The Union Cabinet approved the Real Estate Regulatory Authority Bill on 04th June 2013.

Key features of Real Estate Regulatory Bill

- The Bill called The Real Estate (Regulation and Development) Bill, which provides a uniform regulatory environment to the sector.
- The law will apply any developer coming up with a project of 1,000 sq. metres and above.
- Builders must register all projects with the state regulatory authority. Authorities have 15 days to approve or reject a project.
- Developers can launch projects only after getting all relevant clearances from required authorities.
- Developers cannot offer any pre-launch sales or collecting any money from buyers without all regulatory approvals.
- Construction to begin only after the developer's website has displayed all details of the project including receipt of clearances.
- The Bill makes it mandatory for builders to clarify the carpet area of the flat. This would be made uniform for the entire country. This rule would make the concept of super area
- Developers cannot take more than 10% of the advance from buyers without a written agreement.
- The developers will have to maintain a separate bank account for an each project, and will not be allowed to divert the money for other projects. It will be mandatory to keep 70% of the buyers funds in a separate bank account to ensure timely completion of projects.

- Builders will have to use photographs of actual site for advertisements purpose. Builders coming out with misleading advertisements consider as punishable crime
- The buyers are entitled to full refund with interest in case of delay in projects.
- Failure any provision will attract a penalty which may be up to 10% of the project cost. Repeat offenders may land in jail term of up to three years