

## India's blueprint for realty growth

Tax incentives, and urban infra reforms drive affordable and mid-income housing growth in Budget

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The 2025 Budget anticipates a comprehensive overhaul of the real estate sector, aiming to propel India toward a sustainable and energy-efficient future while enhancing economic growth and resilience across the infrastructure landscape. This year, it introduced a series of transformative reforms to accelerate the growth of affordable and mid-income housing.

Akshat Khetan, founder, AU Corporate Advisory and Legal Services, notes that the revival of the Credit-Linked Subsidy Scheme (CLSS) and developer tax exemptions will play a crucial role in making housing more accessible for economically weaker sections.

A significant move in this direction has been the continued focus on the Special Window for Mid-Income Housing Investment Fund (SWAMIH). Gaurav K Singh, founder and chairman, Womeki Group, highlights that SWAMIH has completed 20,557 housing units since its inception and aims to deliver 81,000 more in the coming years. This initiative not only addresses the concerns of homebuyers awaiting project completion but also stimulates market confidence and real estate sales. The government's commitment to resolving stalled projects is further reinforced with the introduction of the rupees 15,000 crore SWAMIH Fund 2. Madhur Gupta, CEO, Hero Realty, emphasises that this infusion of capital will restore homebuyer confidence and ensure project completion, while the ₹1 lakh crore Urban Challenge Fund will contribute to transforming cities



The economic impact of budgetary measures extends beyond realty

into vibrant economic centres. Rajiv Gupta, MD, Wave City, points out that the budget's expansion of

the nil tax limit to ₹12 lakh will significantly increase the disposable income of the middle class.

In a move to encourage homeownership, the government has allowed taxpayers to claim two self-occupied properties as nil annual value without conditions. Rajat Khandelwal, Group CEO, Tribeca Developers, sees this as a positive shift that will reduce the financial burden on buyers. Along with the increased tax exemption limit, these measures position real estate as a preferred asset class, driving demand across mid-income and luxury segments.

Liquidity remains a critical aspect of ensuring steady growth in the real estate sector. Alok Banerjee, CEO and director, Zuari Infraworld, acknowledges that the launch of SWAMIH Fund 2 will provide the necessary capital to stalled projects, thereby expe-

ditating their completion.

Beyond affordable housing, the Union Budget 2025 has set the stage for broader economic growth. Darshan Govindaraju, director, Vaishnavi Group, describes the budget as historic, noting that tax exemptions and increased capital spending will reignite consumption. Amit Jain, CMD, Arkade Developers appreciates this move, stating that the revised personal income tax structure will enhance the purchasing power of the middle class and unlock new development opportunities in metro and Tier-2 cities.

The economic impact of these budgetary measures extends beyond residential real estate. Madhusudan G, CMD, Sumadhura Group, highlights that tax relaxations will not only boost housing demand but also spur fresh investments in commercial and warehousing sectors.

The government's focus on GCCs and infrastructure investments aligns with its vision of positioning India as a global manufacturing hub, further driving demand for real estate across various segments.