



**A Paper on Study about Awareness of RERA Act with Reference
MAHARera in Thane City**

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Abstract:

The Real Estate Sector is one of the giant contributor towards countries GDP and Employment Generation platform. The sector is one of the important and thesecondlargestsources of income. Now – a – day's realestatesector is exponentially growth in our country. In earlier days there was no proper regulation and protection to interest of Buyers in the0real estate sector. The more fraudulent and cheating activities were happened in real estate sector very frequently. The buyerfaced more issues from the promoter / developer before implementation of the RERA. To regulate the promoters, agents andprotect the buyers the Real Estate (Regulation and Development) Act 2016 was introduced in India. The RERA is a gamechangerintherealestatesector. The study emphasis andinterpretabout MahaRERA act awareness among homebuyer in thane city. RERA act is tool to safeguard interest of the home buyers. There is urgent need of awareness about RERA act among all the allottees.

Keyword: Homebuyer, MAHARera ,Redressal Mechanism, RERA act Awareness

Introduction

The Real Estate Regulation and Development Act, 2016 was introduced by our Indian government with various provisions. The bill was passed by Rajya Sabha on 10th March 2016 and by the Lok Sabha on 15th March 2016. The Real Estate (Regulation and Development) Act, 2016 was come into force on 1st May 2016 with 59 out of 92 sections notified. Remaining sections are come into force on 1st May 2017. According to the provisions of RERA each state and Union Territories have its own regulation authority called Real Estate Regulatory Authority, Real Estate sector is one of the most prominent industry in India. But there were no proper regulations under this sector. So, Indian government took decision to implement the RERA act with various provisions to regulate the Promoters and give protection to the Buyers Investments. RERA act introduced speedy

dispute Redressal called as an Appellate Tribunal. Each state has separate regulatory inclusive of Union Territory. This act major aim is to protect the buyer's investment and regulate the promoters and agents. A real estate sector gives higher percentage of income in India. RERA is a game changer since the promoters should not give advertisement without registration their projects under the RERA act. Real Estate Regulatory Authority plays vital role for each state and union territory in India. The real estate sector is an empirical sector in India.

Objective of the study

To Explore about RERA Act and its Impact on Home buyer

To Understand about Awareness of RERA among allottees

Review of Literature

1. **Swapnil Shashikant Shinde Dr. Sumant Kulkarni (2019)**, Based on this case study, it can be concluded that the

demonetization, the Goods and Services Tax, and, in particular, the Maha-RERA Act 2016 had a short-term influence on the real estate project. The result was a financial loss of around 5% and a five-month delay in the project's completion.

2. **Poonam P. Patil, Asst. Prof. Manish D. Mata (2019)**, As the Act becomes more intact, it is projected to have a significant positive impact in the future. The above study demonstrates the significance of determining the influence of the MahaRERA Act on construction projects by taking into consideration the concept of the MahaRERA Act, their live case studies, and analysing the data gathered in the field.
3. **SainandKhot ,AfzalShaikh (2019)**, When registering projects on the site. You cannot enter your building with 3 levels and then elect to develop 4 floors. If you decide to optimise it in the future, you can't change your mind. This is a significant grey area in RERA because construction projects are continually changing. 2. During registration, you have two choices for your plan. There is approved and proposed built-up area. That is, you have sanctioned some territory initially, but expect to sanction additional in the future. When your suggested area is approved, you can't change the overall area. That instance, the new sanctioned area displays the old proposed area, while the new proposed area does not. This inaccuracy shows the total area. So you can't amend the approved plan.
4. **ABDUL ASIF KHAN (2020)**, Constructive urbanization has gained growing attention in recent decades as the country undergoes rapid transformation. As the nation strives to meet developmental goals through urbanization. In a country like India, a standardized Real Estate Regulation Act is required to provide uniform standards and clear transactions. The establishment of RERA is a big step in the correct path to educate customers,

promoters, and builders. Modernization of land records, land acquisition, and GST can be prioritized in the future to expand the real estate sector. Builders, promoters, agents, and allottees must comply with project specifications, agreements, and regulatory frameworks. Notably, real estate firms must ensure that allottees' properties are well maintained and that occupants are satisfied. The RERA ensures increased accountability of real estate builders and agents towards clients and the government. The RERA is devoted to the successful and effective implementation of the country's real estate law and has adopted relevant and consistent steps for the sector's progressive development. Various policy initiatives adopted under the RERA would undoubtedly create amazing adjustments in the economic and social transformation.

Research methodology.

The study is based on Primary and secondary Data collection method through questioner from 200 Sample size of thane city and from official website of RERA act and Article, Journal and books and Government documents and Publishings.

Hypothesis

Alternate Hypothesis:H1 - The Home buyers has Awareness about RERA act

Null Hypothesis: H0-The Home buyers has no Awareness about RERA act

Importance of the study

The study shall be useful for finding out awareness about this Act and Responses.

It enables to understand about the progress of the act in the sector.

Survey method used for collecting data from home buyer

Scenario Of Indian Real Estate Sector

Real estate is a quality class that stipulates expert skills. The intricacy adjoining this sector is increasing in the Indian context. Compared to the full-grown real estate markets in the urbanized nations, buyers in India must have a higher level of

conscientiousness before inflowing into property contracts (Christopher Crowe et al, 2011). India has its own distinctive and vital complexities and business is not an exemption to it.

Real estate is an essential component in the configuration and development of all businesses and gradually growing into an immense business itself. As such the performance of realty sector depends mainly on the performance of the market and the commerce in particular. The Real Estate Sector plays a catalytic role in fulfilling the demand for housing and infrastructure in the country. While it has expanded over the years, it has been highly unregulated coupled with lack of standardization and adequate measures for protection of consumers interest. The major problems faced by the consumers was the unavailability of complete and authentic information in respect of the property they were dealing into, lack of accountability on the part of developers and builders and absence of effective regulation. The irregularities affecting the sector were delay in project completion, diversion of funds collected from buyers; reneging on contractual commitments by both the developers and the buyers; and constraints in financing and investment opportunities available to the sector, thereby affecting its long-term growth. Thus, the need of regulation of real-estate market was never more than it was now: to ensure transparency and fix accountability.

Benefits of RERA Act for the Homebuyer

1. **Total transparency in dealings:**The RERA Act has made it mandatory for builders to ensure that there is total transparency in the information provided to the home buyer. Builders are obligated to inform the buyer about every single, major and minor aspect of the project they are building. They must provide a pamphlet and also update these details on their real estate websites. Buyers must be informed about the plan layout and execution. They should also

be informed about the stage-wise completion of the project.

2. **Builders cannot charge for excess area:**One of the key benefits of RERA is that builders cannot charge homebuyers for both, the built-up and the super built-up area. This simply means that buyers only have to pay for the carpet area of the home purchased by them i.e. the area between the walls. Builders cannot charge buyers for the super built-up area i.e. the area covered by external walls, which includes things such as the elevator, the stairs, the lobby, the balcony and other such common spaces. Moreover, developers must take consent from buyers in case they are making any changes in the project design or other structures.
3. **Project delays are prohibited:**Earlier home buyers had to face the inconvenience of not getting possession of the property at the time promised by builders. This is not permitted any more. It is mandatory for builders to complete projects within the time frame promised and builders who default on this are required to pay an interest rate of 2% above the lending rate offered by the country's largest nationalized bank, the State Bank of India. Moreover, builders could also face a possible jail term of 3 years for project delays.
4. **The building should not have any defects:**To ensure there are no loose ends or chances of fleecing buyers owing to so many laws under RERA, the government added another clause to protect buyers from poorly constructed properties. As such, they laid emphasis on the quality of construction, which was a major concern for buyers. Under RERA, a building should be free of any kind of structural defect for a minimum period of 5 years of buyers' gaining possession of the property. In case any defects are found, it is the responsibility of the builder to fix the defects without charging the buyer. Also, the defect should be fixed in a period of 30 days from intimation.
5. **Builders cannot use your money for other projects** another major benefit of

RERA is that developers must mandatorily deposit 70% of the sums received from buyers into a separate escrow account and the money can only be withdrawn in accordance with the construction stage as approved by builders' chartered accountants and engineers. Also, builders cannot ask for more than 10% of the cost of the property as advance before a sale agreement is

drafted. Since the introduction of RERA most malpractices by builders have gone down rapidly. The introduction of the Act has proven to be a massive relief for buyers who are now getting exactly what they pay for. The RERA Act is doing just what it intended i.e. protecting the interest of buyers in several ways.

RERA Benefits

Developer	Buyer	Agents
Common and best practices Increase efficiency Consolidation of sector Corporate branding Higher investment Increase in organised funding	<u>Significant buyers protection</u> Quality products and timely delivery Balanced agreements and treatment Transparency – sale based on carpet area Safety of money and transparency on utilisation	Consolidation of sector (due to mandatory state registration) Increased transparency Increased efficiency Minimum litigation by adopting best practices

Maha-RERA:

On May 1, 2017, the Maharashtra Real Estate Regulatory Authority, also abbreviated as MahaRERA, was officially established. The Real Estate Regulatory Authority of Maharashtra, which is widely regarded as one of the most active real estate regulatory agencies in India, recently made history by becoming the first state in India to initiate a conciliation mechanism under Section 32 (g) of the RERA. This was accomplished through alternative dispute resolution. The conciliation mechanism that has been established by MahaRERA can be utilised by any allottee or promoter who has been wronged, as defined by RERA. In order to fulfil this requirement, a specialised website has been developed, and one can gain access to it through the MahaRERA website as well. RERA protects the interest of homebuyers and investors by making the real estate market organized and transparent. Almost 70 per cent of the total real estate projects in the country are covered under RERA jurisdiction.

Mechanism of Redressal under RERA

- To file a complaint under RERA, it is important to know the jurisdiction to which the complaint belongs to and the right authority to seek redressal under RERA. A complaint can be filed in any state to the Tribunal, any RERA Adjudicating officer appointed or to any other RERA Authority.
- Each state prescribes for an offline or online utility to buyers for submission of complaints under RERA.
- Each complaint should be inclusive of all details of the transaction and the parties involved. The forms as prescribed for complaints shall require details of Name of the builder, Name of the buyer, property details, commitment details, total sums paid, additional fees paid, possession details and the description of grievance.
- Once the complaint is submitted, the authority issues a reference number to the applicant for tracking the proceedings in the case.
- On-call, the complainant will be required to submit all copies of the documents

asked and the same is to be produced to the builder or the party involved in the grievance.

- The builders or the party involved are asked to file a response in return for the complaint raised.
- A final order is taken by the respective authority which calls for action to be undertaken by the builder or to the person involved in the grievance. For not respecting, the final order the person involved shall be charged with either a monetary penalty or even imprisonment as indicated in the RERA.

Table No.1

Data Interpretation and Analysis

Areas	Male	Female	Total
VartakNager	20	10	30
GB Road	20	10	30
Balkum	35	15	50
Pachpkahdi	40	10	50
Chari	30	10	40

Table 2

Range	Male	Female	Average Total
Below 30	45%	35%	40%
30-40	85%	75%	80%
40-50	79%	60%	70%
Above 50	45%	30%	38%

Table-2 As per the Data collected Average range of below 30 years age including male female is 40% on an Average and Above 50 age is around Average of 38%. Aging between 30-40 about 80% whereas range between 40-50 age about on An Average 70%.

Table-3

less than 5 Lakh	40%
5Lakh-10Lakh	60%
10Lakh -20Lakh	65%
20lakh-30Lakh	75%
more than 30lakh	35%

Table-3 As per the data collected level of Income is ranging between 5lakh -10lakh around 60%, whereas between 10lakh - 20Lakh is 65%, the income level of 20lakh-30Lakh is around 75%.The more than 30

Lakh income of 35% sample size. The less than 5 lakh is around 40%.

Table 4

Sources	Percentage
Website	85%
Government Article	65%
News paper	50%
Campaign	30%

Table-4 As per data collected the sample size responded more towards Government official website about 85%,as per the study Government article refer by Respondent about 65%. Newspaper is also helps in creating awareness and campaign contributes around 30% in respect of creating awareness.

Table 5

Awareness about Realty sector legalities	Percentage
Not Aware	25%
Partly Aware	60%
Somewhat aware	50%
Mostly	40%

Table-5 As per data collected out of total sample size of 200 respondent 25% of sample size of 50 respondents are not aware about Realty sector legalities. Whereas as 60% are partly aware about realty.50% somewhat aware. Out of total sample size 40% sample are mostly aware about the legalities of realty sector.

Table 6

MAHARERA Act- high security oriented	
Agree	80%
Disagree	15%
None	5%

Table-6 As per Data collected from sample 80% of the respondent are Agree with safety and security of MAHARERA Act. Whereas 15% of respondent are not agree with the same.5% out of total respondent not responded.

Table 7

Satisfaction Level	Male	Female(%)
Highly	85	70
moderated	90	80
low	30	50

NIL	20	40
	Total	

Table-7 As per Data collected from survey more than 50% of sample size is satisfied from the MAHARERA Act implementation and Progression in the real estate sector, where in some sort of sample size is low and not satisfied due to complication in legalities and lack of knowledge and awareness of the act.

Conclusion

- As per the study and Research it is found that the awareness among the homebuyer in Thane city is quite favorable and has positive impact and approach as well. Almost the area located in thane city has good income level people which again become important factor in buying decision for any Real estate property.as per the data collection the respondent are highly satisfied from RERA implementation due to transparency and accountability possible through Redressal Mechanism.
- 76 percent of consumers who are aware of RERA will buy only RERA registered properties. 70% of the consumers are aware of 'RERA' as a regulator. While metro/tier 1 cities have greater awareness, i.e. 85% in metro, the awareness in tier 2/3 cities is considerably low at 53%. Only 50% of the consumers are aware of only 2 basic benefits of RERA, i.e., the mandatory registration of the relevant projects and RERA as a grievance redressal forum.
- The awareness of the RERA website continues to be dismal. The survey stated that 27 states have set up web portals with information available on ~110 parameters for the registered projects. However, only 14% of the consumer have visited the state RERA website, 45% of the consumers reported that they found it difficult to navigate the RERA website, and only 24% consumers of those who visited the website were satisfied with it.

- A lot of improvement on the part of the regulator is warranted to make consumers and developers make full use of the RERA website to bridge the knowledge asymmetry about a project or a developer. Due diligence is an important component of any homebuyers' decision before purchasing a home.Despite the challenges, 64% of developers felt highly satisfied with RERA. 45% of the developers indicated dissatisfaction with the RERA website.
- Most of their dissatisfaction stemmed from difficulty in navigation and non-functionality of the website, the survey said. The real estate sector is a significant driver of economic growth and it is pertinent that the sector impacts for good more consumers.

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