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## Developers focus on delivery of projects to comply with RERA

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Although the Real Estate (Regulation and Development) Act, 2016 (RERA) has just become effective and many states are yet to notify rules appurtenant to the law, however a majority of developers have already started complying with the provisions of the Act. For instance, while some of them are keeping the new norms in mind while making any new deal, others have started completing their undergoing projects at a fast pace.

According to industry sources, in the past month or so, which coincided with the closing of the financial year 2016-17, several real estate projects stuck for one reason or another got delivered, which is good news for all the stakeholders.

Gurgaon-based realty major M3M Group, for example, claims to have delivered five of its key projects post demonetization – starting from November 2016 till April 2017. According to the company, the delivery started with its commercial projects M3M Cosmopolitan in November 2016 and later M3M Urbana (commercial) in February 2017. Two of the Group's signature residential projects in the luxury segment – M3M Golf Estate and M3M Merlin – have also been delivered recently, while M3M Woodshire, another residential project, is currently being delivered. The expected sales revenue from these projects is close to Rs 7500 crore.

Similarly, DLF has started giving possession to homebuyers in two of its projects – DLF The Primus and DLF Regal Gardens – from March 2017. Gurgaon-based Mapsko also claims to have delivered its Mapsko Paradise project in February 2017. However, they are not alone. Hundreds of other builders across the nation also appear to be in a rush to complete and deliver their projects as soon as possible. For instance, Noida and Greater Noida (West)-based developers are said to have handed over close to 3,500 flats from January 2017 till now. So, what goes?

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“Driven by the RERA effect, developers are indeed hell-bent on completing their existing projects or at the very least generating considerable construction momentum,” says Anuj Puri, Chairman, JLL Residential.

According to him, project delays have been the bane of the Indian residential real estate industry, and the fact that developers are now taking completions seriously is indeed very good news for the industry. Another important point to note is that “this sudden enthusiasm is not one of the temporary phenomena we have seen in the past, because RERA is here to stay. So, timely completion is one of its foremost intentions, and it will enforce them diligently going forward,” Puri says.

Talking about the reasons for fast completion and delivery of projects, Avnish Yadav, Deputy General Manager, Residential Services, Colliers International India, says that in the past, developers always targeted the investor and did not focus on the end-user, thus looking for more ways to siphon of the money in other projects. Many fly-by-night developers also used to take buyers for a ride. However, “the recent rules, such as RERA, introduced by the government will not only infuse buyer’s interest but also bring transparency in the sector. In cases of projects which were delayed by 3-4 years, buyers are now taking strong action against the developers by approaching the concerned authorities in order to get the possession of their dream home on time. On the other hand, developers are also under pressure to deliver the projects as many states have started implementing RERA” says Yadav.