

Times Property

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Realty news you can use

The government plays a major role in the supply of urban land, which is a key determining factor in sustaining the growth of a city and its infrastructure. Excessive regulatory requirements and dominant public sector presence in land arrangements have together resulted in large shortfalls in the supply of urban land as compared to demand. This has been seriously holding back investment in urban housing and infrastructure.

Integrated township has emerged as a solution; it is bridging the gap and provides urban land for development. The Integrated Township pol-

schools, offices, work places, malls, multiplexes, garden, public spaces, private security and high quality water, sewerage, and solid waste management systems. The size of such townships ranges from 100 acres and more.

The motivation for a policy of integrated townships is three-fold: (i) rising demand among the growing and prospering middle class for better affordable housing and amenities, as prices in the municipal area limits are sky rocketing (ii) realisation of the necessity to liberalise supply of land for urban growth and infrastructure

INTEGRATED TOWNSHIP - THE URBAN GROWTH RULER

icy has been published by the Government of Gujarat in 2007. More than 6 townships surrounding the city, by prominent developers of Ahmedabad, are in the pipeline.

The Integrated Township Policy, adopted by certain states is an attempt to mobilise the private sector for the supply of land for urban housing, infrastructure, and other public purposes. Under this mechanism, a developer assembles land by paying private landowners the prevalent market price. Land Acquisition Act (LAA) provisions are not used to acquire land. The developer plans development as per the town planning norms in force, builds houses and infrastructure, and sells the plots, houses, etc at market rates. The role of the public sector in this process is that of a facilitator and a regulator of town planning, environmental, and social welfare norms, instead of a controller and provider of land for urban growth.

The phenomenon of constructing well-developed living spaces with civic infrastructure and luxury amenities is now graduating into the concept of 'integrating townships'. Integrated townships are large self-sufficient enclaves with homes,

among governments, since cities are centers of economic growth, and (iii) shortage of resources faced by governments to fund infrastructure.

In the coming times, state-of-art development will take place on realisation of townships. Quality affordable housing and infrastructure will be available, and this will eventually reduce the burden on the development authorities and government. Integrated townships will be the urban growth ruler in coming times, specifically in Ahmedabad.

Anushrav Bhatt

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Large self-sufficient enclaves that promise a better quality of life - integrated townships could well be the next level of development in the city's burgeoning real estate scenario

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SOPS GALORE FOR HOME BUYERS

The revised tax code proposes tax concessions on interest paid up to Rs 1.5 lakhs on a home loan to buy a house for one's own use, explains PRABHAKAR SINHA

There is good news for homebuyers. In its revised discussion paper on the direct tax code, the government has given a number of sops to homebuyers as against what was proposed in the original draft released in August 2009.

The revised draft has again proposed to allow the tax concessions on interest paid up to Rs 1.5 lakhs in a financial year on a home loan to buy a house for one's own use. This provision was conspicuous by its absence in the original draft discussion paper. Similarly, the government had also decided not to tax rental income from a house on a presumptive basis, which was part of the original draft. This will also provide a lot of relief to homebuyers.

The direct tax code will be the basis on which the government is planning to formulate new tax laws, which in turn will replace the existing tax system. The new legislation is likely to be introduced in the coming session of the Parliament and is scheduled to be passed in the budget session.

BENEFITS ON HOME LOAN

The revised discussion paper on the direct tax code said that in case of a house that has not been let-out, the individual owner will be eligible for a deduction on account of interest on capital borrowed for acquisition or construction of the house subject to a ceiling of Rs 1.5 lakhs from the gross total income for the calculation of the tax.

However, it may constitute a part of the overall tax exemptions limit of Rs 3 lakh as proposed in the discussion paper against investments made in certain instruments such as provident funds, PPFs and life insurance schemes.

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