REAL ESTATE SECTOR

JANUARY 2025

CONSTRUCTION

CGST law amendment may hit real estate sector: Experts

In January 2025, an amendment to the CGST Act was enacted, disallowing Input Tax Credit (ITC) on the construction of immovable property, even if intended for leasing purposes. This change is viewed as a setback for real estate developers, potentially increasing project costs and impacting profitability.

Official Notification: Central Goods and Services Tax (CGST) Amendment 2025

FEBRUARY 2025

REAL ESTATE

Indian real estate firms cheer government's tax relief plan to boost consumption

The Union Budget for 2025-26 introduced measures where Personal income tax rates were reduced to enhance middle-class spending power, potentially increasing demand in the housing market.

Official Notification: Union Budget 2025-2026

India's central bank relaxes certain norms for urban co-operative banks

On February 24, 2025, the RBI eased norms for UCBs, raising the residential mortgage exposure limit to 25% of total loans. Individual housing loan limits were also increased to ₹6-30 million based on the UCB tier.

Official Notification: New Licensing Policy for Urban Co-operative Banks (UCBs)

REAL ESTATE SECTOR

MARCH 2025

REAL ESTATE

Supreme Court Stays Centre's Notification Exempting Certain Construction Projects From Environmental Clearance.

In early March 2025, the Supreme Court stayed a government notification that had exempted building and construction projects with a built-up area up to 150,000 square meters from obtaining mandatory environmental clearances prior to commencing work. This stay reinstates the requirement for environmental assessments for such projects.

Judgement: Supreme Court Stay on Environmental Clearance Exemption

India Revises Tax Audit Reporting with Form 3CD Changes Effective April 1, 2025

The Income-tax (Eighth Amendment) Rules, 2025, notified on March 28, introduce stricter tax audit reporting for businesses, including real estate. Effective April 1, 2025, they require detailed financial disclosures and align Form 3CD with updated tax laws to improve compliance and transparency.

Official Notification: Income-tax (Eighth Amendment) Rules, 2025

SEBI revises LODR Regulations introducing Corporate Governance for a Listed Entity which has listed its Non- Convertible Debt Securities

On March 31, 2025, SEBI amended LODR regulations to improve corporate governance for entities with ₹1,000 crores+ non-convertible debt. The changes mandate enhanced disclosures and stricter governance norms, impacting large real estate firms.

Official Notification: Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR) Amendments