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Are You Ready??

The Real Estate (Regulation and Development) Act, 2016

May 2017



Purpose of The Real Estate (Regulation and Development) Act, 2016

The Real Estate (Regulation and Development) Bill 2016, (RERA Act) was passed by Parliament last year and Act comes into effect from 1 May' 17.



**Regulation and Promotion of
the Real Estate Sector**



**Sale of Real Estate Project in an
Efficient and Transparent
Manner**



Protect Interest of Consumers

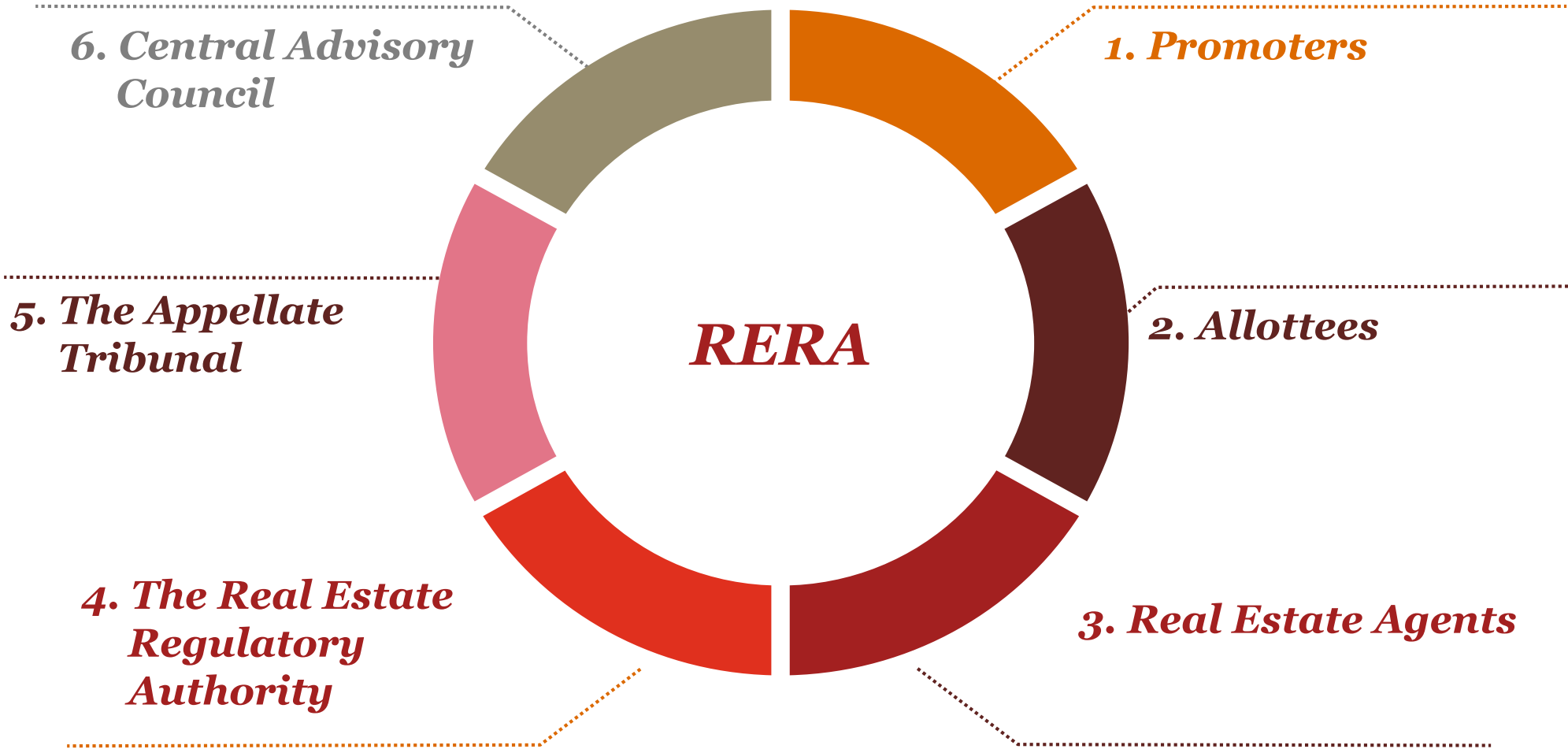
Current Status of the RERA State Rules

Respective States and Union Territories are required to formulate Rules for carrying out the provisions of the Act and set up regulatory authorities.

Sr.no.	States/UTs	Rules Notified	Web Portal
States			
1	Andhra Pradesh	✓	×
2	Bihar	✓	×
3	Gujarat	✓	×
4	Karnataka	✓	×
5	Kerala	✓	✓
6	Madhya Pradesh	✓	✓
7	Maharashtra	✓	✓
8	Odisha	✓	×
9	Rajasthan	✓	×
10	Uttarakhand	✓	×
11	Uttar Pradesh	✓	×
Union Territories			
12	Andaman and Nicobar Islands	✓	×
13	Chandigarh	✓	×
14	Dadra and Nagar Haveli	✓	×
15	Daman and Diu	✓	×
16	Lakshadweep	✓	×
17	National Capital Territory of Delhi	✓	×

Note: The above data has been compiled based on desktop research and online government portals.

Key Stakeholders



While Lenders have not been directly covered by the Act but there will be significant impact on lenders eg. escrow accounts, collaterals etc.

Overview of key provisions of the Act

Registration of
Projects

Model Agreement
for Sale and
Registration

Utilization of Funds
as per 70:30
provision

Disclosure of
Project Status
(Quarterly
Updates)

Consent of Allottees
for Modifications

Defect Liability
Period

Change of
Promoter

Registration of Real
Estate Agents

Unfair
Trade
Practices

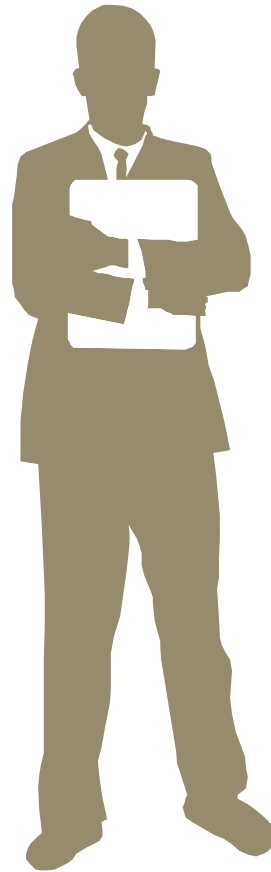
Contravention would entail heavy penalties upto 10% of the cost of the project, revocation of registration etc. resulting in huge adverse impact on brand & reputation.

Imperatives for successful transition from non-regulated to regulated sector

Change in Mind set

**Relooking at the
Business
Model**

**Strong Planning,
Quality Control &
Project
Management**



**Streamline
Marketing
Practices**

**Choosing the Right
Partners**

**Building Effective
Monitoring
Mechanisms**



ACT FAST... CLOCK IS TICKING

Thank You !!