BUSINESS IMPERATIVES IN THE REALTY INDUSTRY

ROLE OF INFORMATION TECHNOLOGY

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In the recent past customer behaviour and regulatory compliance has changed drastically. Customers are becoming harder to attract and the competitive environment has significantly impacted the stakeholder expectations.

Given the recent RERA norms, it is imperative for the Realty companies to maintain not only detailed Project, financial & customer information but also automate business processes to adhere to the compliance deadlines. There is an urgent need to shift from the product centric approach to stakeholder centric including Customers, Regulators and Real Estate Agents.

Business Imperatives and how Information Technology (IT) addresses them

Business Imperative	Current Challenges	How IT can Help	Benefits
RERA Compliance			
• Timely Updates on MAHA RERA site	Prone to errors and delays as there is dependency on various departments / individuals. Currently managed on excel sheets with no validations available.	• Provide a centralized repository with role-based access to various departments. • Data needs to be entered only once at the source. Validations are built in which minimizes / eliminates data entry errors. • Automatic updates on RERA websites as and when the APIs are provided	Seamless and accurate updates. Lower compliance cost by reducing fines and deploy manpower in other high value activities such as Sales and Marketing.
• Collections and Distribution across 100%, 70% and 30% accounts	Receipts are currently entered in the accounting system such as Tally (or similar solution) and then manually the receipt amounts are segregated into 100% , 70%. 30%.	• Automatically create a register of collections segregate amounts automatically based on the receipts input. • Provide a statement based on which the funds can be deposited.	The process being completely automated, eliminates the probability of errors and subsequent non-compliance. Reduces resource cost provides higher efficiencies.
• Withdrawal Request forms to be submitted to banks	Once the CA certificates are submitted to the bank, developers create a withdrawal request letter. This letter is usually created in Word and key information such as Eligibility amount, Amount withdrawn till date etc. is manually entered. A complete log of these transactions is maintained manually using	• IT can help track withdrawal eligibility real-time and automatically generate Form 3. • Alternatively, externally received form 3 can be recorded in the system and the withdrawal	Significantly reduces manual intervention and improves accuracy and transparency

	excel. The entire process is highly time-consuming and prone to errors. The complexity increases as the number of projects increase. Users need to keep track of the multiple bank accounts and ensure that no errors occur in typing the account nos. etc.	letters and the process can be automated. • The Withdrawal module automatically validates the amount requested for withdrawal against the withdrawal eligibility, till date withdrawals, and generates the letter which can be submitted to the bank. Further, it maintains a complete withdrawal statement which can be available at a click of a button.	
• RERA mandated payment schedules	Currently these are created manually and are prone to errors. This is especially true in case of high rise buildings where the number of stages significantly increases. Besides, in case of various schemes such as PMAY etc. this complexity further increases	• Systems can allow generation of multiple payment schedules. • RERA has defined 9 key payment milestones. Each time a payment schedule is generated or modified, it is validated against the milestones and users are alerted accordingly.	Reduces non-compliance. The customers have the option to file complaints with MAHA RERA in case the schedules are not adhered to.
• Generation of forms – Form 1 Form 2 & Form 3	Currently dependent on the relevant stakeholders such as CA, Architect, Engineers etc. The various departments need to collect the information which is scattered across departments including Sales, Projects Accounts etc. The Sales information such as Bookings, Payment received, current O/S as well as valuation of unsold inventory needs to be collected and manually complied in excel sheets.	• Contemporary solutions are centralized cloud based and role-based access can be provided to the various departments. • The sales information is automatically generated real time based on the bookings, demand raised and the receipts. • ASR rates can be maintained at a Project level and the ASR MV calculations required to compute value of unsold inventory can be automated based on floor wise premium and Car Parks	Introduces accuracy and significantly reduces effort required to generate and maintain these statements.
• Audit trail of all communications with Customers and other stakeholders (especially in	Written communication is maintained usually in hardcopy and verbal communication is seldom recorded. The email communications are difficult to maintain and track as they are	• All communications with various stakeholders can be Centralized into a single repository.	Easy access to relevant information to address compliance requirements

case of customer complaints)	mixed with other emails received. In case of consumer complaints, it becomes a laborious task to collate the relevant information	• In many cases communication can be automatically generated. • Communications with customers, including emails, phone calls (needs CTI integration), letters etc. Additionally, all hardcopies relevant to the booking/customer are stored with the respective record	
• Track estimated VS Actual Project Cost	Once the estimated costs are derived and recorded, timely updates against these are maintained in various formats including Tally , excel. These are then consolidated manually to derive the actual cost till date and submitted to the CA for generation of relevant forms	• Projects department can directly enter the incurred and estimated costs or the same can be derived automatically from the Accounting application. • Real time tracking of actual VS estimated costs can be done • Form 3 generation and withdrawal processes can be automated	Increase operational efficiency
Pre-Sales			
• Centralized Repository of Leads and opportunities with a view of qualified sales pipeline	Leads are usually maintained in Excel sheets. All customer interactions are recorded with the next follow dates or actions. These sheets are usually not centralized and are stored in the individual sales person's machine. Lead leakage and unwanted Channel partners are attached to the lead and unnecessary incentives are paid out sometimes in corroboration with the sales person. Centralized visibility of the Sales pipeline is not maintained, and the sales manager struggles with the information for his own sales forecast	• Solutions can provide a centralized repository of all leads, interactions and generates rich charts and dashboards for detailed analysis and insights. • The Sales manager can analyse trends and health of the Sales pipeline and take corrective measures accordingly. • All changes in the lead are governed by user defined approvals which reduces the possibility of lead leakage and dummy agents	Increased Sales and revenue. Information collection for effective decisioning and planning future projects.
• Generate multiple quotes directly from opportunities with approval mechanisms based on	These are usually created in excel which are formula based.	• IT can leverage the Product Inventory, pricing information and various schemes such as PMAY etc and generate accurate quotes at a click of the button.	All Quotes are centralized and can be access Organization wide subject to security rights available. Sales can become process oriented

different GST rates and ITC		• Confirmed quotes can be signed by customer or sent directly from the solution via email. • A complete track and audit trail is maintained in the solution and the signed quotations can be uploaded and stored with the relevant transaction	rather than people oriented
• Centralized view of Project Inventory	The flat availability charts are typically updated manually and real time information regarding booked , blocked flats is not readily available. This can lead to customer angst and embarrassment.	• Realtime updated Flat availability charts with additional information regarding the layout and facing etc. is automatically generated	Self-explanatory
• Channel Partner Management	The channel partners for a deal are people based and sometimes there are dummy agents	• Once the channel partner has been defined in the lead, the same will be locked and reflect in the quote and booking. Option to change the channel partner is subject to approvals by senior management. • Automatic calculations of the brokerage and tracking of the outstanding payments can be performed	Enhanced Channel partner loyalty. Analyse performance and eliminate dummy agents
Post Sales			
• User friendly booking management	Usually maintained in excel. Maintaining all records and KYC information becomes a laborious and time – consuming task especially in case of multiple joint owners where the address and KYC of each owner needs to be maintained	• Automatically convert quotations to bookings. • IT solutions can detect the current completion status of the building / wing and generate demand notes with due dates automatically. • GST tax invoices can be automatically generated	Increased Process efficiencies and eliminates manual errors
• Print all related documentation including booking forms, allotment letter, customer statements	A cumbersome process where the documentation is typed and generated	• Automatically generates all relevant documents including booking forms, allotment letters, agreements etc.	Standardised high-quality document output enhances company brand equity which significantly reducing resource cost and allocation

• Automatically Generate demand notes based on Construction Stage completion	On completion of a construction stage, all demand letters for the customers are created manually. The Amount due for each customer may be different and the same along with the previous outstanding which has to be computed manually	• On completion of a construction stage, Systems can compute and generate not only the current demand, but also previous outstanding	Significantly reduces resource cost and allocation
• Automated Interest calculation with detailed statements	This is usually a very cumbersome process. Although builders seldom charge interest, it is always a good deterrent for the customer to pay dues on time	• IT enables different Rate of Interest for Property, GST, Other charges etc and automatically generates detailed interest statements with clear details on ROI, delayed dates, Due date, Paid date etc.	Eliminates Customer arguments on the veracity and transparency of the Interest statement and increases customer confidence.

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