

64% developers satisfied with the Real Estate Regulatory Authority : Report

Synopsis

According to the report, 70% of the consumers who participated in the survey were aware of RERA. Of these, 76% said they would only buy RERA registered properties, while five of six consumers said they would seek redress through RERA.



During the research process, similar Acts across the world were reviewed and most of them have seamless processes.

Only 14% of potential homebuyers have visited the **RERA** website and 24% of these consumers said they are satisfied with the online experience, according to a report on the impact of the Real Estate (Regulation and Development) Act on the real estate sector.

The report, prepared by **Omidyar Network India (ONI)** in partnership

with Boston Consulting Group (BCG), is based on interactions with over 1,300 consumers, developers, regulatory authorities and other stakeholders, such as chartered accountants, engineers and architects.

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Among developers, 64% of those surveyed said they are highly satisfied with the real estate regulatory authority.

The report said the 85% of those surveyed in the metro cities were awareness of RERA. The percentage dropped to 53 % in tier 2 and 3 cities, highlighting the need for the government to look beyond metro cities.

“It is great to see the boost in consumer confidence that has been created by RERA over the last 5 years in the real estate sector. However, there is still headroom to improve customer experience and unlock efficiencies in the sector by bringing in increased transparency and systemic accountability,” said Neetu Vasanta, managing director and partner, Boston Consulting Group.

The report said that a well-executed RERA can improve private investments by 5-7% and potentially create 4-6 million jobs in the sector and related industries.

According to stakeholder perspectives from Maharashtra, Uttar Pradesh, Madhya Pradesh, Orissa and Karnataka, RERA has been effective in increasing consumer confidence and improving accountability.

Across the surveyed states, 60% of projects had received RERA registrations beyond the central Act's mandate of 30 days, while 13% took more than three months.

During the research process, similar Acts across the world were reviewed and most of them have seamless processes.

The report pointed out that there is a lot of work to be done to streamline the understanding of the provisions of RERA, increase stakeholder confidence through even greater transparency and improve the grievance redress process.

“An average Indian household maintains 75% of all its assets in real estate. Combine this with the fact that 66% of civil cases in India are on land and property disputes, and it is obvious that RERA has a critical role to play,” said Shilpa Kumar, partner, Omidyar Network India. “Our report shows that in the last five years, RERA has begun moving in the right direction, increasing consumer confidence in the real estate sector.”

A total of 65,202 projects have been registered with RERA across the country and 10 states have contributed 90% to total project registrations, of which Maharashtra accounts for 45% (29,510 projects).

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