industrial Development Corporation (MIDC) does not constitute "supply of services" under Section 7 of the CGST Act, 2017, and accordingly cannot attract levy of GST (Assistant Commissioner (Anti-Evasion) vs. Aerocom Cushions Private Limited).

The Supreme Court dismissed the SLP holding that it is not inclined to interfere with the judgment of the Bombay High Court.

Judgement of the Supreme Court:

The Supreme Court dismissed the SLP holding that it is not inclined to interfere with the judgment of the Bombay High Court.

Dhruva Insight:

1 Conclusion on the issue

The Bombay High Court ruled that assignment/ transfer of leasehold rights in an industrial plot allotted by a statutory industrial development corporation to a third-party assignee, for consideration, constitutes a transfer of benefits arising out of immovable property and so, does not fall within the scope of "supply" under Section 7 of the CGST Act, 2017, accordingly is not liable to GST. The Court also held that the transaction has no nexus with the business of the Taxpayer.

The Bombay High Court followed the view expressed in Gujarat Chambers of Commerce and Industry and held that assignment by sale and transfer of leasehold rights of the plot of land allotted by MIDC to the lessee in favour of third party-assignee for a consideration shall be assignment/transfer of benefits arising out of immovable property.

The two High Courts approached the issue against varied backgrounds, yet the same conclusion. The Gujarat High Court in Gujarat Chamber

Image Courtesy: Chatgpt

of Commerce and Industry examined the scope of supply under Section 7(1)(a) of the CGST Act read with Clause 5(b) of Schedule II (construction of a complex / building) read with Clause 5 of Schedule III (sale of land and, subject to Clause (b) of paragraph 5 of Schedule II, sale of building), and concluded that the assignment/transfer of leasehold rights falls entirely outside the scope of supply. The Bombay High Court, on the other hand, focused on Section 7(1) read with Clause 2(b) of Schedule II (any lease or letting out of a building including a commercial, industrial or residential complex for business or commerce is a supply of services) held that since the assignment extinguished the assignor's own rights (rendering it neither a lease nor a sub-lease), Clause 2(b) of Schedule II was plainly inapplicable to the transaction.

The Bombay High Court additionally held that the foundational condition under Section 7(1)(a) of the CGST Act – that supply must be made "in the course or furtherance of business" – was absent, since the assignment/transfer of leasehold rights pertained exclusively to immovable property and had no nexus with the assessee's core manufacturing business.

2 SLP dismissal – not a declaration of law; doctrine of merger does not apply

The Supreme Court's order is not a judgment. The SLP was dismissed in limine – i.e. the leave to appeal against the Bombay High Court's order was not granted to the Revenue-Department – and the Court did not indulge the Revenue-Department, by recording that it was "not inclined to interfere with the impugned judgment". Such a dismissal is not a declaration of law under Article 141 of the Constitution of India and moreover does not constitute a binding precedent4. Parties and courts are therefore not bound by the Supreme Court's order, in the same manner as they would be bound by a judgment on an issue. This issue has hence attained finality only in the case of Aerocon.

Separately, the doctrine of merger does not apply to this situation. In Kunhayammad v. State of Kerala5, the Supreme Court held that it cannot, at the SLP stage, reverse or modify – and equally cannot be said to have affirmed – an impugned order. In Pernod Ricard India (P) Ltd. vs. Commr. of Cus., ICD, Tughlakabad6 the law was declared that once a statutory right of appeal is invoked, i.e., SLP allowed and converted to Civil Appeal, dismissal of this appeal by the Supreme Court, whether by a speaking order or non-speaking order, the doctrine of merger applies, however, in the case of dismissal of a SLP, the doctrine of merger does not apply.

In this matter, since leave was not granted, the Supreme Court did not assume appellate jurisdiction over the Bombay High Court's judgment, accordingly, the High Court's judgment stands on its own merits and is binding in the territory over which it exercised jurisdiction. In other words, the Revenue-Department can well be expected to contend, in other proceedings that the Supreme Court's dismissal cannot be cited as a binding precedent.

> **The Revenue-Department can well be expected to contend, in other proceedings that the Supreme Court's dismissal cannot be cited as a binding precedent.**

3 Be that as it may – the litigation continues

The SLP challenging the Gujarat High Court's judgment in Gujarat Chamber of Commerce and Industry is pending before the Supreme Court.

That apart, a batch of writ petitions7 is pending before the Principal Bench of the Bombay High Court involving GST on assignment/transfer of leasehold rights in MIDC and similar industrial plots; these petitions while admitted are yet to be decided.

Findings and conclusions from the Supreme Court and the Bombay High Court in the respective proceedings will be relevant for all assesses.

4 What should taxpayers do?

(a) GST not applicable: Based on the concurrent and consistent judgments of the Gujarat High Court and Bombay High Court (and the Supreme Court's non-interference), while the issue has attained finality for Aerocon, other taxpayers in Maharashtra and Gujarat have a well-founded basis to adopt the position that assignment/transfer of leasehold rights does not constitute a "supply" under Section 7 of the CGST Act and, is accordingly not liable to GST. Adopting this position will be dependant on the facts and document of each case. In assessment or adjudication proceedings, these judgments and the underlying analysis can be cited in the assessee's defence.

However, this view bears the risk of litigation, as the Revenue-Department could take a contrary view and cite pendency of the batch of Writ Petitions before the Bombay High Court and the Supreme Court.

The parties (Taxpayers) in other jurisdictions, i.e., not in Maharashtra and Gujarat, may adopt the position of non-taxability on the strength of the judgments of Bombay High Court and Gujarat High Court. Undeniably, this position may prove litigious moreso since the SLP was dismissed, in limine, in Aerocon's case and the SLP is pending in the case of Gujarat Chambers of Commerce and Industry.

(b) Refund where GST was paid under protest –Taxpayers that have paid GST on such transactions of assignment under protest, should file refund claims relying on these judgments. ●

Source:
www.dhruvaadvisors.com

Published by NAR - India. For all communications regarding Newsletter, contact:
K RAMKUMAR - Chairman,Newsletter - NAR India
Email: publications@narindia.com, directorgeneral@narindia.com
Editor: **V Nagarajan** (Member, APPCC, Chennai) - Mobile: 9176627139