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## THE REAL ESTATE (REGULATION AND DEVELOPMENT) ACT 2016 "STORM IN REAL ESTATE GALLERY"

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### ABSTRACT:

The Real Estate (Regulation and Development) Act, 2016 is an Act of the Parliament of India the points of which is to ensure home-purchasers just as to promote interests in the land business. The Act sets up Real Estate Regulatory Authority (RERA) in each state for guideline of the land area and furthermore goes about as an arbitrating body for quick debate redressal. The bill was passed by the Rajya Sabha on 10 March 2016 and by the Lok Sabha on 15 March 2016. The Act came into power on 1 May 2016 with 59 of 92 areas advised. Remaining arrangements came into power on 1 May 2017.

The Central and state governments are obligated to tell the Rules under the Act inside a statutory time of a half year.

**KEYWORDS:** Real Estate, arbitrating body, Real Estate Regulatory Authority (RERA).

### OBJECT:

Main objective of RERA is to build a regulatory structure and to provide consumer protection and speedy redressal of disputes related to the real estate with the participation of states and Union Territories. The Act protects the interest of the real estate buyers by promoting accountability and transparency in real estate deals especially from the part of the developers. The Act covers the promoters buyers, and the real estate brokers also.

### FEATURES:

1. Following are the main features of the Act.
2. Formation of Real Estate

3. Regulatory Authority:
4. A Real Estate Regulatory Authority shall be formed by the Central Govt. and State Govt. to oversee the activities of the sector. The main work of Authorities is to consider the complaints of buyers and sellers in a stipulated time (60 days).
5. Real Estate registrations on or after May 1, 2017 will come under the purview of RERA.
6. Registration with the Regulatory Authority:
7. The advertiser of the venture needs to enlist his undertaking (both private and business) with the Real Estate Regulatory Authority before booking, selling or offering flats available to be purchased in such tasks.
8. No registration is required
9. for Small projects having project less than 500 square meters or less than eight.
10. Renovation and repair works also need not be registered with the Authority.
11. A strong disclosure about the promoter and project should accompany the registration of the project.

### Effect Of RERA on Builders:

As per RERA, no builder can ask more than 10 % of value of estate as advance payment before signing sale deed. Fraud builders will be liable for penalty and punishment as well under RERA. All developers will have to provide before authority the original sanctioned plans and changes made in the project if any and duration of the time within which they will complete

the project.

### Impact Of RERA on Buyers :

- 1.Builder cannot delay the project beyond stipulated time otherwise liable to pay interest rate at 2% above home loan bank rate
- 2.Builder can not charge for excess area above build up area
- 3.Builders will be held liable for any defect in the construction
- 4.Builder can't use the money of one project in the other project.
- 5.Any complaint of Buyers will be resolved Quickly.

### CONCLUSION

Rera is aimed at protecting the interests of buyers in the real estate sector and to establish an arbitrating mechanism for speedy dispute redressal. It is an act to create a mechanism that effectively regulates and addresses issues like project delivery delays, property pricing, quality of construction, title and other changes; in an efficient and transparent manner.

### Sources

- 1.The Government website : [www.gst.gov.in](http://www.gst.gov.in)
- 2.[www.clear-tax.in](http://www.clear-tax.in)



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