

Experts, India Inc appreciate efforts made by govt to boost exports, revive housing sector

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The measures announced by Finance Minister Nirmala Sitharaman in her third press conference highlighted the government's clear intention to give top priority towards reviving economic growth.

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helping hand to the housing sector, after announcing positive steps for auto, NBFCs and merger of public sector banks.

Experts appreciated these measures, saying these would definitely help exporters including the textile sector and housing projects which are stuck for long.

"The new measures announced by the FM today for stimulating the economy send the clear message that the government is giving top priority to revive growth in the economy. The measures announced relating to housing and export promotion like textiles will provide a big boost to employment too since these are labour intensive industries," VK Vijayakumar, Chief Investment Strategist at Geojit Financial Services told Moneycontrol.



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Parth Mehta, Managing Director, Paradigm Realty said the announcement of the special window fund to set up to provide last mile funding with government contributing upto Rs 10,000 crore alongside other investors including LIC and private banks to non-NPA and non-NCLT projects in the affordable and middle-income category is a positive move keeping in mind the Housing for all by 2022 vision and finishing unfinished projects stuck due to dearth of construction finance.

Here is what experts say about measures announced by FM:

Manoj Gaur, MD, Gaurs Group & Chairman, Affordable Housing Committee, CREDAI

Several mid-income and affordable housing projects which are witnessing slow progress due to lack of funds, will be expedited as the result of setting up of special window having a corpus of Rs 10,000 crore. It should help faster delivery of close to 3-3.5 dwelling units. The fact that the special window will be managed and monitored by professionals from housing and banking sector is another step in right direction.

Also, government decision to link housing building advance with yield on 10-year Treasury-bill is likely to reduce effective interest rate for government employees, which should encourage them to buy new homes. Relaxation of ECB norms for affordable housing should also boost housing demand as the cost of funds will reduce for HFCs as a result of the move.