

TIMES OF INDIA

MUMBAI | SATURDAY, 22 FEBRUARY 2025

ADVERTORIAL, PROPERTY PROMOTIONAL FEATURE

India's blueprint for realty growth

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

ARTHA NEOG
@timesofindia

The 2025 Union Budget anticipates a comprehensive overhaul of the real estate sector, aiming to propel India toward a sustainable 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 Sherani, 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-

This year, the Budget introduced a series of transformative reforms to accelerate the growth of affordable and mid-income housing. Akshat Sherani, 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.

Income Housing Investment Fund (SWAMIH). Gaurav K. Singh, founder and chairman of a real estate company, 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 ₹15,000 crore SWAMIH Fund 2. Madhur Gupta, CEO of a realty firm, emphasizes that this infusion of capital will restore homebuyer confidence and ensure project completion, while the ₹1 one lakh crore Urban Challenge Fund will contribute to transforming cities into vibrant, eco-sustainable centres. Rajiv Gupta, MD, of a real estate company, 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 Khanderwal, group CEO, of a developer firm, sees this as a positive shift that will reduce the financial burden on buyers. Liquidity remains a critical aspect of ensuring steady growth in the real estate sector. Alok Benerjee, CEO and director of a real estate company, acknowledges that the launch of SWAMIH Fund 2 will provide the necessary capital to stalled projects, thereby expediting their completion.

Beyond affordable housing, the Union Budget 2025 has set the stage for broader economic growth. Darshan Govindareju, director, of a real estate group, describes the budget as historic, noting that tax exemptions and increased capital spending will reignite consumption. Anil Jain, CMD, of a developer firm, 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-II cities.

The economic impact of these budgetary measures extends beyond residential real estate. Madhusudan G. CMD, of a real estate 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.