



Will the Bill fit the bill

The Ministry of Housing is drafting a Real Estate Regulatory Bill. The new Bill will supposedly bring transparency in real estate deals and put an end to the unholy nexus between unscrupulous builders and corrupt government officials.

Although most other sectors have a watch dog to scrutinize all deals and transactions, such as the SEBI for securities market and the FMC for futures trading, the Real Estate sector in India has been a free-loaders' paradise due to lack of a watchdog.

We bring you some CEO quotes on the Real Estate Regulatory Bill

"Few developers were already exploiting the existing loopholes in the system to draw huge benefits out of building areas over and above the permissible FSI. However, the practice was restricted to a chosen few well connected developers who were clear beneficiaries besides a few in administration. The suggested changes have first of all removed most of the discretionary powers resting with the commissioner making approvals of plans a well oil mechanism, in bargain creating a level playing field for all the developers. On the other hand, the premium collected for allotting the pre-defined extra FSI, also called as fungible FSI, will fill the BMC coffers instead of going only to the developers. The only flip side is creation of infrastructure for this legalized extra FSI." **Gulam Zia, Resreach&Advisory Services, Knight Frank India**

"The state government's decision to set up a Real Estate Regulator under the Maharashtra Housing (Regulation and Development) Act, 2011 is a step towards transparency with good intentions, but we fear that it may add yet

another layer to the government's red tapism for the real estate sector. The government has brought in the housing regulatory authority by replacing Maharashtra Ownership Flats Act, 1963." **Shailesh Puranik, MD, Puranik Builders**

"The Proposed Real Estate Bill to be introduced by the government is a welcome move. We hope that this Bill will also enhance efficiency and competitiveness and provide consumers with added protection". **David Walker, Executive Director, SARE Homes.**

"The Housing Regulator is a step forward to bring transparency. Real estate developers are already making efforts to maintain transparent transactions. Rules should be made to remove the time lag and provide auto approvals in standardised format. Only concern is enormous delay in project approvals. We urge government to enhance coordination among departments to speed up approvals." **Hemant Shah, Chairman, Hubtown Ltd**

"A regulator, be it by the Government or from the industry itself should be welcomed but it should be a balanced document directed towards making the industry more efficient." **Ashwani Prakash, ED, Paramount Group**

The Bill would have a far reaching impact on business model, some of the states & city corporations have also issued directives that have altered development economics." **Manoj John, VP, RNA Corp. ■**