



TIMES PROPERTY

06

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## SMART LIVING

The rules of property development are changing fast in today's market

Ever since the new government took charge at Centre, there are lot of changes for real estate developers. A reform-oriented government has been trying to remove bottlenecks which have been a hindrance in the economy. By adopting a slew of measures, the new government has been trying to revive the manufacturing sector. Through 'Make in India' and other initiatives emphasis is also given on real estate sector as well.

The construction segment is one such activity that directly affects the economy as many industries are dependent on it and it provides immense employment opportunities to a large number of



people. To gain momentum in property market and to push the economy, recent moves like reduction in interest rate, increasing loan-to-value ratio (up to 90 per cent for home loans up to 30 lakh), the government's nod to levy property tax on ready-to-use property inventories to reduce speculation are some of the steps taken by the new proactive government.

To reduce the speculation, introduction of deduction of long-term tax gain on single property purchase in last union budget will discourage buyer to buy and hold multiple-constructed properties. Introduction of TDS of one per cent on property having value more than fifty lakh will bring non-PAN card holders in taxation system to claim refunds.

On a larger level, government's focus is on creating affordable habitable housing for all by 2022 and reduce the speculation.

To achieve the same, the government is making property developers partner by forming such policies. Today, policies are framed in such a manner that every individual/ institution/company falls under its ambit in one or another way which provides almost no window for escape.



### FAST FACT

GOVERNMENT'S FOCUS IS ON CREATING AFFORDABLE HABITABLE HOUSING FOR ALL BY 2022

— **Anushrav Bhatt** (*The writer is a city-based housing planner and real estate analyst*)