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COVER

STORY

RERA: Ensuring formalisation of the Indian real estate industry

How the new regime will reshape the real estate industry in long run

In India, the real estate sector had been primarily unorganised. As a result, the market was unregulated with delayed projects that affected the credibility of sector. This emphasized the need for a regulatory body to bring transparency in the Indian real estate market and protect the interests of homebuyers. With this intention, the Government had rolled out Real Estate (Regulatory and Development) Act 2016 (RERA) in May last year. It has been one of the most significant steps in accelerating an orderly growth of the sector.

Marathon Group has envisioned providing on-time delivery of projects. Shah says, "Except for external factors, the group has been creating detailed plan to provide on-time delivery of projects. The company has continued the same in the post RERA period. Besides this, additional manpower, state-of-the-art technology is been brought for us to ensure we complete the construction in time."

Omkar Realtors is known for commitment in every aspect; be its quality construction, product design and quality and timely delivery. It has delivered all its projects on time; to name a few: the first phase of Alta Monte at Malad Eastor Omkar 1973 Worli. Other ongoing projects Ananta by Omkar at Goregaon East and Meridia at BKC extension are also ready for possession on time, as promised. "As standard operating practices, we have set strict timelines of completion of all on-going projects.

We have instituted a special Customer Relationship Management (CRM) Cell to support valued customers. For speedier and quality construction, we have deployed highly advanced technologies comparable to best globally," informs Varma.

Hiranandani says, "We have a corporate work ethic, and as a company, we promise possession on a date on which we can deliver. We are leaders in leveraging technology to ensure time-bound construction, and this is something we used to do even in the pre-RERA days – and continue to do even now. Having said this let me add that there are circumstances beyond a real estate developer's control, and if delays are caused as a result of such circumstances, it does become very difficult for any developer to hand over possession on the promised date. Hopefully, we will not have to face any such situation."

Ruparel says, "We have robust systems and processes and our project planning team ensures RERA compliance that in turn avoids any delays and helps to manage project funds efficiently."



Amit Ruparel

Desu says," We are ensuring our planning is made more stringent, all vendors and material suppliers apart from contractors are tied up much in advance. Also, project status tracking is being done religiously to ensure the pre-set milestones are met as per schedule."

Time-bound completion of projects and compliance

Across the industry, those organisations which followed a casual way of working are facing problems in terms of the regulations, the aspects of completing on time as also compliance issues. "As a corporate entity, brand Hiranandani has always ensured that we work in complete compliance with norms, rules, and regulations. RERA has codified most of the norms and ways of working we follow, so it is not a major issue in terms of time bound completion of projects as also compliance issues," briefs Hiranandani.

Disruption may be a new way of changing the paradigm, but it has 'side effects' on the working system of any industry. A recent survey by Grant Thornton in India and industry body, FICCI found 45 per cent of real estate developers having no formal process in place to manage compliance mechanism of RERA. In the new regulatory regime, compliance is an important aspect. And yet, under RERA, it is not so much a matter of compliance in terms of doing as is laid down, as much as a matter of not going away from the norms or ensuring one does not do something different than what is prescribed under the rules.