
Evaluating the Role of RERA in Strengthening Consumer Protection in the Real Estate Sector: Legal Frameworks and Practical Implications (April 2025)

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ABSTRACT The purpose of this research paper is to examine the evolving trends in real estate development regulations in India, with a particular focus on the Real Estate (Regulation and Development) Act, 2016 (RERA) and its role in strengthening consumer protection. This study examines RERA's impact on the Indian real estate sector and examines its role in fostering transparency and accountability. As part of the evaluation process, key provisions of the Act are examined for their effectiveness in protecting the interests of homebuyers, such as mandatory registration of projects, disclosure requirements, escrow accounts, and grievance redress mechanisms.

While RERA has succeeded in increasing consumer confidence and improving project accountability, the paper highlights significant challenges in its implementation. A lack of awareness among consumers and developers, as well as state-level discrepancies, continue to undermine the full potential of this act. The research adopts a global perspective by comparing RERA with international regulatory frameworks, drawing insights from global best practices to identify areas of improvement. This study examines the practical challenges consumers, developers, and policymakers face in adhering to the provisions of RERA using empirical data and case studies from various Indian states. After RERA's enactment, a comparative analysis of consumer protection reveals that regulatory practices have undergone transformational changes. Furthermore, a comparative analysis of consumer protection in the pre-RERA and post-RERA era underscores the transformative impact of the legislation.

The paper emphasizes the importance of a robust regulatory framework to ensure consumer protection and economic stability in the real estate sector. A set of recommendations is provided based on the findings of the paper which include improving state-level enforcement of RERA, increasing awareness programs, and improving grievance redress mechanisms. It contributes to ongoing discussions on the regulation of real estate in India and around the world, by suggesting that refinement of RERA and its effective enforcement will engender a more transparent, equitable, and stable real estate market..

INDEX TERMS Real Estate Regulation And Development Act (RERA), Real Estate Sector, Regulatory Framework, Consumer Protection, Transparency, Accountability.

I. INTRODUCTION

Globally, the real estate sector is a fundamental driver of urbanization and economic advancement, playing a pivotal role in societal development. In India, it is second only to agriculture in employment generation, underscoring its crucial role in the nation's socio-economic framework.

Although the Indian real estate industry experienced notable progress in the early 21st century, it continues to encounter challenges such as delayed projects, limited transparency, unethical conduct, and uneven information access between developers and buyers. These issues have often left homebuyers dealing with unfulfilled promises and extended legal disputes.

The Real Estate (Regulation and Development) Act, 2016 (RERA), was introduced as a transformative measure to address long-standing issues in the sector and restore trust among stakeholders. This game-changing legislation aims to create a seismic shift in the industry with the introduction of a new, transparent, accountable, and consumer-focused regulatory regime. Through RERA, the initiative is intended to put your best foot forward in safeguarding the interests of homebuyers, encouraging fair practices, and establishing a level playing field for all parties involved, such as developers, real estate agents, and investors.

Under RERA, developers managing projects exceeding 500 square meters or involving more than eight units must register with their respective state regulatory authorities. With the Act being in place, it now requires developers to make crucial information available to facilitate informed decision-making, including timelines, costs, and layouts, among others. Failure to comply with these provisions comes under severe penalties of a fine of 10% of the project cost or with a jail term of three years, thus more stringent mechanism for compliance.

Maharashtra was the first state to implement the Act in 2017 after it came into force in May 2016. By regulating both residential and commercial projects as well as real estate agents, RERA has brought homogeneity to the sector and curbed malpractice. Not just a regulatory reform, its implementation is crucial to develop trust and accountability in real estate.

This research paper discusses an overview of the facts, history, legislation, and effects of the RERA in moulding the Indian real estate sector, specifically for consumer protection. It examines how the Act has helped rectify legend efficiency issues, encouraged principles of good conduct in businesses, and instilled transparency as well as a strong-framework that has a global impact to make this sector credible over a longshoring period.

II. RERA's Legal Framework

RERA, enacted in 2016, it marked a significant initiative by the Government of India to improve accountability, transparency, and efficiency within the country's real estate industry. The legislation establishes a regulatory framework for real estate projects, outlining the responsibilities of promoters, providing remedies for buyers, and instituting comprehensive regulatory mechanisms.

[1] Key Features of RERA

1. Requirement of Registration for Real Estate Projects

Under Section 3 of the Act, no individual or entity may promote, market, or sell a property without registering the project with the Real Estate Regulatory Authority (RERA). This provision aims to enhance transparency and reduce fraud in the real estate industry. The Act mandates that ongoing projects lacking the required certificate at the time of its enforcement must apply for registration within three months. However, certain projects are exempt from registration, including those built on land smaller than 500 square meters or with fewer than eight apartments (Section 3(2)(a)), projects with completion certificates obtained before the Act came into effect (Section 3(2)(b)), and repair or redevelopment projects not intended for marketing or selling new properties (Section 3(2)(c)). Additionally, every project stage is treated as a separate project; registration must be done individually for each phase under Section 3.

2. Duties and Obligations of Promoters

Section 11 outlines promoters' duties, including timely project completion, transparency, and accountability to buyers. The RERA portal also requires promoters to maintain a dedicated project webpage that is updated every three months with the status of apartments, garages, and approvals for the project, Section 11(1)(b-d). While advertising, registration numbers and each project have to be also displayed prominently (Section 11(2)); The promoters have to furnish sanctioned plans, layout specifications, and timelines to the buyers during the reservation process (Section 11(3)(a-b)) and are accountable for any construction flaws or shortcomings over a duration prescribed in Section 14(3). On, or after, the delivery of possession, promoters must apply for completion and occupation certificates (Section 11(4)(b)). The promoter shall facilitate the establishment of an association or society of allottees; in the absence of local laws, the association shall be formed within three months from the booking of the majority of units (Section 11(4)(e)) and is prohibited from mortgaging properties sold after agreements for sale (Section 11(4)(h)). Promoters must compensate buyers for any losses caused by false or misleading advertisements, as outlined in Section 12, which also permits claims for refunds with interest or additional compensation.

3. Remedies for Allottees

Section 18 of the Act provides allottees the right to seek refunds, interest, and compensation in cases of delays or deficiencies attributed to the promoter. “Where the promoter fails to complete or deliver possession of the apartment, plot, or building, as the case may be, in accordance with the terms of the agreement for sale, or if the promoter is unable to give possession of the apartment, plot, or building, the allottee shall be entitled to receive interest at such rate as may be prescribed on the amount received by the promoter following the terms of the agreement for sale, till the handing over possession of the apartment, plot, or building, as the case may be”¹ or, monthly, in case the allottee does not opt to leave the project, interest compensation for delays. It also makes the promoter liable for compensation if the title of the land where the project would be developed is defective, irrespective of whether the defect was known at the time of selling the land (Section 18(2)). Moreover, if the promoter fails to perform the obligations mentioned in the Act or the agreement for sale (Section 18(3)).

[2] Legal Provisions for Consumer Protection

1. Application for Registration of Real Estate Projects

Every promoter of a real estate project is to be registered with RERA as stipulated under Section 4 of the RERA Act. The application should be in the prescribed format, with the required fee and the proper timing. Besides, the application form seeking information about the enterprise, projects done in five years, approvals from competent authorities, and complementing documents may also be required by the promoter.

It is also essential that the promoter submit the sanctioned plan, layout plans, and details of the proposed development works. It is also necessary to include a pro forma of the agreement to be signed with the allottees. The promoter, accompanied by an affidavit, is required to make a legal declaration affirming the title to the land, that any encumbrances exist, that the completion schedule for the project shall be, and the arrangements for funding. It is worthy of note that the promoter has to deposit at least 70% of the amounts realized in an escrow account, to be used exclusively for covering the cost of construction and land acquisition.

2. Application for Settlement of Disputes and Appeals

Under Section 44(1) of the Act, individuals who are unsatisfied with an order or decision made by the Real Estate Regulatory Authority or the adjudicating officer have the right to file an appeal. Such appeals can be directed to the Real Estate Appellate Tribunal within 60 days of receiving the order, accompanied by the requisite fee. However, the Tribunal has the discretion to accept appeals submitted after the 60-day period if a valid reason for the delay is provided. Upon receiving an appeal, the Tribunal must allow both parties an opportunity to present their case and issue appropriate orders, including interim relief if necessary. In instances where the Tribunal cannot resolve the appeal within 60 days, it is required to provide valid reasons for the delay.

3. Establishment and Composition of the Real Estate Appellate Tribunal

According to Section 43(1) of the Act, the relevant government is required to establish a Real Estate Appellate Tribunal within one year of the Act's implementation. As outlined in Section 43(3), the Tribunal must comprise both a judicial member and an administrative or technical member. If there is a significant volume of appeals, the government may set up additional benches to cover various jurisdictions. Furthermore, Section 45 mandates that the Appellate Tribunal include a chairperson and at least two full-time members, with one being a judicial member and the other an administrative or technical member. To ensure a diverse tribunal, the government is responsible for appointing these members. Specifically, the Tribunal will not accept an appeal filed by a government that has received a specified percentage (at least 30%) of any penalty or outstanding dues as mandated by the Tribunal (section 43(5)).

4. Powers of the Appellate Tribunal

Section 53(1) specifies that the Real Estate Appellate Tribunal is not bound by the procedural framework outlined in the Code of Civil Procedure, 1908. However, it is required to adhere to the principles of natural justice while conducting its proceedings. Under Section 53(4) of the Act, the Tribunal is granted the full authority of a Civil Court, including powers to summon and compel the attendance of witnesses, require the production of documents, accept evidence

through affidavits as per Section 53(4)(c), issue commissions for examining witnesses and documents under Section 53(4)(d), and conduct reviews under Section 53(4)(e). Additionally, the Tribunal is vested with all powers necessary for effectively exercising its jurisdiction, enabling it to fulfill its responsibilities concerning the resolution of disputes and ensuring compliance with the Real Estate (Regulation and Development) Act, 2016.

III Role of RERA in Consumer Protection.

Under the RERA Act, it is stated that a consumer is called an allottee. Section 19 under Chapter IV deals with allottee rights and obligations. On a different note, although this act was formulated specifically for the protection of rights to consumers, all such provisions of the act aim towards protecting the rights of the consumers.

1. Consumer Protections

RERA 2016 establishes rigorous consumer protections, highlighting clarity, accountability, and allottees' rights protection. Under Section 19, the Act further details allottees' entitlements and obligations for clear equity and parity. Under 19(1)(2), allottees have access to detailed project information-sanctioned plans, architectural layout, and phased completion. The allottees are entitled to secure possession of their properties and ancillary common areas according to the contract stipulations and the declarations of the promoter (19(3)). In case the allottee fails to perform his or her contractual obligations or delays unduly, he or she may invoke his or her statutory rights to claim a refund augmented by interest and equitable compensation (19(4)). The Act further stipulates the conveyance of all pertinent papers and plans upon the occupation, hence an unadulterated title through which to claim proprietorship (19(5)). Allottees have obligations to pay in due course, however their obligation and liability can be reassessed and reconciled mutually (19(6-8)). Engagement in the formation of associations or society is compulsory in order that collective governance is accomplished (19(9)). The provisions in RERA, well-designed and articulated, demonstrate its firm resolve to strengthen consumer protection, foster accountability, and build consumer confidence.

The RERA Act establishes robust measures that ensure the protection of a homebuyer's investment, and its money is spent solely on the registered project, thereby protecting it against fraud. Section 18 holds promoters accountable for

refunding payments with interest and compensation in cases of project delays or cancellations resulting from revoked or suspended registration. Additionally, the promoter should recover the loss incurred by defective land title or non-performance under the Act. Section 7(1)(d) enhances the consumer's security by empowering the authority to cancel a promoter's registration if such promoter has been found engaging in fraudulent activities, which could include misrepresentation or misleading advertisements. Post revocation, very strict measures are employed that freeze the project bank account and also allow continuing with the development to further secure the interests of the allottees. These provisions together enhance accountability, ensure transparency, and deter malpractices in the real estate industry.

2. Empowering Consumers

“The relevant section is Section 34(b) of The RERA Act 2016, stating that the Authority shall (b) publish and maintain a website of records, for public viewing, of all real estate projects for which registration has been given, with such details as may be prescribed, including information provided in the application for which registration has been granted.”² This, in turn, brings transparency and consumer awareness as information regarding projects and developers would be readily available to them in real time through the state RERA portals.

RERA Act, 2016 Section 18 protects the interest of buyers in their money, penalizes delay, and builds trust between buyers and developers. Under such circumstances, if a promoter is not able to complete or hand over the possession of a real estate project as agreed, he is obligated to refund with interest, the sum paid by the buyer. Through this receipt, the promoter is made accountable, and by such accountability, the buyers are assured that they will not suffer any financial loss, and confidence in the real estate sector is earned by ensuring that projects are completed within the stipulated period or compensation is given for delays. “The Supreme Court, in *Experion Developers Pvt. Ltd. vs. Sushma Ashok Shiroor* (2022), held that consumer courts have the jurisdiction to set aside unfair and one-sided builder-buyer agreements and that a homebuyer is not compelled to accept ownership of the apartment and is entitled to refunds with interest if they decline possession due to delays or deficiencies. The Court further harmonized the Consumer Protection Act and the Real Estate (Regulation

and Development) Act of 2016 by stating that they complement each other in protecting the interests of the buyer. This judgment further strengthens consumer protection by making builder-buyer agreements fair and giving homebuyers a right to claim just remedies for service deficiencies.”³

3. Impact on Consumer Confidence

RERA has enhanced the level of consumer confidence in the real estate market by focusing on the long-standing problems, such as non-transparency and delay in the project. Section 4(2)(1)(C) of the Act requires a promoter to disclose detailed information about the project timelines, sanctioned plans, layouts, financial arrangements, and statutory approvals while registering the real estate project with RERA. Therefore, the entire project information is transparent in nature so that the buyers may take an informed decision regarding the project. As yet another measure of accountability and trust, Section 11(1)(a-f) requires the promoters to observe the terms and conditions of the agreement and to make periodic quarterly reports of the status of the projects.

A comparison of pre-RERA and post-RERA scenarios shows a notable reduction in fraudulent practices and an increase in fair and ethical practices. Section 19(1) guarantees allottees the right to obtain complete project information, while Section 19(4) ensures their right to timely possession. This strengthens their position against defaulting developers. Besides, Section 31 further also provides that in case any grievance or non-compliance by the promoter occurs, the consumers can file their complaint before the Real Estate Regulatory Authority or an adjudicating officer. Altogether, these detailed provisions encourage ethical practices, decrease malpractices, and enormously enhance consumer trust in the real estate industry.

“As per an ANAROCK report from December 2023, referencing data from the Ministry of Housing & Urban Affairs (MoHUA), RERA courts in India have resolved 1,16,300 cases involving homebuyer disputes between 2016 and November 28, 2023. By this date, approximately 1,16,117 projects and 82,755 real estate brokers had been registered under RERA across the country. Comparatively, in 2021 alone, 71,307 projects and 56,177 brokers were registered. These figures represent a growth of 63% in

project registrations and 47% in broker registrations over the preceding two years, according to the report.”⁴

IV. Shortcomings of RERA in Consumer Protection.

1. Implementation Issues

There is wide variation in the application of RERA between the states and thus inequalities in its efficiency. Whereas in certain states RERA authorities are completely operational and the whole system of regulation has been framed and enacted, on the other hand, in others even functional frameworks have yet to be prepared. In some states, adequate rules have not been notified or digital platforms have not been established to enable the registration of projects and redressal of grievances. This is one of the causes of non-uniformity in the application of these laws, and a few homebuyers get full protection in certain regions while others are made vulnerable to fraud. These contradictions erode the very essence of the national regulatory framework RERA and negate the purpose it has been enacted to serve by establishing accountability and transparency in the real estate sector.

Although RERA has been enacted as a national framework to oversee the real estate industry, severe inconsistencies in its application have undermined the effectiveness that could have been achieved with a uniformity. Up to August 2024, 32 states and union territories had notified the formation of real estate regulatory authorities: 27 permanent and 5 interim; however, crucial gaps remained in Ladakh, Meghalaya, Nagaland, and Sikkim. This has also been limited to only 28 states; thus, other states like Arunachal Pradesh, Jammu & Kashmir, Ladakh, Meghalaya, Mizoram, Nagaland, Sikkim, and West Bengal do not have such basic adjudicatory authorities. Ten states, including Bihar, West Bengal, and Uttarakhand, lack adjudicating officers, thus limiting the implementation of RERA provisions and denying homebuyers an effective grievance redress mechanism. Progressive states like Maharashtra and Uttar Pradesh have been on the forefront of strong implementation, registering more than 46,000 and 3,600 projects, respectively, and resolving thousands of consumer complaints. On the other hand, Arunachal Pradesh and Ladakh have not operationalized their frameworks yet. To ensure equitable enforcement, these disparities highlight the lack of standardised implementation protocols and

emphasise the need for capacity-building measures. Such inconsistencies not only diminish RERA's credibility but also leave homebuyers in lagging states particularly vulnerable to exploitation, contrary to the Act's fundamental objective to enhance accountability and transparency in the real estate sector.⁵

India's Real Estate Regulatory Authority, or RERA, suffers severe constraints from weak execution and monitoring owing to the lack of resources and qualified personnel. A major problem remains the execution of orders given by RERA or its appellate authorities. The failure of developers to implement orders pertaining to such matters as refunds, penalties, and compensation in a stipulated period leaves RERA incapable of enforcing its own orders directly. For execution purposes, it refers matters to the District Magistrates, often dragging the homebuyers into lengthy legal processes. Such procedural inefficiency not only delays justice but also is antithetical to the very purpose behind RERA, namely guaranteeing timely and effective consumer protection.

2. Grievance Redressal Challenges

The RERA aims to speed up the redressal of grievances; however, the dispute resolution mechanisms often face administrative inefficiency and significant backlogs, which delay the delivery of justice to aggrieved consumers. Overlapping jurisdictions of different regulatory bodies and the lack of a streamlined process often cause confusion and delays in the redressal of grievances. Though the act provides for authorities to adjudicate disputes on an expeditious and fair basis, systemic inefficiencies such as a shortage of trained personnel and undue procedural complexities make its proper implementation difficult. The very basic purpose of RERA gets diluted as a result of continued delay in dispute redressal, which is to establish a predictable and timely system for redressing grievances that is unavailable to many consumers on time, thereby denting consumer confidence in the whole regulatory structure.

In the rural and semi-urban regions, the lack of access to grievance redress mechanisms under RERA often puts homebuyers at the mercy of some unscrupulous developers. "The Supreme Court, in *Pioneer Urban Land and Infrastructure Ltd. v. Union of India & Others*, emphasised the need for RERA to be interpreted harmoniously with other

legal frameworks, asserting that RERA is to be read harmoniously with the Insolvency and Bankruptcy Code (IBC), and in cases of conflict, the Code will prevail over the RERA."⁶ This judgement highlights the critical need to strengthen the implementation of legal protections under RERA, ensuring they are accessible and effective, particularly in safeguarding home buyers. Furthermore, "in the case of *Pioneer Urban Land and Infrastructure Ltd. v. Govindan Raghavan*, the Court held that the term of a contract will not be conclusive and enforceable if it is alleged that the flat purchasers were left with no choice but to append their signature on a pre-drafted contract by the builder." This decision permitted the allottee to walk away with the interest even though by such time an occupancy certificate was issued for the first time, indicating the anger of the Court at such draconian contracts. Given these implementation deficits, it becomes significant to focus on blanket reforms that would improve provisioning of services and guarantee the protection of consumers' rights under RERA⁷.

In order to restore consumer confidence and uphold RERA's core objectives, it is of utmost importance to tackle functional inefficiencies, bureaucratic delays, and issues of accessibility in the grievance redressal. To keep up with that end strengthens the mechanisms into positive reforms so as to assure an effective and instant safeguard and remedying of the crestfallen homebuyers' rights.

3. Developer Resistance

Regulatory loopholes are frequently exploited by developers to circumvent compliance, thereby undermining RERA's primary objective of protecting consumers. To bypass the mandatory registration threshold, large projects are segmented into smaller phases. Additionally, the RERA's reliance on a self-disclosure system for project registration has made it vulnerable to fraud. This is the core problem that Sandeep Patil, a Mumbai-based architect and social activist, discovered in 2021 during his work. The investigator Patil discovered that around 65 builders located in the Kalyan-Dombivali area have made false submissions of approval and documents for registration with the RERA. It is enough to put up unauthorized projects by making fraudulent claims to have approval. This investigation indicates that there is systemic vulnerability without an effective mechanism for verifying the documents. The Bombay High Court intervention began through Patil's public interest litigation and further recommendations by MahaRERA, which makes

evident that there is an absolute need for full-fledged reforms to overcome these failures.⁸

Though RERA aims for accountability, the steps of enforcement and penalties remain not enough to effectively deter non-compliance. Rarely would be there a satisfactory level of dissuasion among the developers because of the penalty prescribed for violations. Jurisdictional variations of implementing RERA across the states add to the heightening of the limitation. This has introduced vagueness to the projects operating under RERA, and developers have taken advantage of loopholes in the criteria of compliance. The aspect that RERA is still dependent on voluntary disclosure has further worsened this scenario, as developers can submit faulty information or even omit some critical information, which further results in a lack of transparency. Inability to come up with standardized penalties along with a streamlined mechanism of dispute resolution has further given rise to the problems confronted by consumers. As mentioned above, the delays in adjudication and restricted regulatory coverage over commercial real estate water down the entire framework of RERA and give enough scope to developers to avoid compliance at minimal costs.⁹

Despite RERA's intent to safeguard consumer interests and enforce accountability, its reliance on self-disclosure, weak enforcement mechanisms, and jurisdictional inconsistencies have enabled developers to exploit regulatory gaps. The lack of standardized penalties, delays in dispute resolution, and limited coverage of commercial real estate dilute its impact. Addressing these systemic vulnerabilities through comprehensive reforms is imperative to enhance transparency, ensure stricter compliance, and effectively protect consumer rights.

V. Recommendations for Strengthening RERA

1. Strengthening RERA Implementation and Grievance Redressal

RERA faces the persistent challenge of non-uniform implementation across states and union territories. "While states like Uttar Pradesh, Haryana, and Maharashtra contribute to over 65% of the total complaints resolved by RERA authorities, other states, such as Nagaland, are yet to notify their official rules under the Act."¹⁰ This disparity

underscores the urgent need for a standardised, nationwide approach to RERA implementation. This includes suggestions from the national coordination committee representing the central government and state agencies, which have a mandate on coordinating the implementation process of the regulations. Such dialogues and best practices by successful states would eliminate such differences, allowing the regulatory regime to be implemented uniformly and consistently across the regions.

Capacity building of the states to achieve obligations under RERA should be the priority. Specialized training programs can be designed for state regulators to equip them with the skills and knowledge required to execute functions under RERA. Central digital platforms can also be designed to support the dissemination of rules, guidelines, and updates related to RERA among the states so that states are well-equipped with compliance requirements at any point in time.

While RERA has imposed severe penalties for non-compliance, the most important is strengthening the enforcement mechanism. Investment in technology-based monitoring tools, such as AI-powered systems that track compliance in real-time, can help in much better enforcement. "Expanding conciliation forums, as seen in Maharashtra, across all states can help disputes be resolved more efficiently. These forums have already proven effective in Maharashtra as well, where more than 1,749 disputes were resolved through mutual settlements."¹¹ Scaling this model will significantly reduce procedural delays, lighten the burden on grievance redressal authorities, and will increase overall consumer satisfaction. Additionally, outreach programs at the local level could be undertaken to ensure rural and semi-urban homebuyers are aware of the availability of this forum for resolving disputes.

"Despite its challenges, however, RERA remains a preferred platform for redressing grievances by homebuyers. Indeed, five out of six consumers would still like to get their grievances redressed through RERA. Sadly, the grievance redressal process satisfies only about 22% of consumers-the main reason being the longer resolution times and delay in executing the order."¹² In this regard, a national grievance redressal system can also be envisaged, thereby integrating AI-based case-tracking and automated reminders for completing the order on time.

These mobile applications or online portals are dedicated for RERA cases and, hence, provide quicker and transparent resolution by streamlining the procedures of case handling. Additionally, it must be user-friendly to ensure access of the buyer to physical offices, especially in rural areas.

Addressing the disparities in the implementation process, enforcing strict procedures with the aid of new technologies, widening and intensifying conciliation forums' reach, and repositioning grievance redressal mechanisms would help RERA accomplish its mandate to better protect homebuyers, to establish transparency, and foster accountability in the real estate industry.

2. Enhance transparency and accountability among developers.

As a result of the dynamic nature of the real estate industry, a regulatory framework needs to be flexible and accommodating in order to keep pace with emerging trends and challenges. RERA is called upon periodically to flag the gaps, assess impact, and suggest necessary amendments. A responsive framework best suits both the developer and the consumer. "Recognising this, In response to this, MoHUA has requested all 32 RERA authorities across states and union territories to provide data on the number of orders issued, their implementation status, and reasons for any non-implementation. A senior official from the ministry stated, "RERAs have previously proposed amendments to the Act due to delays and challenges in enforcing orders. We are currently assessing RERAs' operations to pinpoint the issues. Once we receive the data, it will offer clearer insights into the situation on the ground. Additionally, RERAs have been asked to address concerns raised by homebuyers during meetings."¹³

A more effective enforcement process would be needed to strengthen the efficacy of RERA. This also requires the imposition of higher penalties for non-compliance and the time-bound settlement of complaints so that all procedures for redressing the grievance become accessible as well as more efficient. In this regard, "the TG RERA penalized one of the builders for advertising and selling villas without registering a housing project with the authority in an amount of Rs 6.58 lakh."¹⁴ In addition, "TG RERA also imposed a penalty of Rs. 8.5 lakh on a realty firm for failing to register its apartment project under the RERA Act, 2016."¹⁵This

clearly indicates that severe penalties do work in implementing RERA regulations that may act as a deterrent against violation and ensure greater accountability of developers.

This further adds to the case law on the role of RERA in transparency and accountability. "In *Newtech Promoters and Developers v. State of UP*, the court settled the issue regarding the power of the authority to order builders to make refund payments and interest payments to the owners of flats. RERA's strong framework makes the builder liable for their carry-over delay costs. The flat owners are given such compensation to help them mitigate costs incurred due to delay, particularly the rental expenses, ensuring that the builder's defaults will not be a cost to bear by them. This duty is critical in curbing the abuse of buyers by the developers. So, this case goes hand-in-hand with the argument that RERA has a strong framework that is in the best interest of the home buyers without shying away from the developers."¹⁶

Over the years, there has been an emphasis on the duty of care that developers owe in relation to the construction of buildings. "In *Winnipeg Condominium Corporation No. 36 v. Bird Construction Co.* (1995), the Supreme Court of Canada decided that contractors have an obligation to the persons buying the building later on to make sure that the building is free from any defects that pose a considerable risk. This principle has expanded even to the developers, although they did not engage in the physical construction work."¹⁷ "In the case of the *Condominium Corporation No 0522151 v. JV Somerset Development Inc* the Alberta Court of Appeal investigated the case where developers were alleged to be liable for dangerous defects even when they were not at the centre of the construction work. The court noted that liability may arise in contract, statute, or tort; for example, there was emphasis placed on the duty of the developer not to endanger the safety of persons or property in the carrying out of the construction works."¹⁸

By including such legal insights and implementing stronger enforcement mechanisms, RERA will be able to better safeguard the interests of homebuyers, enhance transparency, and ensure developers uphold their responsibility, creating confidence and stability in the sector.

3. Expanding scope and building consumer trust

The role of artificial intelligence (AI) in real estate can, in my opinion, be of utmost significance in evaluating existing systemic risks and emerging trends in real estate. Foremost, AI tools can evaluate and determine the possible risk factors that might be threatening the real estate projects, such as market changes and unsettled regulations, enhancing the stakeholders' ability to make meaningful moves. "In other findings, Deloitte's research indicates that 52% of corporate real estate developers think that AI would enhance accuracy levels during property valuations, thus making it critical in all property assessment pricing processes. Furthermore, 48% of real-estate managers expect to increase their revenue through technology-driven operational efficiency, as per Buildium."¹⁹

Effective measures towards rebuilding consumers' confidence and ensuring stability in the real estate market includes; prioritising the financing of uncompleted projects and financing new buyers of unsold stock. These recommendations are consistently aiming at enhancing the coverage of RERA for the welfare of home buyers, improving the level of transparency and stakeholders' cooperation. "The MoHUA advises that financing for the completion of stalled projects should be treated as priority financing. SWAMIH fund should also support these projects by providing adequate funding towards their completion. Financing of new housing loans for new customers buying unsold stock by banks and other lenders should also be allowed."²⁰

In consideration of those factors, it is quite evident that RERA can build a more robust real estate sector with market challenges addressed appropriately alongside consumer interests and developer obligations protecting.

VI. Conclusion

The RERA Act, which came into effect in 2016, is one legislation that has marked a paradigm shift in the real estate industry in India towards more transparency, accountability, and protection of consumers. RERA mandates the registration of all projects, imposes stringent requirements for disclosure, and the punishment for transgressing the requirements is harsh, all of which encourage homebuyers and safeguard ethics. Still, there are problems, such as implementation at the state level is sometimes a patchwork,

enforcement is limited, and the grievance procedures are often ineffective. Some states have gone further and established certain levels of compliance, while others have frameworks in place that are not complete with no bodies to make the decisions. The problem of delays in the compliance of orders and the issue of multi regulatory authorities further make the provisions of the act useless. The laissez-faire attitude of developers licensed to do so, to register and take advantage of corners, highlights the critical need for reforms for enforcement and accountability.

In order to resolve these problems, it is necessary to enhance the capacity of states, utilize artificial intelligence for monitoring and compliance, and widen the coverage of RERA to include commercial real estate and transactions in the secondary markets. Technology-based grievance redressal systems as well as centralized regulation systems can assist in the speedy resolution of disputes, while a consistent set of penalties for the breach of state laws can minimize such infractions. Synchronized efforts through collaborative efforts by the central and state governments, together with regular assessments of the performance of RERA, will make certain it remains relevant and efficient. Taking into account those deficiencies, RERA will be in a position to fully meet its objectives, which include home buyer protections, improvement of market transparency, and creation of a constructive milieu for The real estate industry. With the continuous change itself and also intense implementation strategies, India's property market will start reaping the benefit of consistent and reliable growth and increase consumer trust.

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