

Minutes of Fourth Meeting of the Central Advisory Council constituted under the provisions of the Real Estate (Regulation and Development) Act, 2016 held on 9th May 2023 at 02:00 P.M. under the chairmanship of Shri Hardeep Singh Puri, Hon'ble Minister of Housing and Urban Affairs.

The fourth meeting of Central Advisory Council (CAC) constituted under the provisions of the Real Estate (Regulation and Development) Act, 2016 (RERA) was held in Hybrid mode (online and offline) on 9th May, 2023 under the chairmanship of Hon'ble Minister of Housing and Urban Affairs. The list of participants is **Annexed**.

2. Welcoming the Chairperson and Members, Secretary MoHUA apprised the Council that CAC was established under the chairmanship of Hon'ble Minister of Housing and Urban Affairs to make recommendations to the Central Government on all matters concerning implementation of RERA, vital questions of policy, safeguarding the interests of homebuyers, stimulate the economy & development of the real estate sector and on any matter as assigned by the Central Government. He informed the Council that subsequent to the 3rd meeting of CAC, a smaller group was constituted under his chairmanship to monitor the progress of action taken on the decisions of the CAC. The first meeting of Subcommittee was held on 2nd November 2022 wherein the issues related to 'Non-compliance of RERA orders', 'legacy stalled projects', 'responsibility of the builder for certification of structural audit', 'One Nation One License', 'Standardization of Annual report' and various issues were deliberated upon.

3. Further, he informed the participants that a Committee has been constituted under the chairmanship of Shri Amitabh Kant to recommend ways to complete the stalled projects and handover the homes to the homebuyers in a time bound manner and two meetings have already been convened, wherein this issue was discussed in detail. Thereafter, he stated that this Ministry has already sent an Advisory along with Model Format to all the Real Estate Regulatory Authorities with a request to incorporate the basic details of projects, builders etc. in their respective Annual Reports. He concluded his introductory remarks by providing a brief outline of the Agenda.

4. The Chairperson, in his opening remarks, welcomed all the participants to the meeting and observed that RERA has been very successful in regulating the Real Estate Sector. However, it is necessary to identify roadblocks, which hinder the implementation of RERA in letter and spirit. He emphasized on the issue of legacy stalled projects and assured that Government of India is committed to protect the rights & interest of homebuyers. He was hopeful that under the leadership of Shri

Amitabh Kant, the recommendations of this Committee will be helpful in resolving the issues related to legacy stalled projects. He pointed out that RERA has been widely accepted across the country and praised the work done by States in the successful implementation of RERA. The Chairperson then invited the members of the Council to deliberate on each agenda item.

5. Secretary, MoHUA apprised the Council regarding the latest implementation status of RERA across the country. In this regard, he informed the Council that Real Estate Regulatory Authority has been established in West Bengal and further hoped that permanent Real Estate Regulatory Authority will soon be constituted in the State of Telangana as well.

Shri Sanjay Lal, President, Federation of Apartment Owners' Association, Gurugram (FAOA) suggested to have an in built mechanism in the websites, which would notify the Authorities if timelines for completing the projects are not adhered to, so that the concerned Authorities can take timely corrective measures. In this regard, Shri V K Goyal, Member, Haryana Real Estate Regulatory Authority (Gurugram) informed the Council a list of projects has already been compiled wherein the due date has expired and that will be uploaded on the website in due course. Further, Shri Ajoy Mehta, Chairperson, Maharashtra Real Estate Regulatory Authority stated that a mechanism is being devised to notify the Authority when a promoter fails to upload the Quarterly Progress Report (QPR) on the website which would further keep a check on the developer and increase transparency for the homebuyers. In this context, the Chairperson urged the RERA authorities to monitor the timelines for completion of the projects on a regular basis and take prompt action in advance so that projects are completed on time.

6. Shri Pravin Phanse, Vice Chairman, NAR-India pointed out that a lot of projects in Maharashtra are getting undue extension of time for completion of projects. In this regard, Shri Ajoy Mehta clarified that Maharashtra Real Estate Regulatory Authority is granting extension to only those projects which are on the verge of completion so that the projects do not get stalled, ultimately protecting the rights of homebuyers. The Chairman also acknowledged the issue and advised NAR-India to approach the concerned Authority with the relevant facts.

7. Smt. Ritu Bhariok, FAOA pointed out that the home buyers of affordable housing units are not required to pay any maintenance fee for the first 5 years. However, she added that as per TCPO's Notification, the affordable home buyers have been categorized in the normal category, due to which they are not able to avail the benefit. In this regard, she requested that there should be a special category for affordable homebuyers on the website. The Chairman stated that the matter will be examined.

8. Smt. Nidhi Khare, Additional Secretary, Department of Consumer Affairs highlighted that prior to RERA, Ministry of Consumer Affairs used to receive a number of consumer complaints on the District, State and National Level Consumer Commission Missions. However, she stated that this number has fallen significantly after the enactment of RERA. In spite of this, she added that 10% of all the complaints received in Consumer Forum, still pertains to the Housing Sector. She further informed the Council that the Ministry of Consumer Affairs recently held a Round Table Conference in Mumbai, to identify the reasons as to why the homebuyers are still approaching the consumer forums, even after enactment of RERA. In this regard, she informed the Council that a Committee has been constituted under the chairmanship of Shri Binoy Kumar, Member, National Consumer Disputes Redressal Commission (NCDRC). She requested the Council to identify major bottlenecks in the builder buyer agreement and to consider whether this agreement can be uniformly implemented across the States to safeguard the interests of homebuyers. In this context, the Chairman pointed out that the Real Estate sector was largely unregulated prior to enactment of RERA, which resulted in various unfair practices, ultimately affecting the interests of homebuyers adversely. In the absence of any specific law, homebuyers had to take recourse to Consumer Protection Act for redressal of their grievances. However, after the enactment of RERA, homebuyers have a specific legislation passed by the Parliament to protect their rights and interests and regulate the Real Estate Sector in a transparent and efficient manner. Thus, RERA ought to be the mainstay for redressal of grievances of homebuyers and efforts should be made to further strengthen RERA in order to instill more confidence amongst the homebuyers.

9. Shri Manoj Gaur, Chairman, CREDAI pointed out that very often the developers are unable to complete the projects within the stipulated time due to delays in getting various permissions, and clearances from the local authorities/tribunals. He also highlighted cases where despite the projects being completed, the local authorities withhold approvals for issue of completion certificates. He also pointed out that the development authorities who are involved in selling/leasing land are not registered under RERA. Further, he mentioned that majority of the projects launched after the year 2017 are not facing many problems as compared to pre – RERA projects. The Chairman acknowledged this and stated that the provision for depositing 70% of the amount in a separate account has reduced such problems in the post RERA period significantly.

10. Secretary, MoHUA then talked about the issue of dilution of provisions of RERA and stated that this Ministry has conducted an elaborate exercise in relation with 'Agreement for Sales' (AFS) Rules under the directions of Hon'ble Supreme Court'. He further added that a model draft AFS was prepared in consultation with

Amicus Curiae and Additional Solicitor General wherein, Part 'A' of AFS is proposed to be uniform across the country and Part 'B' of AFS may be formulated by States, subject to the condition that it does not contain anything contrary to Part 'A' and / or the provisions of RERA. Thereafter, draft AFS was sent to all the States / UTs for their comments and the response received from States / other stakeholders are under examination in consultation with Amicus Curiae and Additional Solicitor General.

Shri Abhay Upadhyay pointed out that the builders are incorporating restrictive clauses in the AFS and thereby deviating from the builder buyer agreement as mandated by RERA. In view of this, he suggested that at the time of registration of projects itself, the Regulatory Authorities may audit the builder buyer agreement to check for any deviations and if there are any, the project should not be registered. In this regard, Shri Rajive Kumar informed the Council that Uttar Pradesh Real Estate Regulatory Authority has issued penalties on those developers who were still using the old builder buyer agreements. Considering the gravity of this issue, the Chairman recommended that the Regulatory Authority of each State may audit the Builder Buyer Agreement of various projects to ensure that they are in conformity with the model AFS.

Further, Smt. Ritu Bhariok, FAOA suggested that there should be more transparency in the bilateral agreement, so that the homebuyer is fully aware of all the terms and conditions. In this regard, Economic Advisor (Housing), MoHUA informed the Council that the Builder Buyer Agreement is always signed in advance and further, the Builder cannot take more than 10% of the total consideration from the buyer without signing an Agreement for Sale. In this context, Shri Ranjit Naiknavare, CREDAI highlighted the practice that is being followed in Maharashtra, wherein 8 to 9 clauses have been identified which are more relevant for homebuyers, non-negotiable and have to be a part of the AFS, The Chairman stated that this issue of transparency may be examined by the concerned Regulatory Authorities.

11. Thereafter, Secretary, MoHUA drew attention of the Council to the issue of non – compliance of orders passed by Regulatory Authorities. He stated that MoHUA had requested Chairpersons of 6 Real Estate Regulatory Authorities to examine the reasons for non-compliance of their orders. In this context, he elaborated upon the suggestions given by Real Estate Regulatory Authorities of Tamil Nadu, Gujarat and Maharashtra. Shri Abhay Upadhyay, FPCE informed the Council that they have conducted a study to examine the practices that are being followed in the State of Gujarat with respect to implementation of orders passed by Gujarat Real Estate Regulatory Authority. Shri Upadhyay informed that the Government of Gujarat has notified the Gujarat Real Estate Regulatory Authority (General) (Execution Proceedings) Regulations, wherein 2 Mamlatdars have been vested with powers

similar to that of district collector, under the Gujarat Land Revenue Code to recover the dues.

In addition to this, Shri Rajive Kumar, Chairperson, Uttar Pradesh Real Estate Regulatory Authority stated that the most effective measure for recovery of dues is by issuing a Recovery Certificate (RC). He further informed the Council that in Uttar Pradesh, almost 583 crores have been recovered through DMs and transferred to the buyers. He further highlighted that as per the provisions of RERA, if an Order passed by the Appellate Authority has not been enforced, the promoter shall be punishable with a three-year imprisonment. The Chairperson acknowledged the issue and stated that there is a need to increase awareness regarding the provisions of RERA amongst all the stakeholders, especially those who are responsible for enforcement of orders like District Collectors/Deputy Collectors etc. He further stated that the best practices that are being followed in this regard may be compiled and shared with all Real Estate Regulatory Authorities to enhance cross learning at State level in ensuring speedy and effective implementation of orders of the Regulatory Authorities.

12. On the issue of safety of construction workers, Shri Srinivasa Naidu, Chairman of the Central Advisory Committee of the Building and Other Construction Workers (CBOCW) and Shri Mohan Nagraj, Advisor, CBOCW requested the Builders' Associations like CREDAI, NAREDCO to ensure that all the necessary safety equipment and gears are provided to the construction workers. In this regard, Shri Boman Irani, President, CREDAI apprised the Council that they have been conducting various training programmes with respect to skill development of construction workers. Further, Shri Rajan Bandelkar, President, NAREDCO stated that majority of the developers ensure the safety of construction workers. He further added that Maharashtra Real Estate Regulatory Authority has started Self-Regulatory Organisation (SROs) to tackle this issue and the same can be adopted by other States as well. The Chairman acknowledged this issue and requested the Builders' Associations to take care of all the safety measures. In addition, he also suggested that there is a need for a behavioural change amongst all the stakeholders to ensure that safety measures are complied with.

13. Secretary, MoHUA then highlighted the issue of stalled real estate projects. In this regard, he informed the Council that a Committee has been constituted under the chairmanship of Shri Amitabh Kant to examine the issues holistically and recommend ways to complete the legacy stalled projects. He stated that two meetings have already been convened and further action will be taken after the recommendations of the Committee. He further requested the stakeholders to give their suggestions to the Committee in the forthcoming meetings.

14. In conclusion, the Council deliberated on the issue of raising awareness of RERA across the Country. In this regard, Shri Rajan Bandelkar, NAREDCO informed the Council that they have submitted a proposal to conduct a one-day conclave to deliberate on all the key issues pertaining to RERA. Further, Shri Abhay Upadhyay, FPCE informed the Council that they have also submitted a proposal for a one-day workshop from the perspective of homebuyers. He further suggested that a research may be conducted to study best international practices that are being followed to regulate the Real Estate Sector. Shri Manoj Gaur, CREDAI suggested that there should be a system for ranking of Real Estate Regulatory Authorities wherein awards may be given to Authorities as well as Builders' Associations which would in turn increase the awareness amongst all stakeholders. Shri Rajive Kumar, Uttar Pradesh Real Estate Regulatory Authority added that the services of All India Forum of Real Estate Regulatory Authorities (AIFORERA) may also be utilized to support the Ministry in organizing these awareness programs. The Council welcomed the suggestions for conducting the awareness programs and also stated that Ministry is willing to fund studies on the functioning of all the Real Estate Regulatory Authorities and best international practices related to regulation of Real Estate Sector. In order to study these practices, the Council advised the associations to identify those countries which are at the same level of economic development and exhibit comparable structures within their Real Estate Sectors.

15. The Chairperson concluded the discussion by thanking the participants for their valuable suggestions and hoped that all stakeholders will work with a constructive spirit in finding solutions for achieving the true potential of the Real Estate Sector.

Annexure

List of Participants for 4th Meeting of the Central Advisory Council held on 9th May, 2023 at 02:30 P.M. in Hybrid Mode.

S. No.	Name	Designation / Name of Organisation	Attendance [Physically (P) / Video Conferencing (VC)]
1.	Shri Hardeep Singh Puri	Hon'ble Minister of Housing and Urban Affairs	P
2.	Shri Manoj Joshi	Secretary, MoHUA	P
3.	Shri Satinder Pal Singh	Additional Secretary (Housing), MoHUA	P
4.	Smt. Nidhi Khare	Additional Secretary, M/o Consumer Affairs	VC
5.	Shri R. S. Verma	Additional Secretary, D/o Legal Affairs	VC
6.	Shri Dinesh Kapila	Economic Advisor (Housing), MoHUA	P
7.	Shri Rajeev Jain	ADG (Media), MoHUA	P
8.	Shri Kuldip Narayan	Joint Secretary (HFA), MoHUA & CMD (HUDCO) Addl. Charge	P
9.	Shri Mukesh Kumar Gupta	Director (IPP), D/o Economic Affairs	VC
10.	Shri Binod Kumar	Deputy Secretary, D/o Promotion of Industry & Internal Trade	VC
11.	Shri Satyajit Roul	Joint Director, M/o Corporate Affairs	VC
12.	Shri Gaurav Kumar Jha	Joint Director (Housing), MoHUA	P
13.	Shri S. K. Hota	Managing Director, National Housing Bank	P
14.	Shri P. V. Naidu	Legal Head, National Housing Bank	P
15.	Shri Arvind Kumar	Special Chief Secretary, Government of Telangana	VC
16.	Shri Ajoy Mehta	Chairperson, Maharashtra Real Estate Regulatory Authority	VC

17.	Shri Rajeev Kumar	Chairperson, Uttar Pradesh Real Estate Regulatory Authority	P
18.	Shri Sanjeev Arora	Member, Haryana Real Estate Regulatory Authority	VC
19.	Shri K. Gnanadesikan	Chairperson, Tamil Nadu Real Estate Regulatory Authority	VC
20.	Shri Rakesh Kumar Goyal	Member, Punjab Real Estate Regulatory Authority	VC
21.	Shri P. J. Patel	Member, Gujarat Real Estate Regulatory Authority	VC
22.	Shri P. Singh	Chief Town Planner, DTCP Haryana	VC
23.	Shri Rajan Bandelkar	President, NAREDCO	P
24.	Shri Ashok Patni	Vice President, NAREDCO	P
25.	Shri Alok Gupta	Director General, NAREDCO	P
26.	Shri Nilabh Gangwar	Deputy Director General	P
27.	Shri Boman Irani	President, CREDAI	P
28.	Shri Manoj Gaur	Chairman, CREDAI	P
29.	Shri S. Sridharan	Vice President, CREDAI-South	VC
30.	Shri Ranjit Naiknavare	President, CREDAI – Pune Metro	VC
31.	Shri Abhay Upadhyay	President, Forum for People's Collective Efforts (FPCE)	P
32.	Shri M S Shankar	Member, FPCE	P
33.	Shri O P Bangur	Member, FPCE	P
34.	Shri Sanjay Lal	President, Federation of Apartment Owners Association (FAOA)	P
35.	Smt. Ritu Bhariok	Member, FAOA	VC
36.	Shri Pravin Phanse	Vice-Chairman, NAR-India	P

37.	Shri Mahesh Somani	Chairman, RERA Committee, NAR-India	P
38.	Shri Srinivasa Naidu	Chairman, Central Building and Other Construction Workers Advisory Committee (CBOCW)	P
39.	Shri Mohan Nagaraja	Advisor, CBOCW	P
40.	Shri Pankaj Kapoor	Managing Director, Liasis Foras	VC
