

RERA's Reign

Charting Real Estate Growth Post-2016

2025

This report traces India's real estate transformation under RERA: from a fragmented, opaque market to a transparent, accountable, and investor-confident sector driving record growth and stability.

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Foreword



Shishir Baijal
Chairman & Managing Director
Knight Frank India

The enactment of the Real Estate (Regulation and Development) Act (RERA) in 2016 marked a watershed moment in India's real estate history. For decades, the sector was fragmented, opaque, and plagued with trust deficits. RERA introduced much-needed structure, accountability, and transparency, transforming the industry from being largely informal to becoming more institutionalised and disciplined.

In the years since its implementation, RERA has brought about significant change. It has instilled financial discipline through project registration and escrow mechanisms, created a more transparent marketplace, and strengthened consumer confidence. This is reflected in the surge in residential sales, improved project delivery, stable price growth, and the record inflows of institutional and private equity investments into India's real estate sector.

The report highlights how RERA has played a central role in rebalancing the housing market. From stabilising prices to enabling the rise of credible, branded developers and attracting large-scale investments, RERA has reshaped the industry's landscape. The numbers speak for themselves - close to 150,000 projects registered, over 100,000 agents brought under its ambit, and more than 150,000 disputes resolved since inception - all testament to its enduring impact.

While the implementation of RERA has not been uniform across states, the overarching intent of the legislation has been revolutionary. It is rare for a federal policy to create such deep and systemic change within a sector in such a short span of time. As India continues its journey of urbanisation and economic growth, it is imperative that we move towards a more consistent and equitable implementation of RERA across all states and regions.

RERA has laid a robust foundation - one that must now be strengthened further to ensure that the aspirations of millions of homebuyers and investors are met with trust, fairness, and accountability. This report is an effort by Knight Frank India and NAREDCO to provide an unbiased analysis of RERA and its implementation, interpreting, and advocating for a real estate sector that is transparent, efficient, and future-ready.

I sincerely hope you find this report informative and useful to your future decision-making.

Partners' take on the sector



G. Hari Babu
National President
NAREDCO

Indian real estate has always mirrored the nation's aspirations. It is where the dream of owning a home converges with the ambition of building a modern economy. For decades, however, this promise was weighed down by uncertainty and lack of trust. The arrival of the Real Estate (Regulation and Development) Act in 2016 changed that trajectory. RERA was not just a reform, it was the dawn of a new social contract between developers, buyers, and policymakers.

What we have witnessed in the years since is remarkable. A sector once synonymous with opacity is now guided by accountability. Homebuyers today step into the market with greater confidence, and developers compete not only on scale but also on credibility. The Act has redefined what it means to do business in real estate, shifting the measure of success from mere volumes to trust, compliance, and long-term value creation.

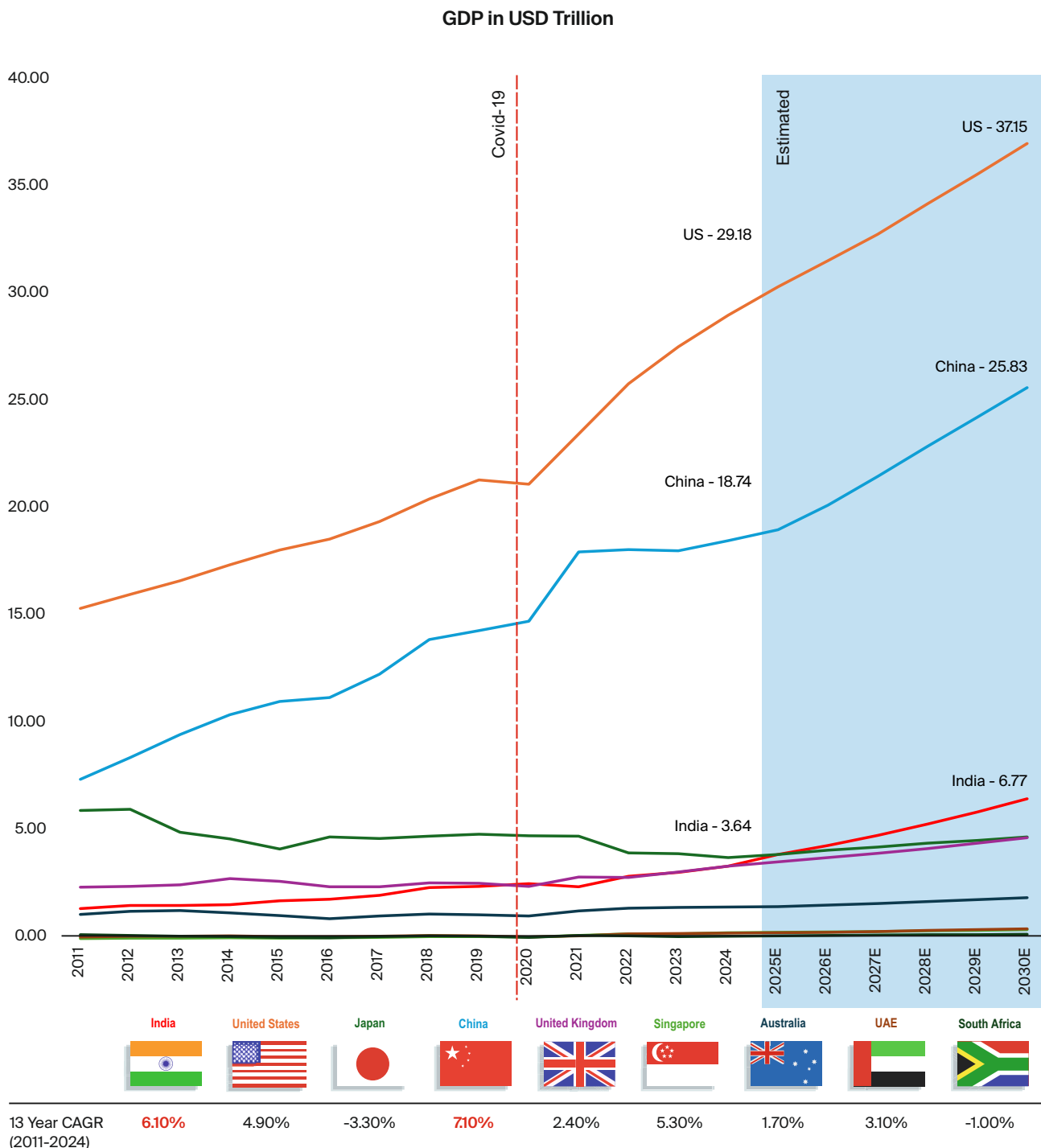
But every reform is a journey, not a destination. The next leap must focus on consistency across states, faster approvals, and deeper digital integration. RERA must evolve into a uniform, technology-driven framework that ensures no buyer or developer is left navigating uneven rules.

At NAREDCO, we believe this is a generational opportunity. The foundation of trust has been laid. Now it is time to build a housing ecosystem worthy of India's economic rise, transparent, fair, and resilient enough to serve the millions of families who see in real estate not just an investment, but a future.

Chapter 1

India's Global Positioning as a Leading Economy

1.1 The GDP Story



Source: World Bank, IMF, Knight Frank Research



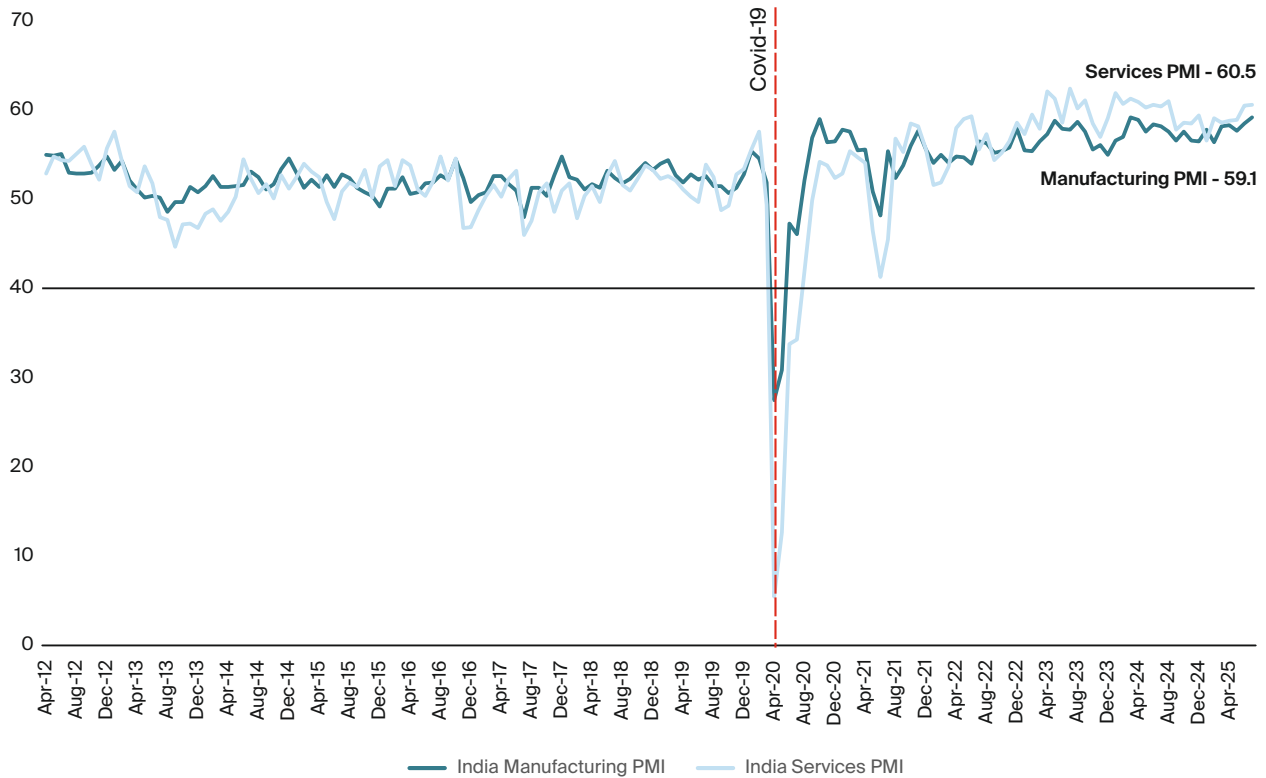
India's sustained economic expansion over the past few years has solidified its position as one of the world's foremost growth engines. Recording a 13-year CAGR of 6.1% – second only to China – the country has emerged as the fifth-largest economy as of 2025 YTD and is on track to transition into middle-income economy status. Based on global projections and estimates, India is well on its way to become the third largest economy by 2029. This evolution is being driven by a robust consumption base and rapid wealth creation across sectors, supported by its immense demographic dividend.

The economic growth trajectory is primarily driven by a strong services sector (of which real estate holds a major share), digital transformation, policy reforms and a consumption-led domestic market. Private consumption expenditure accounts for nearly 60.2%¹ of GDP as of FY 2024, powered by a rising middle class income group, urbanization, and increasing aspirations. Premium goods, personal vehicles, branded products, and digital services in particular, are witnessing a sharp uptick in demand.

¹Source: Ministry of Statistics & Programme Implementation (pib.gov.in)

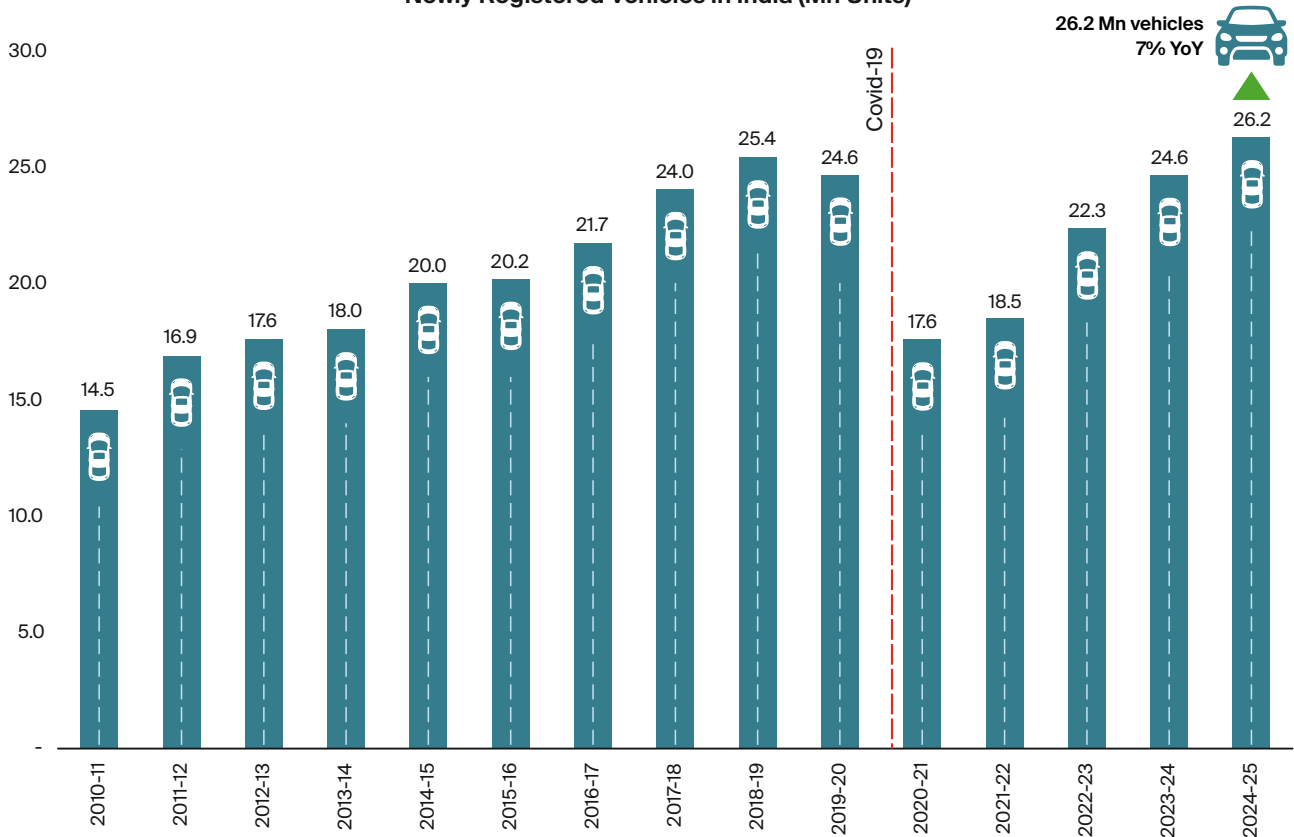
1.2 Drivers Fuelling the Economic Momentum

PMI - Manufacturing and Services



Source: HSBC, S&P Global PMI

Newly Registered Vehicles in India (Mn Units)



Source: Ministry of Road Transport and Highways (MoRTH)



India's Purchasing Managers' Indices (PMI) which summarize whether the manufacturing and services market conditions are expanding, stagnating or contracting, have been well above the 50-mark from the time of introduction of the Real Estate (Regulation and Development) Act, 2016 (RERA) up until COVID and have continued to be on the rise since H1 2021 suggesting good health across both the sectors, especially the services sector.

The manufacturing PMI, which stands at 59.1 as of July 2025, up from 58.4 from the previous month, reflects strong factory output, healthy new orders, and expansive export demand with key drivers being the production of electronics, automotive (see Fig. 3), capital goods, and chemicals. India has seen over 25 consecutive months of manufacturing expansion backed by Production Linked Incentive (PLI) schemes, improved supply chains, and rising domestic demand.

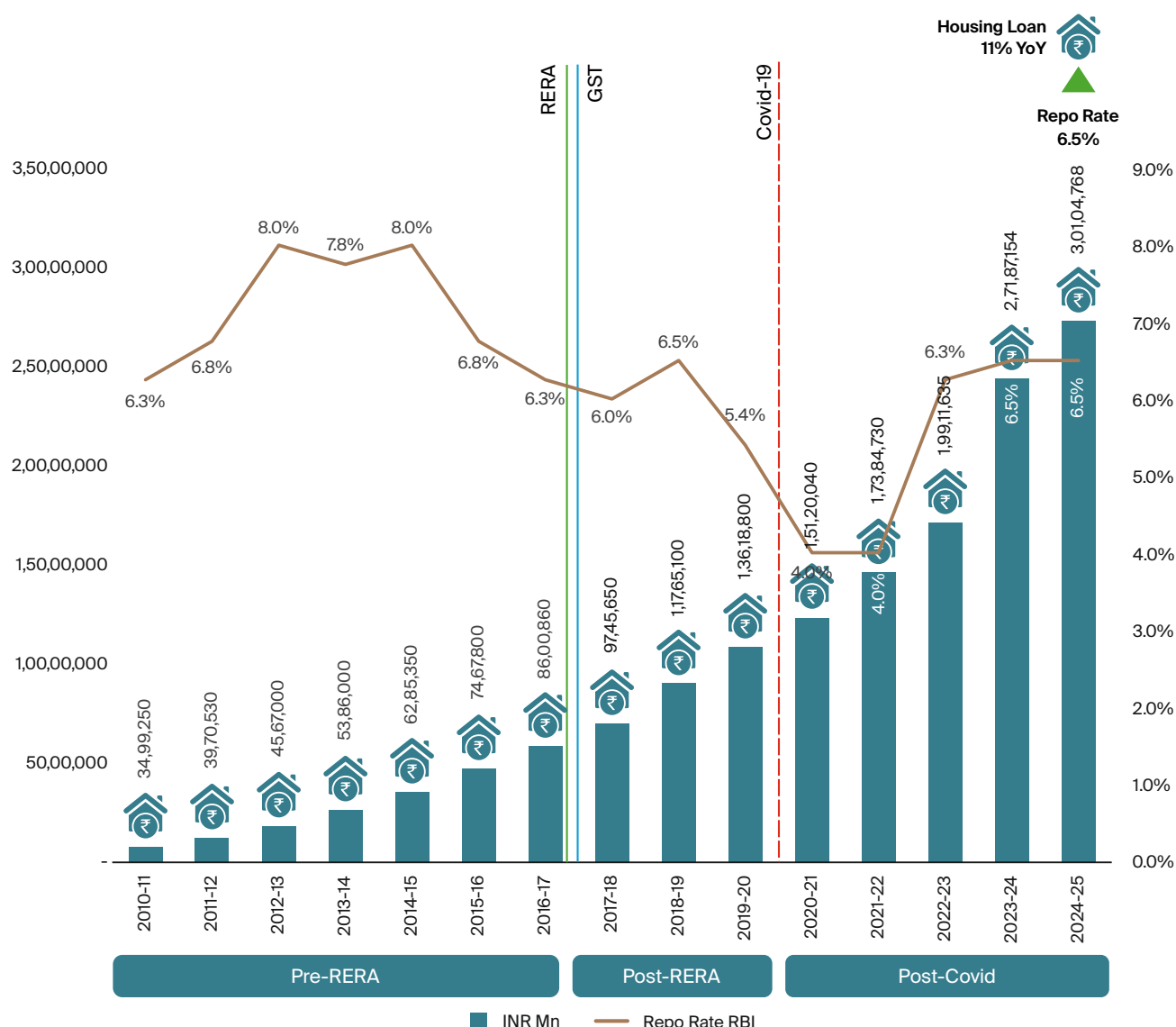
The services PMI stands at 60.5 as of July 2025, up from 60.4 from the previous month. This marks the sector's strongest growth since August last year, driven by a significant rise in new orders, international sales, and overall output, reflecting robust expansion in sectors such as hospitality, IT, finance, logistics, and real estate services. The services sector is the fastest growing segment of the economy contributing nearly 55%² to the GDP of India as of FY 2024. Digital transformation, fintech growth, and global IT service outsourcing have been the primary drivers for the boost of this sector, especially post COVID.

India's PMI indicators consistently reflect broad-based economic expansion, with manufacturing competitiveness and services dynamism working in partnership, positioning India as a leading production as well as consumption house.

²Source: Ministry of Finance (pib.gov.in)

1.3 Improved Credit Scenario

YoY Home Loan Disbursement (INR Mn) and Repo Rate



Source: Reserve Bank of India (RBI)

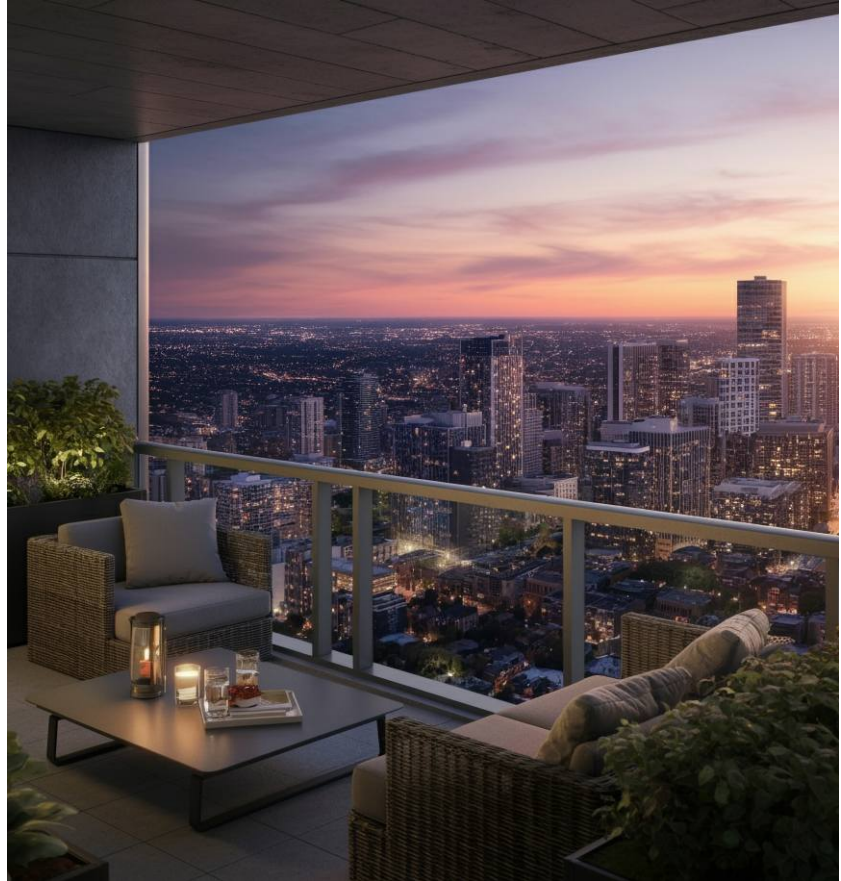
Given the central role of real estate in India's service sector consumption, analysing trends in home loan disbursement is critical. Between FY 2010-11 and 2024-25, the annual home loan disbursements witnessed strong growth, registering a CAGR of 18% YoY. This sustained momentum reflects the continued demand for housing, closely aligning with India's broader economic ascent. Further, if we slice and observe the CAGR of home loan disbursement amounts between FY 2010-16 at 13% and between FY 2016-25 at 17%, it is evident that the confidence in the market has boosted manifold. While repo rates have fluctuated over the years, particularly in response to macroeconomic events such as the COVID-19 pandemic in 2020 and now the rising inflation levels, the steady rise in home loan disbursements

underscores a persistent and growing demand for housing, driven by rising population, urbanization, and increasing household incomes.

As the housing sector expanded in both volume and value, the Indian government undertook a significant reform initiative in the form of the Real Estate (Regulation and Development) Act, 2016 (RERA) to bring structure and accountability to the industry. This regulatory framework sparked a transformative shift, fundamentally reshaping and standardizing India's real estate landscape. In the following chapters, we will evaluate the positive impact of this reform on the sector, and how it came to be defined by increased transparency, stronger consumer trust, and heightened developer accountability, thereby restoring confidence in a once-indeterminate industry.

Chapter 2

India's Real Estate Footprint



2.1 India's Call for Real Estate Reform

Over the past decade, India's economy has fuelled rapid expansion in the real estate sector. Prior to key reforms like RERA, the industry was deeply fragmented and largely unregulated, lacking specific laws to govern developers or transactions, leading to inconsistent oversight and inadequate consumer protection. Real estate activity was heavily concentrated in major metro regions like Mumbai, Delhi-NCR, Bengaluru, Hyderabad, Pune, Chennai, Ahmedabad, and Kolkata, while Tier 2 and Tier 3 cities remained underserved and structurally imbalanced. Developers often relied on speculative investments and borrowed funds with insufficient transparency, resulting in overleveraging, widespread loan defaults, frequent project delays, and cost escalations, worsened by the diversion of homebuyer funds to unrelated investments. These systemic failures starkly exposed the gaps in the system. The numerous stalled housing and infrastructure projects highlighted the urgent need for policy intervention and strict implementation.

This cascade of malpractices severely dented buyer confidence, slumped market activity, and left countless homebuyers financially and emotionally stranded as legal loopholes allowed developers to exploit grey areas with impunity. Mounting public pressure and judicial scrutiny ultimately spurred urgent calls for reform, leading to the enactment of the Real Estate (Regulation and Development) Act, 2016 (RERA), which established uniform regulatory mechanisms mandating project registration, transparency, accountability, and the safeguarding of buyer interest to streamline the sector and foster sustainable growth. The real estate sector's dysfunction deepened with the shadow bank crisis of 2018-2019, as defaults by major non-banking lenders such as IL&FS and DHFL triggered a severe liquidity crunch, halting lending activities directed at developers who depended on these funds for project completion, thus stalling projects worth billions and further amplifying market instability.

2.1.1 RERA as a Regulatory Intervention

Historically, India has lagged in establishing regulatory oversight for its real estate sector, trailing behind other major economies that implemented structured frameworks much earlier. The United States pioneered housing policy reforms as far back as the 1930s with initiatives like the National Housing Act, while Singapore set up its robust public housing framework through the Housing & Development Board in the 1960s, ensuring standardized development and consumer protection. In contrast, India's real estate sector operated without formal regulation for decades, with systemic issues like fragmentation and opacity persisting until the introduction of the Real Estate (Regulation and Development) Act, 2016 (RERA) – a significant delay compared to even regional precedents such as Dubai's RERA, established in

2007, nearly a decade earlier. This late adoption left India's real estate market vulnerable to inefficiencies, speculative practices, and trust deficits, even as global peers benefited from earlier interventions that stabilized their sectors and fostered sustainable growth.

Coming into effect in 2016, the Real Estate (Regulation and Development) Act (RERA) brought in the much-needed accountability, financial discipline, and standardisation across India's once-unregulated real estate value chain. Inspired by global models, RERA mandates project registration, full disclosure of timelines and financials, segregation of buyer funds through the 70% escrow rule, and strict penalties for non-compliance, effectively restructuring a sector that previously thrived on organic, often chaotic growth.

1920



South Africa:
The Housing Act

1937



USA:
United States Housing Act

1960



Singapore:
Housing Development Board (HDB)

1965



USA:
Department of Housing and Urban Development (HUD)

1985



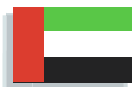
UK:
Housing Act

1994



China:
Urban Real Estate Administration Law

2007



Dubai, UAE:
Real Estate Regulatory Agency (RERA)

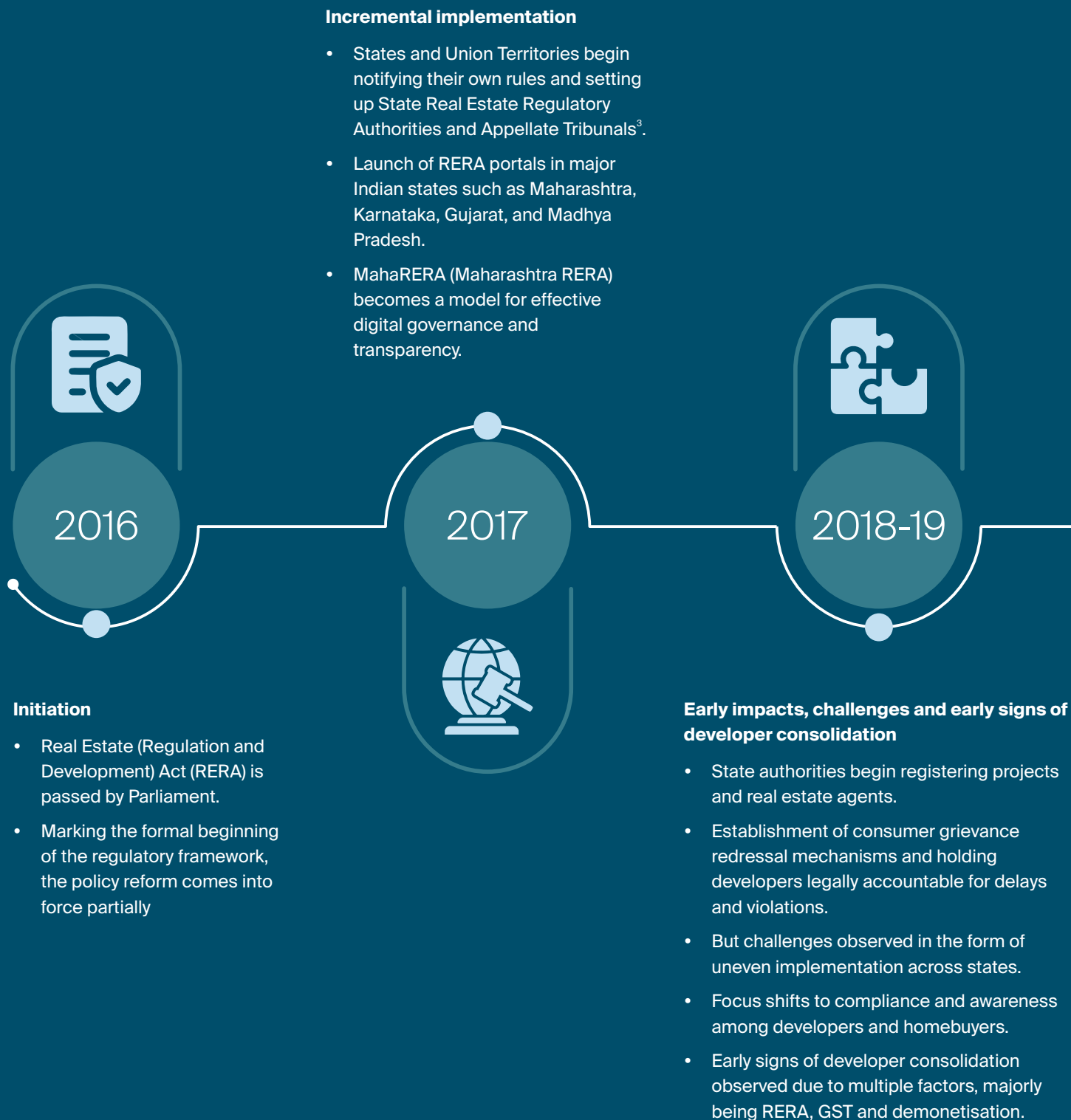
2016



India:
Real Estate (Regulation and Development) Act (RERA)



2.1.2 RERA's Journey in India

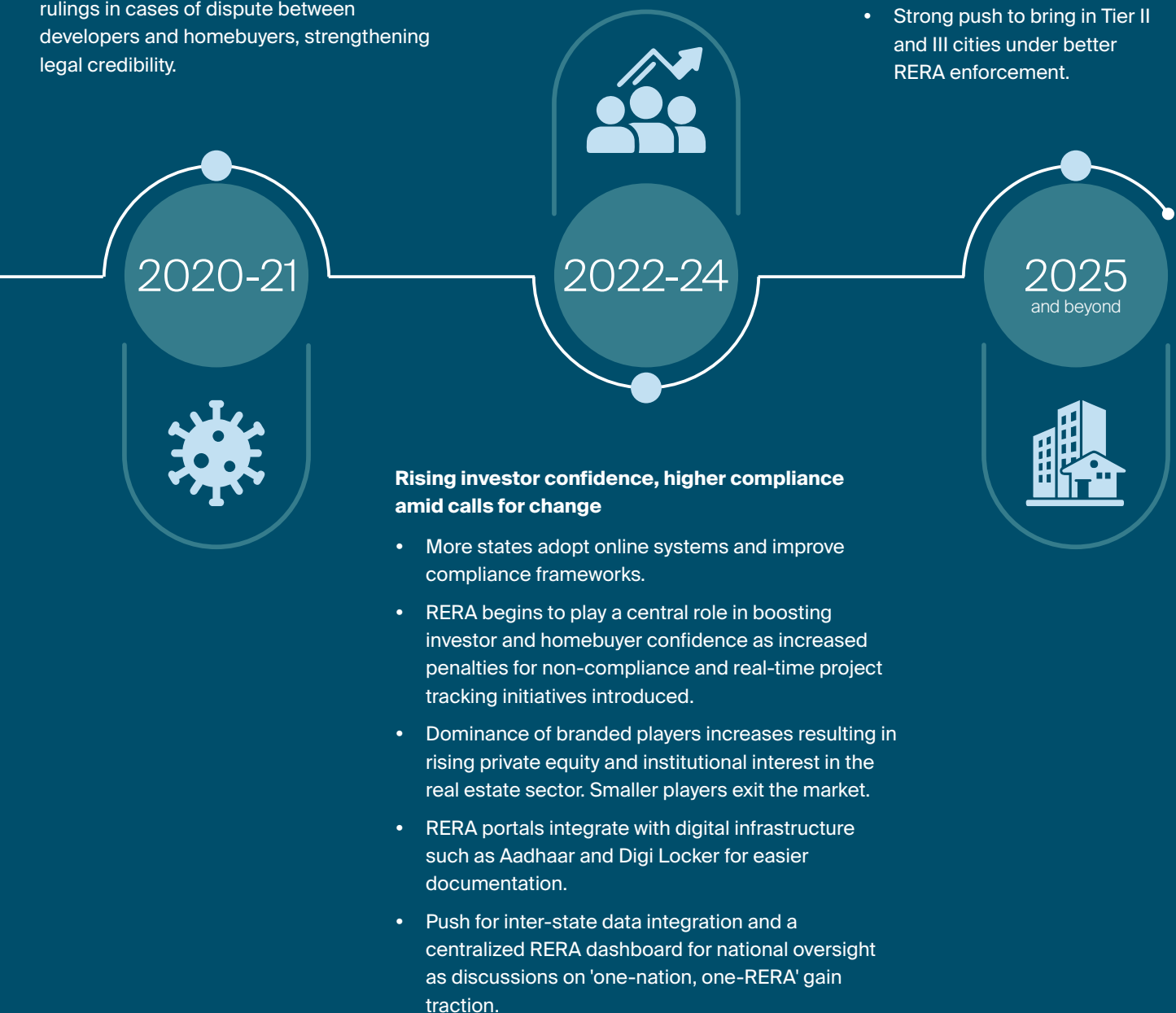


³Appellate tribunal refers to a special judicial body set up to hear appeals against the decisions or orders of RERA or the adjudicating officer.

COVID disruption and subsequent course correction

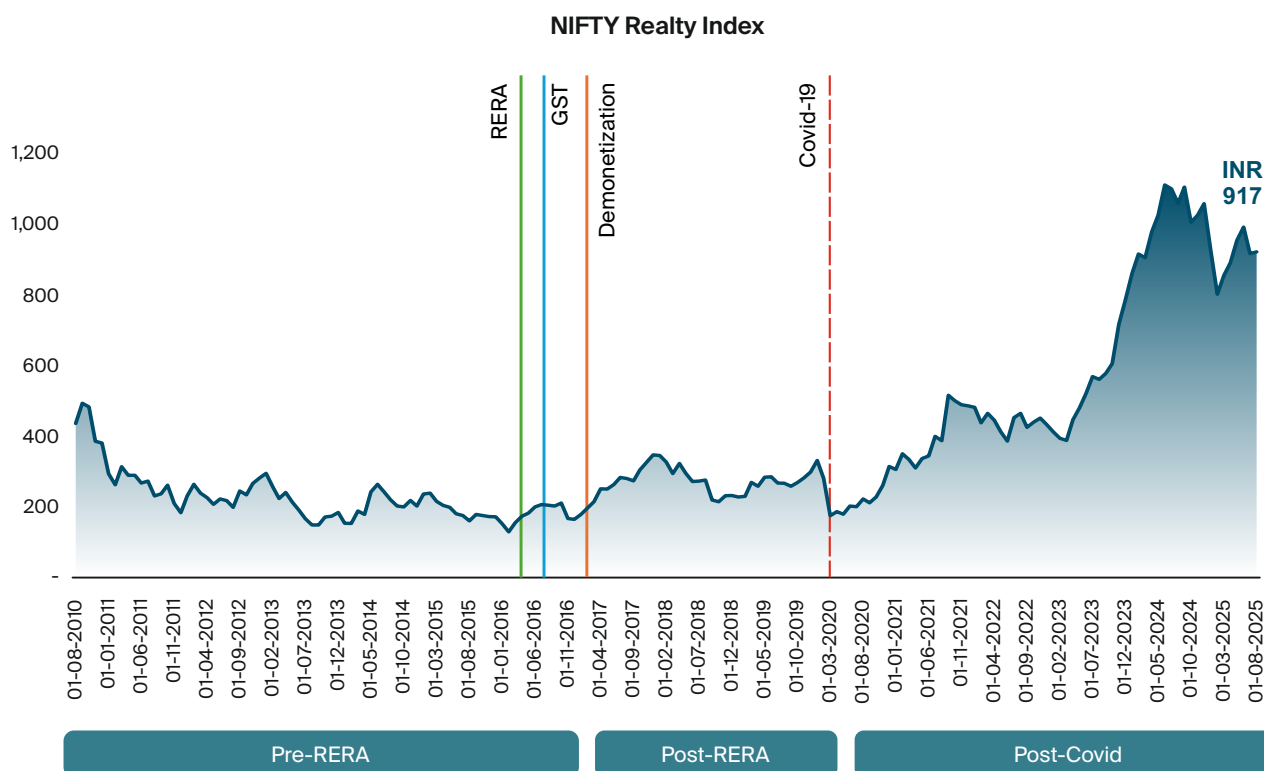
- Pandemic causes delays in ongoing construction and project delivery.
- RERA authorities grant extension of project deadlines under the force majeure clause.
- Post-pandemic construction revival fuels surge in project registrations.
- Courts uphold several RERA authority rulings in cases of dispute between developers and homebuyers, strengthening legal credibility.

- Close to a decade since RERA had been implemented resulting in ~1.5 lakh registered projects, ~1 lakh registered agents and ~1.5 lakh complaints or cases disposed (as of July 2025).
- Higher homebuyer confidence and legal redressal speed in certain states.
- Strong push to bring in Tier II and III cities under better RERA enforcement.



2.2 From Chaos to Compliance: A Snapshot of the Transformative Impact of RERA

2.2.1 NIFTY Realty Index Soars to New Heights



Source: NIFTY Indices, National Stock Exchange, India

The enactment of RERA marked a pivotal turning point in India's real estate sector, with particularly pronounced impact on the housing market. In the years following its implementation, several key indicators have reflected this structural shift including changes in the NIFTY Realty Index, increase in the volume of residential unit sales and launches, the total value of residential transactions, weighted average property prices, and investment inflows into the broader real estate segment.

The NIFTY Realty Index serves as a benchmark index that tracks the performance of listed real estate companies on the National Stock Exchange (NSE) of India. It provides investors with a consolidated view of the sector's financial health, capturing stock price movements influenced by a range of macroeconomic and regulatory factors. An analysis of the Index's trajectory over the past decade (refer to Fig. 6) reveals an upward trend following the implementation of RERA, 2016. This positive momentum was interrupted only by a few temporary setbacks, most notably during the onset of the COVID-19 pandemic.

In the immediate aftermath of RERA's introduction in 2016, the NIFTY Realty Index experienced volatility and

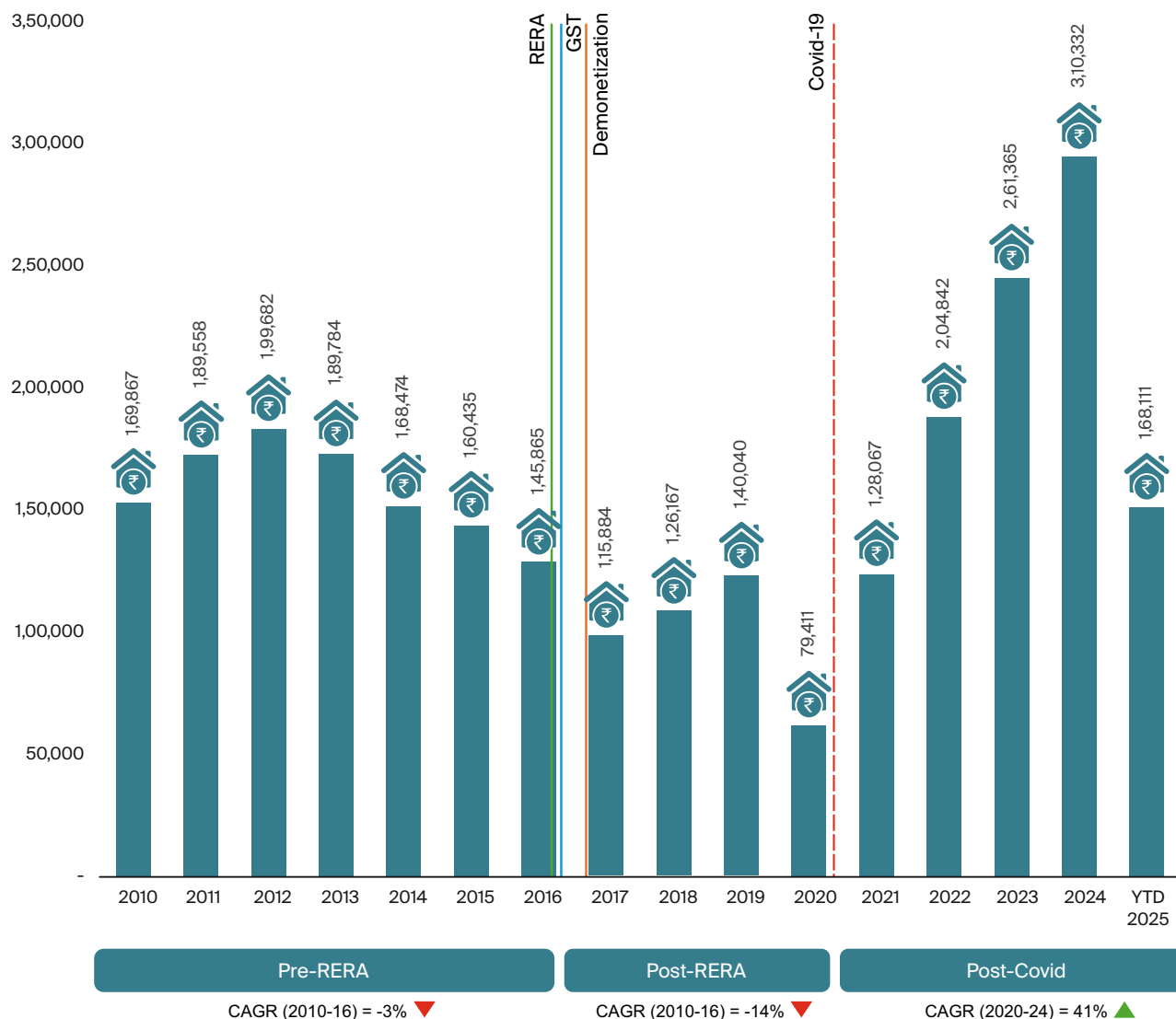
muted performance due to the newly introduced compliance burdens on developers, project delays or halts as companies adjusted to the new norms with reduced launches and slower sales due to cautious consumer sentiment. Smaller, non-compliant players began to edge out, and investors became more selective, favouring larger, regulated players.

In the medium to long term, however, the introduction of RERA has had a positive impact on the Index through renewed investor confidence. As RERA took root and compliance improved, investor sentiment gradually recovered. Transparency and accountability boosted institutional interest and retail confidence. Branded developers with strong corporate governance saw improved stock performance.

Over time, the listed developers' balance sheets improved due to better cash flow management (eg. the use of escrow accounts) and more disciplined operations. Post RERA, and especially post COVID, the Index has shown greater stability and correlation with broader economic recovery suggesting a maturing sector.

2.2.2 Residential Unit Sales Value Peaks at All Time High in 2024

Pan India Residential Sales Value (INR Crore)



Source: Knight Frank Research

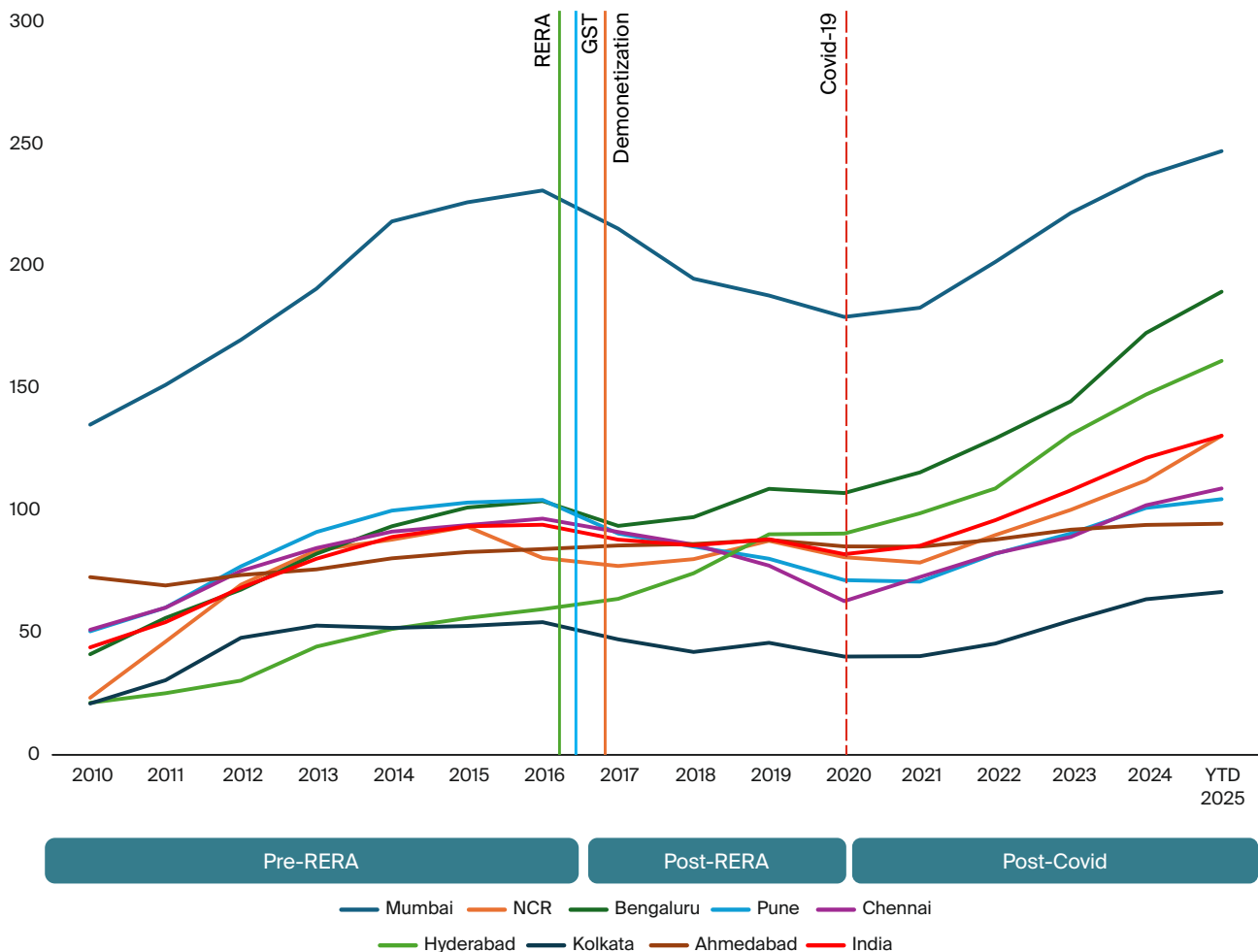
Prior to RERA intervention, there were multiple factors within the residential real estate ecosystem which brought down the total number of units sold, and with it the total sales value or the Gross Transaction Value (GTV). Developers launched a large number of residential projects between 2010 and 2012, anticipating high demand. However, these units were often priced above the affordability threshold of most homebuyers, especially in the major cities. Home loan eligibility for many middle-class buyers was stretched, reducing the effective demand as well. The result was inventory overhang, with mounting unsold units and weakening buyer appetite.

Following the implementation of RERA, the value of residential units sold in India has exhibited a

consistent upward trajectory, recording a CAGR of approximately 10% between 2016 and 2024. If we break down the CAGR between 2010 until RERA implementation, we see GTV declining at 3% YoY. Between RERA implementation and the pandemic, GTV decelerated significantly at 14% YoY. However, post-pandemic, with pent up demand rising supported by RERA compliance, GTV CAGR rose sharply to a historic high of 41% YoY. The regulatory certainty and enhanced consumer confidence ushered in by RERA had a cascading positive impact on residential sales momentum across the country, culminating in an estimated gross transaction value of nearly INR 3.1 lakh crore in 2024 alone.

2.2.3 Residential Prices Move at a Steady Pace Mirroring Market Demand

Weighted Average Residential Price Index (Indexed to India average in 2010)



Source: Knight Frank Research

Prior to the implementation of RERA, India's real estate market remained largely fragmented. In key residential markets such as Delhi NCR, several large-scale projects failed to see completion, while residential prices escalated rapidly, driven by speculative buying. The presence of fly-by-night developers unable to complete projects contributed significantly to homebuyer distrust, and defaults on projects by certain large developers further left many buyers in the lurch. A lack of transparency between developers and buyers restricted informed decision-making, while inadequate oversight on construction quality compounded concerns, even as residential prices continued to rise. Collectively, these challenges eroded buyer confidence in the property market and underscored the urgent need for regulatory reform such as RERA.

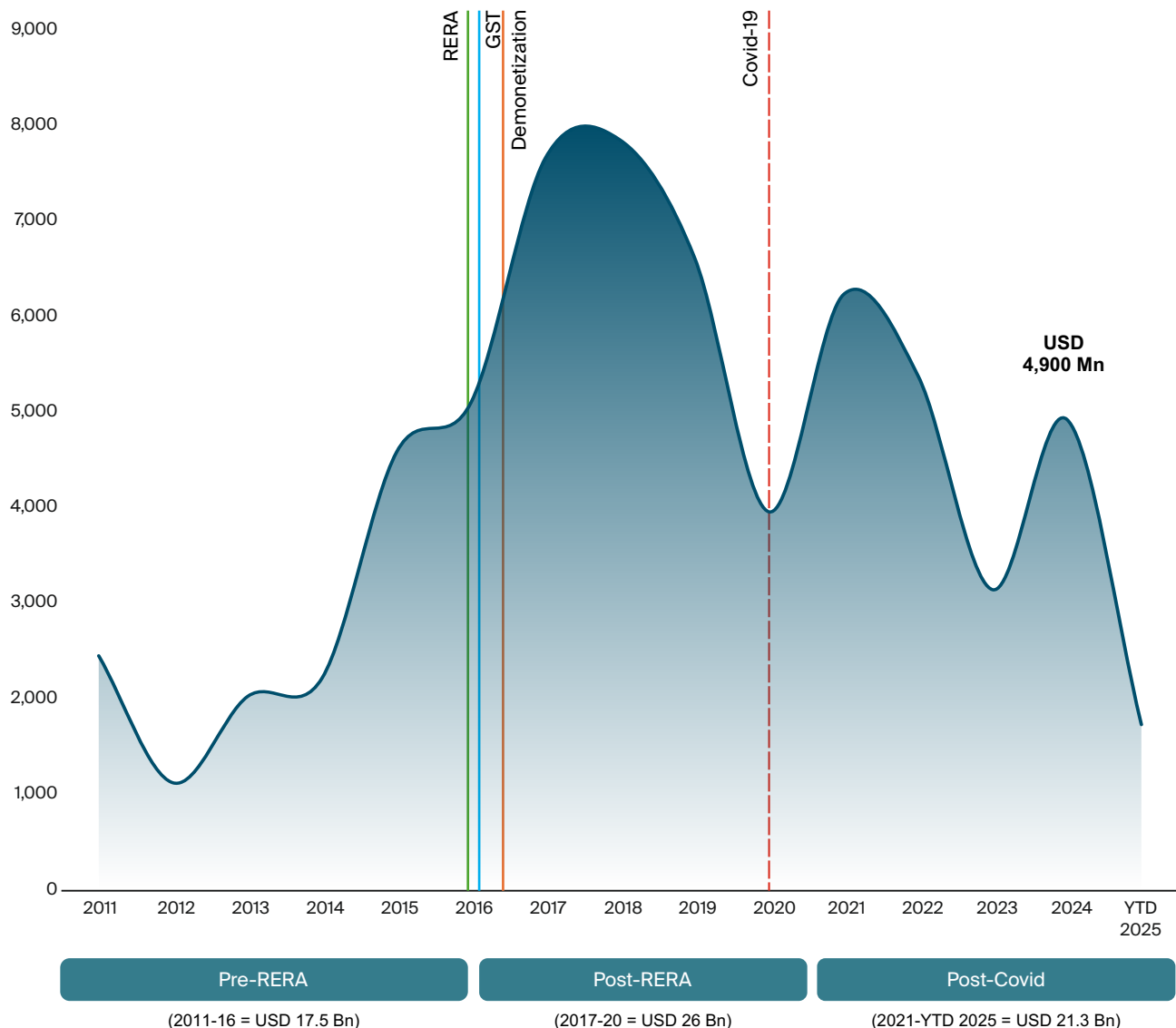
The introduction of RERA marked a structural correction in this regard. By straightjacketing the supply side and instituting mechanisms such as

mandatory project registration, the 70% escrow account requirement, and strict adherence to delivery timelines—where defaults attracted severe penalties—the Act infused accountability and financial discipline into the sector. As a result, the market witnessed supply-side consolidation, with non-compliant developers exiting due to stringent financial and compliance requirements, while established players with credible track records gained prominence. This transition reinstated transparency and trust, fostering a more resilient and consumer-centric ecosystem, which in turn had a direct impact on property prices, now growing steadily in alignment with market demand.

In the post-COVID period, the resurgence in housing demand, reinforced by the trust and transparency established through RERA's regulatory framework has further supported a gradual uptick in residential property prices.

2.2.4 Highest Value of Investments in India's Real Estate witnessed post-RERA

Total Value of Private Equity Investments (USD Mn)



Source: Knight Frank Research, Venture Intelligence

Private Equity (PE) has emerged as a significant source of capital for India's real estate sector over the past two decades, evolving from a niche funding avenue to a mainstream driver of project development and portfolio growth. As illustrated in Fig. 9, investments across office, retail, residential, and warehousing segments rose sharply following the implementation of RERA. Between 2017 and 2020, the sector attracted approximately USD 26 bn in cumulative PE inflows, substantially higher than the USD 17.5 bn recorded during 2011-2016 (pre-RERA) and exceeding the USD 21.3 bn received during the post-COVID period (2021-YTD 2025).

In the post-2016 era up until COVID, the back-to-back introduction of RERA, GST, demonetization and REIT

regulations along with liberalised Foreign Direct Investment (FDI) norms significantly improved transparency, governance, and investor confidence. This period primarily saw increased inflows into both residential and commercial real estate.

While the journey of PE investments in India has not been linear due to several micro and macro-economic factors including the geo-political volatility that is being observed post-COVID; the sector's increasing regulatory clarity, rising institutionalisation, and sustained urbanisation trends observed since then have collectively ensured that India remains an attractive destination for global and domestic investors with RERA playing a pivotal role to ensure the same.

RERA's Shapeshift in 2025

RERA fast facts (as of YTD 2025)

RERA Notified | **27 States and 8 Union Territories, 1 Not notified***

Established Regulatory Authority | **29 Established, 5 Interim, 2 Not Established**

Set up Real Estate Appellate Tribunal | **28 Established, 1 Interim, 7 Not Established**

State RERA Web Portal Status | **25 Functional, 11 Not Functional/Set Up**

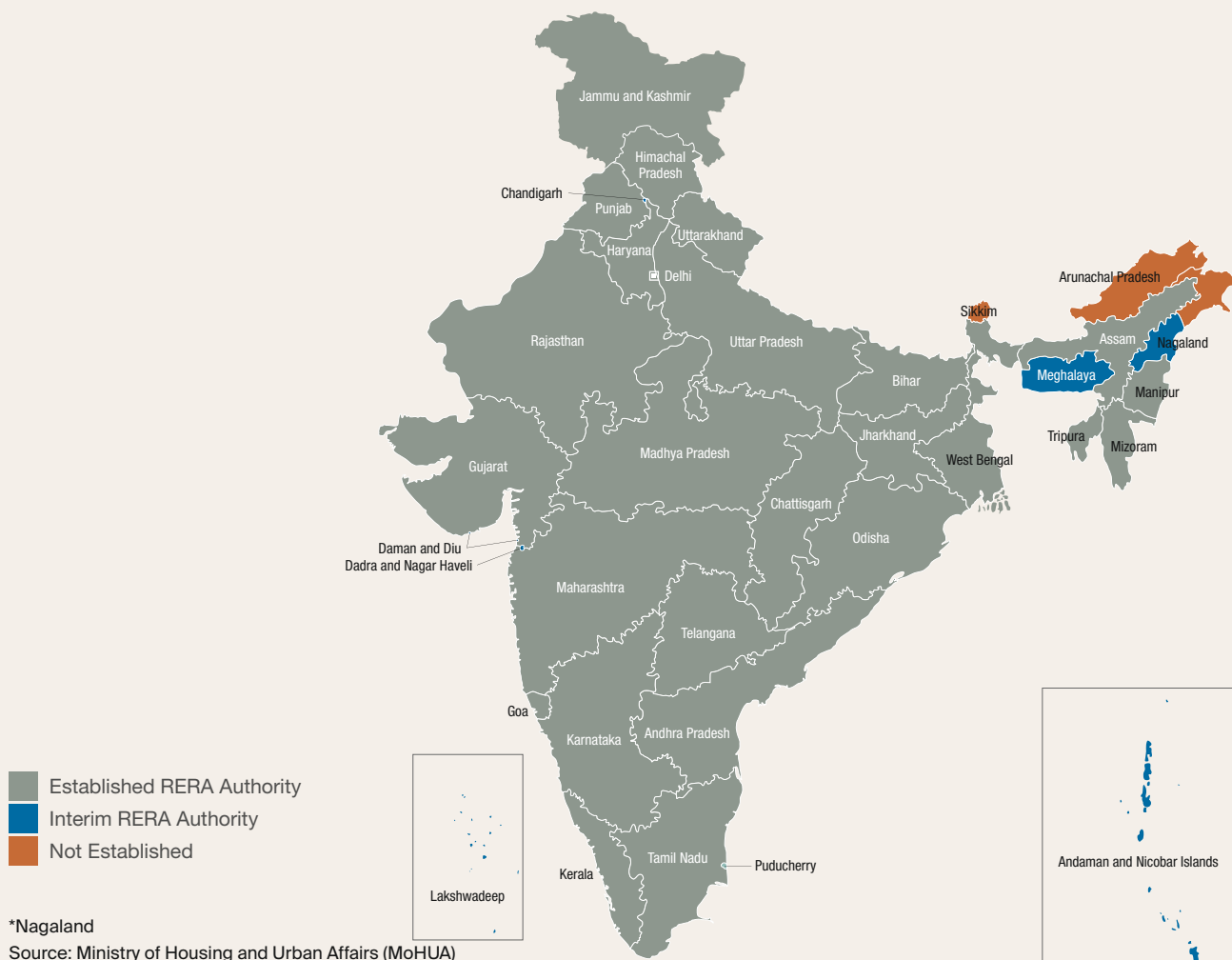
Appointment of Adjudicating Officer | **29 Appointed, 7 Not Appointed**

Headline Statistics

1.5 lakh
Total no. of
registered projects

1 lakh
Total no. of
registered agents

1.5 lakh
Total no. of complains /
cases disposed

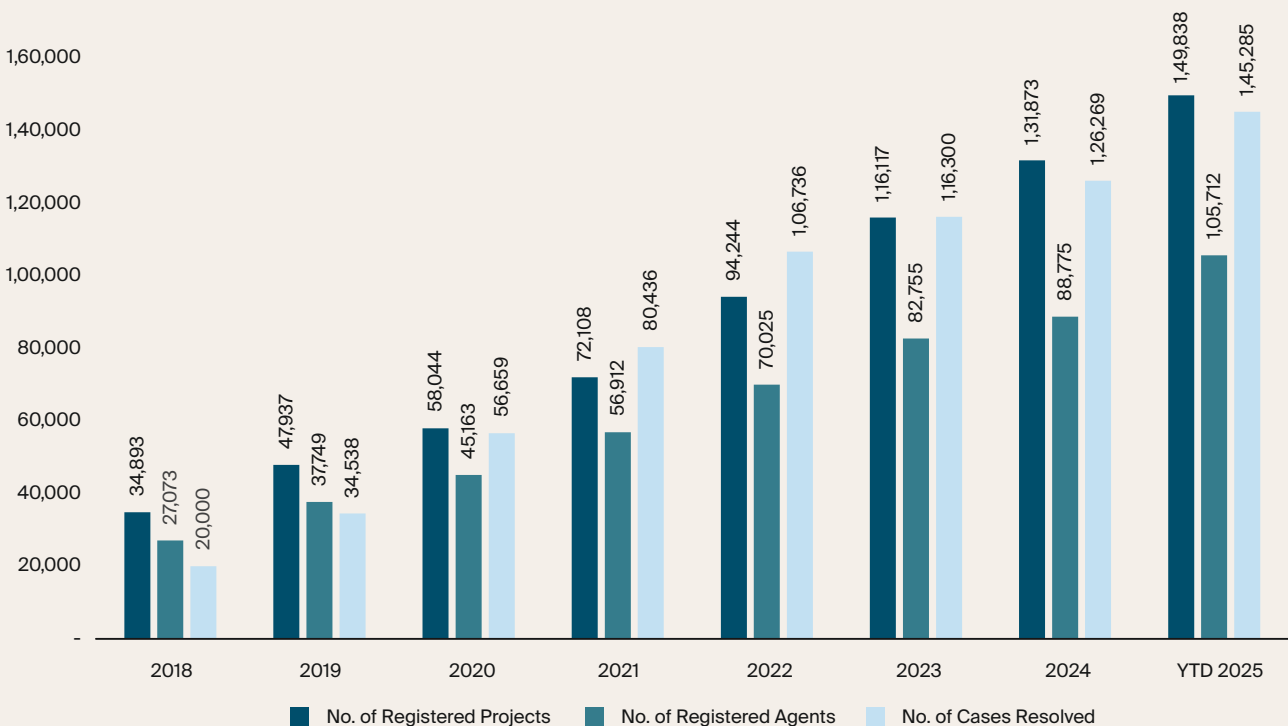




Since its inception in 2016, RERA has transitioned from a reform mandate to a foundational pillar of India's real estate regulatory framework. As of today, most major states, barring a few union territories and North-Eastern states, have notified RERA rules and established regulatory authorities, though the degree

of operational effectiveness varies across jurisdictions. All in all, RERA has proven to be a cornerstone of India's real estate governance aligning market practices with transparency, accountability, and consumer protection.

Registered Projects, Agents and Cases Resolved



Source: Ministry of Housing and Urban Affairs (MoHUA)

Between 2018 and 2025, RERA evolved from a nascent regulatory framework into a robust, pan-India governance mechanism for the real estate sector. While the early years (2017 and 2018) were focused on establishing state-level authorities, notifying rules, and initiating project and agent registrations, the subsequent period witnessed rapid operational maturity and measurable impact.

Key areas of improvement observed over the years include:

1. **Expansion of coverage:** The 7-year CAGRs for registered projects and registered agents under RERA stand at 23% and 21% respectively, reflecting a consistent expansion in coverage over the years. At a macro level, this also indicates the effective functioning of the redressal forum, without delving into the state-wise distribution.
2. **Enhanced dispute resolution efficiency:** The number of cases resolved have also increased significantly YoY with a 7-year CAGR of 33% between 2018 and 2025. Maharashtra, Uttar Pradesh, Haryana, Karnataka and Gujarat emerged as leaders in resolution efficiency.
3. **Digitisation and transparency:** State RERA portals have progressively adopted end-to-end digital platforms for registration, progress updates, payment tracking, and public disclosures. Integration with GIS mapping and real-time project status reporting in select leading states is observed as well.
4. **Strengthened compliance and enforcement:** More proactive monitoring of escrow account usage and adherence to construction timelines. Penalties and registration cancellations for chronic non-compliance became more common, improving developer discipline.

MahaRERA: RERA's Crowning Glory

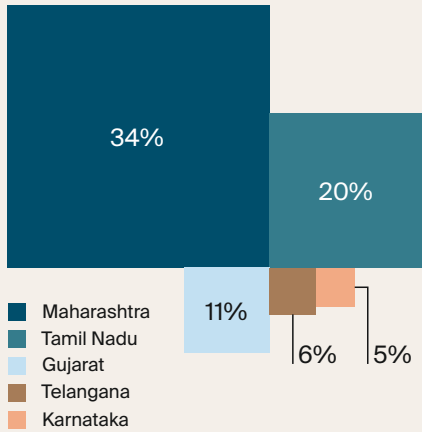
Since the enforcement of RERA in 2016, Maharashtra Real Estate Regulatory Authority (MahaRERA) has consistently emerged as the frontrunner among state level RERA bodies in India. Recognised as a benchmark for transparency, efficiency, and proactive enforcement, MahaRERA's operational framework has set a precedent for other states to follow.

Key achievements include:

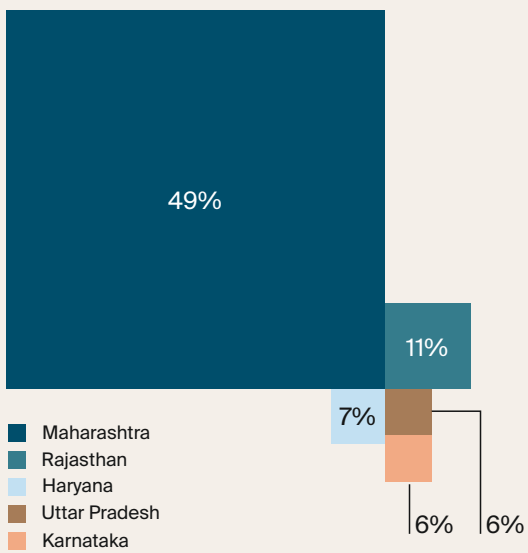
- 1. Highest project registrations nationwide:** MahaRERA accounts for the largest share of registered projects and agents in India with over 50,000 projects and ~52,000 agents registered as of YTD 2025. Early and comprehensive adoption of registration norms ensured wide compliance across both metropolitan and non-metropolitan areas of the state.
- 2. Efficient Dispute Resolution:** MahaRERA maintains one of the highest complaint disposal rates, with thousands of cases resolved annually (only trailing behind Uttar Pradesh and Haryana as of 2025). Introduction of conciliation forums for amicable settlements has reduced litigation timelines and improved buyer-developer relations.
- 3. Digital Leadership:** MahaRERA operates a fully integrated and user-friendly online portal for project registration, compliance tracking, and consumer access to project details. Implementation of real-time project progress and updates and QR code-linked project information has enhanced market transparency.
- 4. Regulatory Innovations:** MahaRERA issues regular circulars and advisories to clarify compliance requirements. Introduction of grading systems for projects and developers to guide buyers' decision-making are in place and there have been pilot projects for online hearings and AI-based compliance tracking.

The above initiatives have resulted in significant reduction in project delays for registered developments in Maharashtra. MahaRERA's proactive stance, technological adoption, and consistent enforcement have established it as the gold standard for RERA implementation in India. Its success underscores the importance of institutional readiness, stakeholder engagement, and continuous innovation in making real estate regulation effective and impactful.

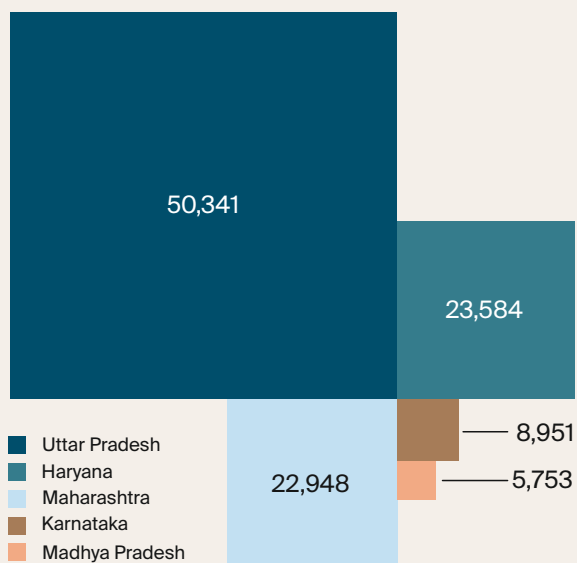
Project Registration Share (out of India total)



Agent Registration Share (out of India total)



Total cases disposed (YTD 2025)



Source: Ministry of Housing and Urban Affairs (MoHUA)



Chapter 4

Much Accomplished, More to Conquer



Although RERA has significantly reshaped India's real estate landscape, particularly through the proactive functioning of MahaRERA in Maharashtra, several challenges continue to persist. On the positive side, RERA has fostered greater transparency, accountability, and consumer confidence by mandating project registration, timely disclosures, and grievance redressal mechanisms. However, its implementation across states has been uneven, with varying levels of compliance and enforcement. Issues such as delayed project deliveries and insufficient penalties for non-compliance dilute its intended impact. Moreover, the lack of adequate digital infrastructure in some states and resistance from developers further constrain its effectiveness.

SWOT ANALYSIS

S

W

O

T

Strengths



- Enhanced transparency and confidence in India's real estate sector.
- Improved Private Equity (PE) investments.
- Consumer protection by safeguarding homebuyers' interests.
- Financial discipline from developers' end through 70% building fund escrow.
- Accountability of promoters and agents enhancing professionalism.
- Grievance redressal mechanism through the establishment of authority.
- Standardization of common norms and definitions such as carpet area etc.
- Digital achievement especially by MahaRERA providing easy and timely access to project details.

Weaknesses



- Fragmented implementation across states.
- Digital infrastructure gap.
- Weak enforcement mechanism and inadequate penalties for bypassing compliance.
- Poor coordination between RERA and regulatory bodies which work in silos.
- Missing single window clearance lacking faster approvals leading to project delays which in turn hamper timelines.
- Overlaps with other state specific housing policies such as Maharashtra Ownership Flats Act (MOFA), 1963.

Opportunities



- India's real estate market is valued at USD 648 Bn as of YTD 2025, with the residential sector contributing 52%. Strengthening RERA functions and streamlining operations can unlock this opportunity by improving property yields and enhancing sectoral value.
- Expanding successful implementation of RERA coverage beyond Maharashtra and include more tier I and II cities will enhance transparency and foster a more organized real estate industry across India.
- Technology integration to streamline processes by synchronizing RERA timelines with actual project progress, thereby reducing developer resistance and ensuring better compliance.

Threats



- Lack of political will to implement and monitor RERA operations end-to-end.
- Red-tapeism continuing status-quo of longer approval timelines instead of streamlining operations.
- Supplier side reluctance for complete transparency.

Within the RERA framework, certain significant gaps have been seen that are mentioned below along with our recommendations:

Our Recommendations

1. Fragmented acceptance and implementation of RERA:

While RERA was enacted as a central law to bring transparency and accountability in the real estate sector, its implementation has been uneven across states as issues of the land and real estate come under the state government's purview. Each state has the authority to frame its own rules, leading to variations in compliance standards, timelines, and enforcement mechanisms. This fragmentation creates confusion for developers, investors, and homebuyers, reducing the overall effectiveness of the Act.

To address these challenges, there is a growing need for a uniform regulatory framework. A centralized **“One Nation, One RERA”** approach would ensure consistency in rules and enforcement across all states as well as provide a seamless experience for developers, homebuyers, and investors. Standardization of operations will help manage expectations of all stakeholders and improve transparency in the long run.

2. Misaligned Timelines - RERA vs. Ground Realities: RERA requires developers to declare project completion timelines and holds them accountable through penalties or interest payments to buyers in case of delays. While this mechanism protects consumer interests, developers often face practical challenges that hinder timely delivery.

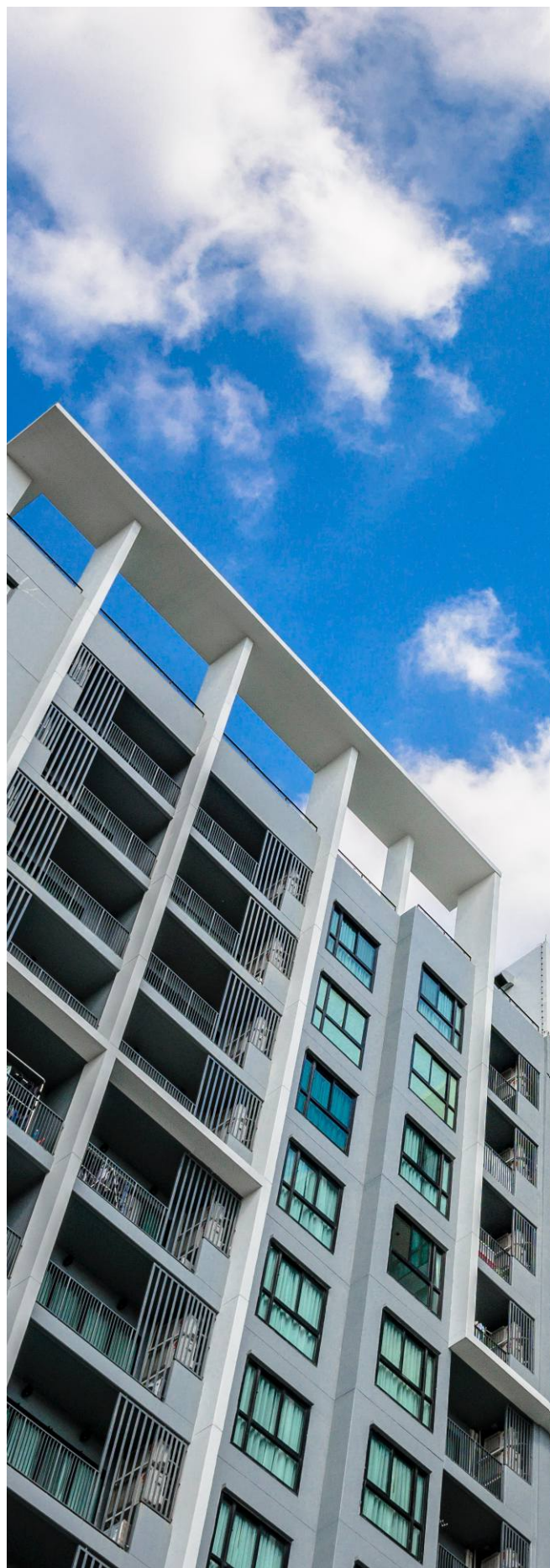
In India, a construction project typically requires 20–30 approvals, including but not limited to land title clearance, building plan sanction, environmental and fire safety clearances, and compliance with building byelaws. These approvals involve multiple authorities, and certain certificates may take 12–18 months to obtain, significantly extending project schedules.

Further, geography specific government interventions such as the Graded Response Action Plan (GRAP) in Delhi mandating construction halts during poor air quality periods create additional delays, intensifying the gap between regulatory timelines and operational realities.

To resolve these conflicts, a single-window clearance system supported by technology could streamline approval processes, reduce friction, and improve compliance with RERA timelines.

3. Missing Conciliation Mechanism: While the dispute conciliation mechanism has been used successfully by RERAs across the country for speedy resolution, there is a need for a separate formal Conciliation Mechanism along with a Panel to strengthen and institutionalize the process, thereby removing grey areas of responsibility. The process may formally involve:

- ‘Conciliation’ to be formally defined as a mediation process where disputes are resolved amicably with the help of neutral experts.
- A group of experts with specific qualifications to be chosen to help settle disputes between parties.





- If a party is involved in a case before RERA, the Adjudicating Officer, or the Appellate Tribunal, can request conciliation at any time while the case is ongoing.
- Once either party requests conciliation, the relevant authority (RERA, Adjudicating Officer, or Tribunal) to appoint one or more experts from their official panel.
- The authority can also decide on its own to send the dispute to the Conciliation Panel without either party requesting it.
- The Conciliation Panel to follow official, pre-set procedures to conduct the mediation.

4. Outdated definition of 'affordable': Under RERA, projects marketed as "affordable housing" must comply with the prescribed size and price limits, and promoters are required to adhere to the government's definition and disclosure norms. However, the concept of "affordability" is geography-specific, and a unit considered affordable in Delhi NCR may be regarded as luxury in cities such as Ahmedabad or Pune.

To address this inconsistency, it is recommended that the definition of "affordable housing" be amended to retain only the carpet area criterion, without imposing price caps. This revision would account for rising land prices in metro cities, where higher costs inflate unit prices, and would allow a greater number of projects to qualify as affordable. Consequently, a larger number of lower and middle-income households would gain access to home ownership.

5. Overlap of state-specific housing act with RERA:

Maharashtra Ownership Flats Act (MOFA), 1963 is a state specific legislation enacted to regulate the promotion, construction, sale, and management of flats within the state of Maharashtra. While the implementation of RERA has introduced a comprehensive, central framework governing the real estate sector across India, MOFA continues to remain in force in Maharashtra. However, in matters where the provisions of MOFA and RERA overlap, RERA holds overriding authority. Given RERA's broader scope and uniform applicability, it is imperative that it serve as the sole governing housing legislation in the future.

• Conclusion

In conclusion, RERA has undoubtedly laid a strong foundation for ushering in greater transparency, accountability, and trust within India's real estate sector, making it more consumer and investor friendly. However, its full potential remains unrealized. To move from promise to impact, RERA must evolve through stronger enforcement, harmonized implementation across states, and a systematic addressing of structural gaps. A future ready, technology driven, and uniform framework will be critical to ensuring that RERA not only safeguards homebuyers' interests but also drives sustainable and inclusive growth for the real estate sector as a whole.





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Knight Frank India, with its headquarters located in Mumbai, the company boasts of a team of over 1,900 experts strategically placed across key cities, including Bengaluru, Delhi – NCR, Pune, Hyderabad, Chennai, Kolkata, and Ahmedabad. Leveraging robust research and analytics, our experts provide an extensive array of real estate services encompassing advisory, valuation, consulting, and transactions (covering commercial, industrial & logistics, capital markets, land, residential, and retail). Additionally, we excel in project management as well as facilities and asset management.

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Operating in major cities throughout the country, Knight Frank India caters to the diverse needs of individuals, businesses, and investors. The firm is distinguished for its unwavering dedication to professionalism, in-depth market knowledge, and a client-centric approach within the dynamic and multifaceted Indian real estate landscape.

NAREDCO

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The National Real Estate Development Council (NAREDCO) was founded in 1998 as a national body under the patronage of the Ministry of Housing and Urban Affairs, Government of India. Shri Ram Jethmalani, who was then the Hon'ble Union Minister of Urban Affairs and Employment, played a key role in its establishment. Since its inception, the Hon'ble Union Minister for Housing and Urban Affairs, Government of India, is the ex-officio Chief Patron of NAREDCO. Various Ministries of Union Govt. and Central PSUs have nominated their officers in the Governing Council of NAREDCO.

Led by Shri Hari Babu as President, Shri Parveen Jain as Chairman Emeritus, Dr. Niranjan Hiranandani as Chairman and Shri Rajan Bandelkar as Vice Chairman, NAREDCO strives to elevate and streamline the Indian real estate sector. It provides a credible platform for the government, real estate industry, and the public to address issues and find effective solutions. NAREDCO is dedicated to raising operational standards in building, construction, and real estate marketing while actively participating in shaping national policies for fiscal reforms. By doing so, it plays a catalytic role in fostering economic growth within India's real estate industry.

Housing and Urban Development Corporation (HUDCO), National Housing Bank (NHB), National Building Construction Corporation (NBCC), BMTPC, DDA, MP Housing, IRCON International, Tamil Nadu Housing Board, LIC HFL, HDFC, State Bank of India, Shriram HFL, Indiabulls HFL, Cement Manufacturers Association besides leading developers like DLF, K Raheja Corp, Mahindra Lifespace, Max Estates, Hiranandani Group, Prestige Estate Project Ltd., K Raheja Construction, Tata Housing, Adani, Godrej, Hotcrete Infrastructure, Tulip Infratech, Omaxe, Raheja Developers, Hinduja Realty, etc are the members of NAREDCO.

NAREDCO's structure includes National, State, and City Councils, ensuring its policy recommendations genuinely reflect on-the-ground realities across India's diverse regions. Currently, NAREDCO has over 15,000 members nationwide, with active chapters in various states. NAREDCO has played a pivotal role in advancing India's real estate sector by organizing events that promote excellence and uphold high standards. Its efforts have greatly contributed to the industry's overall growth. Aligned with government initiatives and policies, NAREDCO is dedicated to supporting India's vision of becoming a "Viksit Bharat" by 2047.

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