



An Application to implement Real Estate Regulatory Authority (RERA) Act.

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Abstract:

This web portal can make a huge difference in the sector of real estate. It brings out complete transparency about the details of builder and the project that he/she is currently working with and also the projects that he/she has worked in the past. This web portal acts as a bridge between the customer and a builder. The customer can view the details of the builder before giving the project to the builder. The builder or the organisation has to register themselves in the RERA Act in this web portal. For registration they have to provide certain documents which will be verified and validated by the government officials. Once they are approved as a member of the RERA Act, they can register their previous projects so that their profile will have an added advantage over the others. The customers can choose their desired builder for their projects. The builder has to update the progress of the project on a regular basis. On a mutual agreement time bound is fixed for the completion of the project, the builder is bound to finish the project in the stipulated time. If that case fails, the customer can register a complaint on the builder and the builder has to pay the retention amount according to the plan. With these facilities the common people can enjoy a great advantage while building their house(s). This helps to reduce the frauds done by the builder and brings transparency to the customer.

Key words: RERA Act, Buyers, Agents, Builder, Real Estate, Flats.

I. INTRODUCTION

- The Real estate (Regulation and Development) Act, 2016 is an act of the parliament of India. An act to establish the real estate regulatory authority for regulation and promotion of the real estate sector and to ensure sale of plot, apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner and to protect the interest of consumer in the real estate sector and to establish an adjudicating mechanism for speedy dispute release.
- The real estate bill was passed by Rajya Sabha on 10th March, 2016 and the Lok Sabha on 15th March, 2016. The bill as passed by the Honourable President on 25th March, 2016. The act was published by honorable President was published in the Official gazette on 26th March 2016 for public information.
- According to RERA, each state and union territory will have its own regulator and set of rules to govern the functioning of regulator.
- Some of states which are notified till 31st July 2017 are Maharashtra, Andhra Pradesh, Bihar, Chattisgarh, Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh, Odisha, Punjab, Rajasthan, Tamilnadu, Uttar Pradesh, Uttarakhand.
- Under a new law, states have to establish Regulatory Authority (RERA) which is a special body dealing with the real estate sector.
- Compulsory registration of new and ongoing projects - All builders and developers have a duty to register their new and ongoing projects with the Regulatory Authority.
- Once the registration is granted by the Regulatory Authority, the builder or developer has to publish entire details of their projects on the website of the Regulatory Authority. The registration is valid for the period indicated in the project

application as the time required for completion of the project. Once this period is over, the Regulatory Authority has a right to revoke the registration granted for this project.

- If the builder or developer has not handed over the property by the date mentioned in your agreement for sale or if the registration granted by the Regulatory Authority has been suspended or revoked, you have the right to withdraw from the project.
- If you choose to withdraw from the project, you have the right to be compensated for the full amount you have paid till date along with interest. You get this right as soon as the date has passed - you do not have to file a complaint or case at this point. The developer and/or builder is supposed to compensate you as soon as you make the request.
- If you choose not to withdraw from the project, you have the right to be compensated with interest for every month of delay. The exact interest amount will differ from state to state and depend on the state regulations issued.
- If the builder or developer is not voluntarily compensating you, you have the right to file a complaint before the Regulatory Authority. Each state Regulatory Authority is supposed to appoint an officer who performs the functions of a judge. He will conduct an inquiry and pass an order once he has decided whether you are actually supposed to get the interest or money spent.
- You need not compulsorily hire a lawyer to represent yourself. You can appear yourself or even hire a chartered accountant or cost accountant or company secretary.

II. OBJECTIVE

The L&B(Land&Building) Department is in the process to implement the Real Estate Regulatory Authority(RERA) Act , an

application needs to be devised for RERA to get the registration of builders with their projects. All the details of the projects , layout plan, status of projects & permissions from various departments for the projects with the timeline to complete the projects will be mandatory part of this software to facilitate the buyers. Before buying/registration for any projects of any builder,the buyers would be able to check all the details of the project. This application will bring the transparency and the builder will be bound to complete the project in scheduled time.

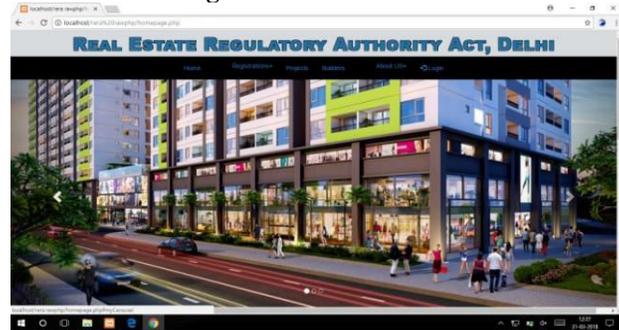
III. METHODOLOGY

(A) IMPLEMENTATION IDEA

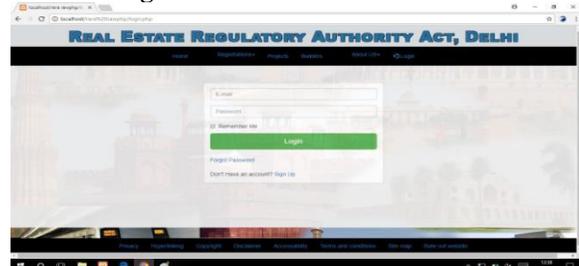
The objective of this web portal is to provide an interface between builders and buyers with the registration of projects and escrow accounts. All the details of the builders and layout plan, status of sanctions and permissions from various departments and finally the timeline to finish the project can be processed. This can be implemented in many ways using different tools. We have chosen laravel to develop the portal using interactive user interface. Usually the stakeholders (buyers/builders) are provided with login id's. The department of (L & B) RERA ACT maintains separate URL for query management. Some parts of the portal are made public. When a stakeholder submits a query it will be forwarded to the immediate authority of that department, a query will be logged into the database. Once the query is submitted, the timer for that query starts. Once the time taken for the response exceeds the timer limit the query gets triggered to the head of the department and necessary actions are taken. Using the logs maintained the Department of(L & B) RERA act finds associative patterns on the received queries. So that we can identify the problems and resolved in an optimized manner. This portal reduces unnecessary drift among the buyers. It makes easy for the authorities to resolve and provide solutions to these queries. It provides User friendly interface. It proves to be Robust.

(a) Screenshots

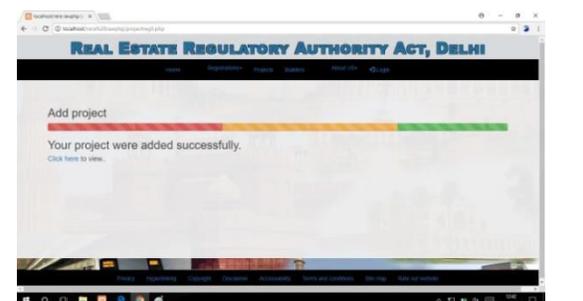
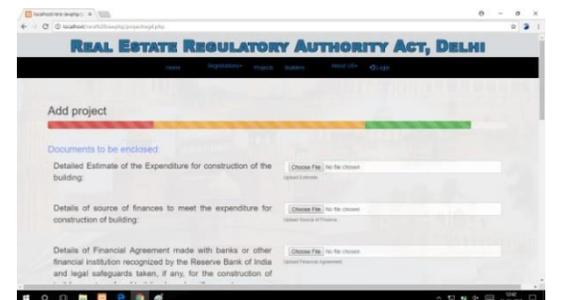
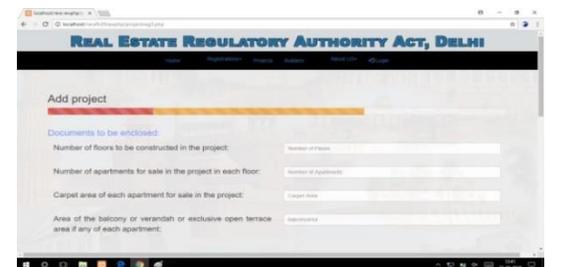
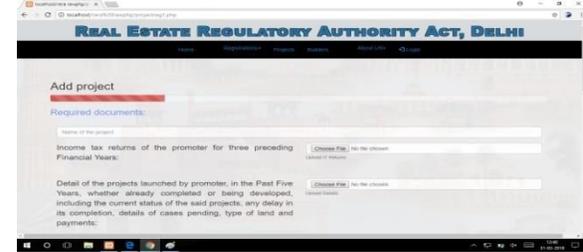
1. Home Page



2. Login



3. Add Project



4. Add Builder

(B) Which projects come under RERA

- Commercial and residential projects including plotted development.
- Projects measuring more than 500 sq mts or 8 units.
- Projects without Completion Certificate, before commencement of the Act.
- The project is only for the purpose of renovation / repair / re-development which does not involve re-allotment and marketing, advertising, selling or new allotment of any apartments, plot or building in the real estate project, will not come under RERA.
- Each phase is to be treated as standalone real estate project requiring fresh registration.

(C) How to register projects under RERA

- Authenticated copy of all approvals, commencement certificate, sanctioned plan, layout plan and specification, plan of development work, proposed facilities, Proforma allotment letter and agreement for sale.

(D) Effect of RERA on property prices

- As soon as RERA comes in to force it will lead to increase in prices of properties to an extent of 30-40% more, Due to
- Reduced Liquidity due to the clause of: 70% of project cost received to be submitted in account.

- Compulsory title clearance to be taken and plan passing to be done before the starting the booking of the project.
- No bookings can be done without the prerequisite of the previous condition is passed. Thus the practice of carrying out of whole project on booking amount received will be stopped because of these clauses.
- Certificates of CA, Engineers necessary before sanctioning of money from account.

(E) Benefits

1. Industry

- Governance and transparency.
- Project efficiency and robust project delivery.
- Standardization and quality.
- Enhance confidence of investors.
- Regulated Environment.

2. Developer

- Common and best practices.
- Increase efficiency.
- Corporate branding.
- Higher investment.
- Increase in organized funding.

3. Buyer

- Quality products and timely delivery.
- Balanced agreements and treatment.
- Buyer protection.
- Safety of money and transparency on utilization.

4. Agents

- Consolidation of sector (due to mandatory state registration).
- Increased transparency.
- Increased efficiency.
- Minimum litigation by adopting best practices.

IV. CONCLUSION

In this paper, the implementation of the Real Estate Regulatory Authority(RERA) Act has been discussed. Transparency for the buyer of the property has been considered as one of the main outcomes. This web portal will help to achieve that transparency between the builders and the buyers.

1. Advantages

- This act is beneficial for the builders with a high budget.
- It is also beneficial for the middle class people.
- Due to this act builders are mandatorily bound to include the technical and professional people.
- All the possible ways of corruption are totally altered.
- Corruption between the agents and the builders could be stopped to a greater extent.
- The Stamp duty in form of taxes could be recovered.
- This process is highly transparent.

2. Disadvantages

- The timelines of approvals by regulatory authorities have not been defined. Any delay in approvals from regulatory authorities could impact buyers as well.

- The Bill may lead to slightly higher prices of properties due to the reduced competition.
- New project launches might be limited as developers may not be able to launch without obtaining approvals, which could take two to three years.

V. FUTURE SCOPE

We have planned to implement Optical Character Recognition ((OCR), which is the mechanical or electronic conversion of images of typed, handwritten or printed text into machine-encoded text for the verification of the submitted documents.

VI. REFERNCES

[1][https://en.wikipedia.org/wiki/Real_Estate_\(Regulation_and_Development\)_Act,_2016](https://en.wikipedia.org/wiki/Real_Estate_(Regulation_and_Development)_Act,_2016)

[2]<https://housing.com/news/rera-will-impact-real-estate-industry/>

[3].https://www.researchgate.net/publication/308209620_Effect_of_RERA_Real_Estate_Regulation_and_Development_Act_2016_on_Built_property_prices

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