



## **Uttar Pradesh Real Estate Regulatory Authority**

### **Subject: Development of Grading Framework for the Real Estate projects and promoters in UPRERA**

Public Notice

22 April 2020

Uttar Pradesh Real Estate Regulatory Authority (U.P. RERA) in order to facilitate the growth and promotion of a healthy, transparent, productive and competitive real estate sector and to fulfil the mandate given under section 32(f) of Real Estate Act, “Measures to encourage grading of projects on various parameters of development including grading of promoters”, has appointed a consultant for setting up of a system for grading of developers and projects in measurable parameters.

UPRERA, after inputs from Development Authorities, Industrial Development Authorities, Homebuyers Associations, Promoters Associations and other stakeholders, in consultation with the consultant CRISIL Limited (CRISIL) has designed a grading framework for the Projects registered in RERA and the Promoters. The proposed grading framework has been uploaded on the UPRERA portal (<https://www.up-rera.in/index>) for the feedback, if any, by the stakeholders by 13 May 2020. The suggestions can be offered in the form provided for the purpose by using the link <https://forms.gle/1A2RXqSqohvs2ivm9>.

UPRERA will suitably upgraded the grading system based on the suggestions of the stakeholders and implement the same in consultation with the State Government.

The grading would be on a scale of I to V, I being lowest and V being highest.

The objective of the Grading system, which will be done annually, is to assess the Promoters and Projects registered with UPRERA and rate them so that homebuyers can make an informed choice. This grading scale will help in creating a track record for Promoters and better understanding such issues as delays in possession and major slowdown in the projects registered with UPRERA and level of performance of the Promoters.

As stated by Shri Rajive Kumar Chairman UPRERA, “RERA will assign grades to the Projects and the Promoters with a view to assist a prospective homebuyer while investing in a project. Through this grading the prospective homebuyers will have a beforehand knowledge of the credentials of the Promoter and the quality of the projects under consideration”.

Promoter grading essentially involves assessing his track record in executing projects and analyzing the associated organizational, legal and financial risks.

Key parameters of promoter grading are financial quality, organizational structure & certifications, track record, compliance adherence and very importantly customer feedback.

The promoter’s capability is then benchmarked against the parameters as set in the Grading framework.

The grading evaluation for projects will essentially involve assessing the promoter’s track record in executing projects as per the stipulated schedule along with adherence to timelines and analyzing the organizational, legal and financial risks associated with it.

A project’s assigned grading will serve as a benchmark against other graded projects in the state. The grading will be applicable for all UPRERA registered projects.

The grading process will, inter-alia, involve:

1. Project/promoter registration with UPRERA
2. Additional documents/information to be uploaded by promoter for Grading process
3. Data validation and analysis of the information uploaded through portal
4. Assignment of grading
5. Publication of the grading in the public domain through UPRERA portal
6. Grading renewals

The stakeholders are requested to kindly go through the document relating to the grading framework of the promoters and the projects and offer their valuable suggestions within the stipulated time, i.e. 13 May 2020.

**(Abrar Ahmed)**  
**Secretary**

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