

CG-RERA Champions Technology-Enabled Banking Reform for RERA Designated Accounts

The **Chhattisgarh Real Estate Regulatory Authority (CG-RERA)** has undertaken a significant technology-led reform to strengthen regulatory oversight, standardize banking practices, and streamline compliance relating to **RERA-designated project accounts**.

As part of this initiative, **17 Scheduled Commercial Banks were empanelled by CG-RERA on 3 April 2025** for compliant handling of RERA-designated project accounts. The initiative seeks to strengthen compliance with the requirements under **Section 4(2)(I)(D) of the Real Estate (Regulation and Development) Act, 2016**, while ensuring greater transparency and accountability in the utilization of project funds.

Addressing Systemic Challenges

Prior to the reform, certain operational challenges were observed in the handling of RERA-designated accounts, including:

- Absence of uniform RERA-specific procedures across banks;
- Inadequate standardization of processes at the branch level;
- Risk of unauthorized lien marking and debit restrictions inconsistent with RERA requirements;
- Manual processing of withdrawal-related documentation; and
- Limited system-based mechanisms for real-time verification of withdrawals.

Institutional Engagement

To address these challenges, CG-RERA adopted a structured institutional framework for empanelment of Scheduled Commercial Banks.

The empanelled banks were required to:

- Adopt **RERA-specific Standard Operating Procedures (SOPs)**;
- Designate **nodal officers** for RERA-related matters;
- Establish appropriate internal processes for handling RERA-designated accounts; and
- Incorporate system-level controls relating to **“No Lien” and “No Debit”** requirements, as applicable under the prescribed framework.

The empanelment process was further supported through engagement with the banking institutions and standardization of operational requirements.

Technology Integration

A key component of the reform is the integration of technology into the withdrawal process from RERA-designated accounts.

Under the technology-enabled framework, **Chartered Accountants can digitally submit and certify the documents relating to withdrawal requests**, enabling system-based verification of the prescribed requirements.

The software-based mechanism facilitates:

- Digital submission of withdrawal-related documents;
- System-based validation of withdrawal requests;
- Better monitoring of the available withdrawal limit;
- Reduction in dependence on paper-based processing;
- Greater transparency in the withdrawal process; and
- Standardization of procedures across participating banks.

The integration of banking processes with the CG-RERA portal represents a shift from predominantly manual compliance to a **technology-enabled regulatory framework**.

Impact of the Reform

The initiative has strengthened the overall framework for monitoring project funds and has contributed towards:

Standardization | Transparency | Technology-driven Verification | Process Efficiency | Ease of Compliance

By bringing banks, Chartered Accountants, promoters and the regulatory authority within a common technology-enabled framework, CG-RERA has established a more structured mechanism for monitoring withdrawals from RERA-designated accounts and ensuring that project funds are handled in accordance with the applicable regulatory requirements.

The initiative demonstrates how **technology, institutional coordination and process standardization** can be integrated to strengthen regulatory compliance and improve the ease and efficiency of doing business in the real estate sector.

With the empanelment of **17 Scheduled Commercial Banks** and implementation of a technology-enabled withdrawal mechanism, CG-RERA has taken a significant step towards **digital transformation of RERA financial compliance** and enhanced protection of homebuyers' funds.

