

**FEBRUARY 2021**  
ISSUE - VIII

Income tax relief for home buyers.

Chennai's Sri Perumbudur airport project revived.

South India to become Apple manufacturing hub.

Avail tax rebate up to ₹3.5 lakhs on home loans.



## Editor's Note

Dear Patrons,

*As we enter 2021, we'd like to wish that the year brings abundant joy, good health and prosperity to everyone! Things seem to be looking up this brand New Year, and we are positive that things are only going to get better.*

*As for the realty market, it has been recovering well post the lockdown scenario. In fact, as per recent Government reports, this January has seen the highest number of registrations in the last 3 years in Tamil Nadu!*

*With the interest rates on home loans reaching an all-time low, and the introduction of the tax rebate of upto ₹3.5 lakhs on home loans interests - both buyers and developers have been making the best of the opportunity! However, as demand booms, and the rising prices of raw materials, a surge in real estate prices is expected beyond March 2021. Naturally, now would be the right time for the anyone to take the plunge and invest!*

*Keeping in mind the surge in demand, we are grateful to announce that we have an exciting range of new projects and plotted developments in OMR, Mogappair, Karapakkam, Thiruvottiyur and Mahalingapuram, gearing up for launch!*

*We look forward to a safe and fruitful 2021, and we wish the same for everyone!*

Warm Regards

**Gayithri Punjabi-Mirza**  
(Vice President)

# NEWS

## INCOME TAX RELIEF FOR BUYERS OF NEW HOMES OR RESIDENTIAL REAL ESTATE

The finance minister has announced an income tax relief for buyers of new homes or residential real estate (primary purchase) of value up to ₹2 crore. The new acceptable differential between the circle rate and agreement value in real estate sale/purchase for the purpose of income tax, is being hiked from 10% to 20%.

A circle rate is the minimum rate per square feet for land or property fixed by the government, which varies from circle to circle or area-wise. This rate is used for calculation of income tax payable on capital gains related to the sale/purchase of houses. It ensures that the taxes are not being evaded by declaring lower prices. However, in case the actual transaction has taken place at a price lower than the circle rate, then a difference of up to 10% is accepted under section 43CA of the Income Tax Act. Essentially, this allows the buyers/ sellers to pay less tax to the extent that the price of the house is accepted as being below the circle rate. The government has now said that prices of such houses will be allowed to be accepted for tax purposes up to 20% below the circle rate!

Now, both buyers and sellers are protected from the deemed tax which both were liable to pay if the transaction price was lower. However, this benefit (valid till June 30, 2021) is only given to residential properties, not commercial or retail.

## CENTRE REVIVES CHENNAI'S SRIPERUMBUDUR AIRPORT PROJECT

The Central Government has once again revived the project of establishing Chennai's new airport under the National Infrastructure Pipeline (NIP) to attract global investors. The new airport estimated at ₹15,000 crore, to be located in Sriperumbudur as per plan, is expected to start in March 2021 and end in April 2023. The NIP website listing shows it is at the "idea stage" and that land has been acquired fully. The project is expected to be taken up by an EPC, though usually airports are undertaken by Public Private Partnership (PPP). The Airports Authority of India (AAI) and the ICAO conducted feasibility study of the Sriperumbudur around 10 years ago and had determined that Sri Perumbudur will be the most ideal area for developing an airport in Chennai.

## SOUTH INDIA TO BECOME AN APPLE MANUFACTURING HUB

Tamil Nadu and Karnataka are locked in an intense battle to grab an investment from Pegatron Corporation, one of the largest manufacturing partners of Apple Inc, for setting up its manufacturing plant. Pegatron recently opened its office in Chennai after duly registering with the Registrar of Companies, classified as a subsidiary of foreign company. Pegatron is the 3rd manufacturing partner of California-based Apple to enter India after Foxconn and Wistron. The Foxconn plant near Sriperumbudur, 50 km from Chennai, has already begun manufacturing high-end Apple iPhones, giving a boost to the 'Make in India' programme. Tamil Nadu is proposing Oragadam as a possible location for the new plant. Being one of the leading destinations for bringing Foreign Direct Investments (FDI) in the country, and the third largest exporter of goods in the country, combined with three seaports and a skilled workforce, the government is confident that Tamil Nadu may clinch the deal!

## NOW AVAIL TAX REBATE UP TO ₹3.5 LAKH ON HOME LOANS

The new budget continues to support home owners! The provision of deduction up to ₹1.5 lakh on interest of loans taken for purchase of affordable residential property, has been extended! The rebate has been extended until March 31, 2022 under Section 80EEA. An affordable house refers to property valued up to ₹45 lakh. However, only those who don't own any other properties can avail this rebate on their home loans. This benefit can be availed over the ₹2 lakh deduction a home buyer can avail under Section 24 of I-T Act. Thus, a buyer can now get a rebate of up to ₹3.5 lakhs on their home loans. This basically means that the interest rates on home loans falls to 5.5% from the usual 7%!

The real estate sector is thrilled as this means a rise in demand for affordable housing.

# KG CENTRE POINT (PHASE - III) - PROGRESS REPORT (FEBRUARY 2021)



**BLOCK A - 2nd Floor**  
Slab shuttering work in progress



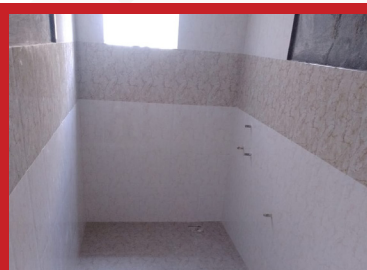
**BLOCK A - 2nd Floor**  
Slab shuttering work in progress



**BLOCK B - 2nd Floor**  
Block work in progress



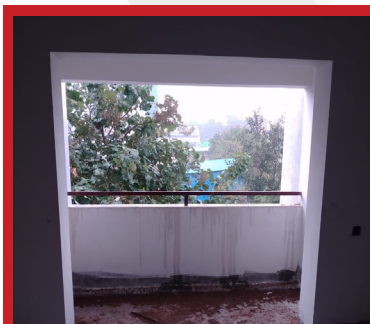
**BLOCK B - 2nd Floor**  
Block work in progress



**BLOCK C - 1st & 2nd Floor**  
Toilet tiling work in progress



**BLOCK C - 1st & 2nd Floor**  
Window grill fixing work in progress



**BLOCK C - 1st & 2nd Floor**  
Window grill fixing work in progress



**BLOCK C - Terrace Floor**  
Waterproofing finishing work in progress



**BLOCK D - 3rd Floor**  
Internal plastering work completed



**BLOCK D - North side**  
External plastering work completed



**BLOCK D - 4th Floor**  
Internal plastering work in progress



**BLOCK D - Stilt Floor**  
Rooms block work in progress

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