

Comprehending the concept of urban planning in context with the real estate sector

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Abstract: The urban planning and real estate industry collaborate seamlessly to create a better place and shape the cities' social, economic, and physical environments. Urban planning aims to create sustainable, functional, and aesthetically pleasing communities through the systematic organization of land use, infrastructure, and amenities within cities. Within this framework, the real estate industry plays a crucial role, acting both as an agent of change and a beneficiary of city planning programs. Investment opportunities, property prices, and development policies all directly influence zoning restrictions, infrastructure investments, and other related issues. Factors such as proximity to amenities, transit networks, and environmental quality significantly affect property values, highlighting the clear relationship between urban design and real estate prices.

Real estate developers contribute to shaping the physical environment by constructing residential, commercial, and mixed-use projects. Aligned with urban planning objectives for environmental sustainability and resilience, sustainable development practices are increasingly prioritized. These practices include energy-efficient building designs and green infrastructure. To manage growth and ensure efficient use of land and resources, rules and regulations are implemented in many countries, including India. Town planning committees and the Real Estate (Regulation and Development) Act (RERA) are essential for regulating the real estate industry and ensuring compliance with urban planning standards. To build cities that are liveable for people of all ages and abilities, and sustainable in the long term, it is crucial for communities, policymakers, developers, and planners to collaborate.

This research focuses on the complex interplay between real estate and urban planning, examining how both fields influence city development and long-term viability. Understanding the impacts of urban planning decisions on property market dynamics leads to better-informed and more cohesive development plans.

Keywords: Urban Planning, Real Estate sector, urbanization, urban infrastructure, Town Planning Committee, RERA.

1. Introduction

Urban planning is a systematic process that directs the use and development of various parts of a city by addressing their layout, infrastructure, transportation, and public spaces. Its primary goal is to meet societal needs through the distribution of land for different uses and the expansion of existing communities. Real estate encompasses not only land but also any permanent structures, whether they are natural or man-made, such as trees, water, minerals, buildings, homes, fences, and bridges.

Property in the form of real estate includes everything above and below ground, as well as anything permanently attached to it. This includes all ownership rights, such as the ability to own, sell, or lease the property. How a city lives, functions, and is constructed is defined by its real estate.¹ Land use regulations fall under the purview of urban planners, while real estate deals with the monetary value of properties. Without town planning, the pricing mechanism and supply and demand for land would not fairly allocate resources among competing users. In a perfectly competitive

market, land may be utilized for whichever activity could yield the most long-term profit.

Private sector developers are free to maximize their profits at the expense of public utilities and social services. Therefore, the role of urban planning becomes more significant in dealing with the imbalanced distribution of resources, disarray, and inequality resulting from the changing dynamics of unregulated market competition and weak social infrastructure. Accordingly, for a city to achieve inclusive growth, real estate development and urban planning must work hand in hand. Urban infrastructure must harmonize with the city's character and societal needs to positively influence real estate development.²

2. Understanding the concept of urban planning and its factors

Urban planning is a multidisciplinary discipline focused on designing, regulating, and managing urban areas to achieve sustainable development and improve the quality of life for residents. The main objective of urban planning is to mitigate the issues stemming from the expansion of urban density, dynamics of consumer segments, deterioration of the environment, and socioeconomic imbalances. It also assists in the strategic planning of urban areas by evaluating them through social, economic, and physical lenses. It encompasses various aspects such as land use, transportation, environmental sustainability, and social equality, all of which require a deep understanding of the discipline itself. Urban planning influences the economic, social, and physical characteristics of cities. While harmonizing transport, land management, eco-consciousness, social equity, and economic resilience, urban planners strive to build durable, accessible, and well-planned cities. The primary objective is to upgrade living conditions for present and future generations by addressing the complexities of urbanization through community unification, innovation, and shared governance, thereby supporting sustainable progress. Urban planners are tasked with building new cities and improving existing ones. Effective urban planning requires

collaboration with relevant government agencies and other organizations. Due to the complexity of the field, urban planners must undertake extensive research. This research helps in conducting thorough and efficient planning, taking into consideration various additional aspects throughout the process. Land use, a critical component of urban planning, determines the spatial organization of activities within a city. To maximize efficiency and minimize conflicts, land should be allocated effectively for residential, commercial, industrial, recreational, and institutional uses.

Urban planners use zoning laws, density regulations, and land development ordinances to regulate land use and ensure that diverse uses do not conflict with one another. Planners aim to create vibrant, walkable communities that foster social interaction and reduce reliance on private vehicles by promoting mixed-use developments and compact urban forms. The city's transport network significantly influences accessibility, connection, and mobility, making it a vital component of urban planning.

A well-designed transportation system includes roads, public transportation, bicycle lanes, and pedestrian facilities, offering sustainable and efficient transportation choices. Urban planners must balance priorities such as accessibility, environmental sustainability, and safety as they work to integrate various transportation options. Strategies like complete streets design and transit-oriented development (TOD) aim to create transportation networks that are accessible and welcoming to all users.

Environmental sustainability has become a critical focus in urban development due to pressing issues such as pollution, climate change, and resource depletion. The goal of environmentally responsible urban design is to make communities more resilient to natural disasters, more energy-efficient, and less reliant on fossil fuels. A sustainable urban system, including urban nature zones, green belts and city woodlands, plays a crucial role in mitigating the ramifications of global warming, improving atmospheric conditions, and enhancing flora and

fauna diversity. Urban planning aims to promote environmental stewardship and ecological balance through sustainable construction methods, renewable energy projects, and waste management measures.

The physical characteristics of a city, such as location and climate, also play a significant role. For example, the requirements for a city plan in a green environment will differ from those in a desert zone. Urban planners may also require topographical maps from the geology department to better understand the city's topography. Socioeconomic factors, including access to basic services like power, transportation, and healthcare, are crucial in the process of urban renewal. As cities strive to ensure equal opportunity and access to resources for all its citizens, social equity and inclusion become essential. Ensuring that urban development supports disadvantaged neighborhoods and vulnerable populations is vital for achieving social justice, which involves addressing disparities in income, education, healthcare, and housing affordability. Urban planners work to enhance social cohesion and reduce socio-economic disparities through various measures such as community participation programs, affordable housing policies, and equitable access to public services. Encouraging social integration, fostering cultural diversity, and providing inclusive public spaces are also important for building cohesive and resilient urban communities.

Since cities are hubs of new ideas, businesses, and jobs, fostering their growth and prosperity is a fundamental goal of city planning. Strategic economic planning efforts, such as business incubators, economic clusters, and workforce development programs, aim to increase investment, stimulate business growth, and provide job opportunities. Additionally, communities can enhance their economic activity and global competitiveness by investing in infrastructure projects, supporting small and medium enterprises, and promoting innovation centers.³

In previous iterations of city planning, the requirements of the general public were often

neglected. However, modern urban planning incorporates a process known as participatory planning, where communities are given the opportunity to express their preferences for desired development. Urban planning is driven by business partnerships with other stakeholders, prevalent employment conditions, and, more importantly, socio-economic factors. While remodeling, cities should consider the type of architect they employ.

The need to preserve the grand history of a particular city was realized at every level of the government, hence steps are taken to preserve any historic structures and sites that may exist. These historic sites or structures are carefully considered before planning any amenities.

Good urban planning addresses the current needs of its inhabitants, but it must also look to the future. Planners need to reserve space to meet future demands; for example, there may be a need for high-rise residential buildings and additional office buildings due to business growth. New hotels may also be necessary to accommodate travelers. For precise planning, urban planners require access to data on population growth in comparable areas. Having extensive experience with appropriate technologies is invaluable for urban planners. For instance, GIS solutions, which offer high-resolution aerial views, allow for the measurement and analysis of various elements. Additionally, 3D mapping can be a significant advantage, providing detailed visualizations that enhance planning and decision-making processes.

3. Magnifying the relationship between the real estate sector and urban planning

The growth and longevity of a city depend on the partnership between urban planners and the real estate industry. Urban planners play a pivotal role in shaping the real estate industry by making key decisions on land allocation, zoning policies, and urban infrastructure development. Conversely, the geographical distribution and quality of real estate developments substantially impact the social and geometric features of urban areas. Urban planners must collaborate with policy-makers, builders,

society, and other stakeholders to develop urban areas that are durable, eco-friendly, versatile, adaptable to the dynamic needs of the inhabitants while also promoting ongoing industry prosperity and overall economic growth.

3.1 The Contribution of Real Estate to urban infrastructure development

Real estate, both a driver of and a beneficiary of infrastructure investments, plays a pivotal role in the development and maintenance of urban infrastructure. As cities and their populations continue to grow, the demand for residential, commercial, and industrial spaces necessitates the expansion of roads, utilities, public transit, and amenities. Real estate investors, developers, and planners often collaborate with public entities and city planners to identify potential infrastructure projects that can enhance the value and appeal of their properties.

Furthermore, real estate developments frequently utilize public-private partnerships (PPPs), development levies, impact fees, and other financing methods to support urban infrastructure projects. Properties situated in well-connected, amenity-rich neighbourhoods typically command higher prices and attract more demand. The quality of urban infrastructure also plays a critical role in determining real estate values; insufficient infrastructure can lead to congestion, inefficiency, and a decrease in liveability, which in turn can stifle real estate development and impede urban growth.

Therefore, the real estate industry must encourage development projects that enhance the efficiency and resilience of urban areas by optimizing integration, inclusivity, and urban experience. Real estate defines a city's culture, behavior, and architecture and has traditionally been intertwined with urban infrastructure. Well-planned urban infrastructure that harmonizes with the local environment and meets residents' needs can significantly benefit real estate development, exemplifying inclusive development. The sustainable, long-term growth of a city's real estate not only depends on the construction of

infrastructure but also on job creation. Cities like Ahmedabad and Hyderabad have prioritized the development of high-quality infrastructure, which helps regulate land prices and, in turn, enhances the quality of life for residents. This exemplifies the role of infrastructure in urban development. 4

3.2 The linkage of urban planning and real estate valuation

Urban planners should find different solutions to control property prices, if residential property prices are more in an area or city.⁵ To reduce housing costs, one solution is to enhance construction density in the Central Business District (CBD) and neighbouring districts. This will allow for more floor space to be constructed on a given amount of land, which in turn drives up land prices. On the periphery or in locations far from the city centre, authorities may construct sufficient and high-quality infrastructure.

After weighing the price of new infrastructure against the cost of rising housing rents, planners may arrive at such options.⁶ If the construction of roads or water mains in suburbs leads to a significant increase in rental rates and residential property values, then the investment can be deemed successful. For instance, urban planning in cities like Delhi and Mumbai often overlooks topographical constraints. These cities have low construction densities, under-developed infrastructure, and a large portion of the land is occupied by government agencies, politicians, and bureaucrats, driving up real estate prices.

Urban planning decisions significantly impact the value and dynamics of real estate markets. The complex relationship between urban planning and real estate pricing involves many aspects. Urban planning directives, such as zoning regulations and development constraints, are crucial for regulating land utilization and allocation. Such directives influence permitted land uses, structural intensity, and vertical limits making real estate investments more lucrative and attractive. For example, property prices may be higher in areas designated for mixed-use development or high-density residential

developments due to greater accessibility, amenities, and potential returns on investment. Conversely, areas with more restrictive growth potential might see price increases due to a lack of supply caused by stringent land use rules or other development constraints.

Moreover, real estate values can be significantly influenced by transit projects and infrastructure investments planned by metropolitan authorities. These initiatives aim to improve connectivity, accessibility, and quality of life in specific neighborhoods. Properties close to parks, transport hubs, or other amenities often command a premium due to their convenience and appeal. On the other hand, real estate prices in areas with poor infrastructure or environmental issues might be stagnant or even declining.

Therefore, cultivating dynamic, equitable, and resilient urban environments necessitates partnership between stakeholders, strategic planning, and thoughtful coordination between the conflicting concerns of policy-makers, investors, and builders. This is evident from the correlation between urban planning and real estate prices.

In areas where the government mandates low-density construction, land costs tend to be higher. Improved infrastructure could lead to an increase in the amount of developable land, reduced commute times and distances, and more efficient market functioning. Consequently, planners need to evaluate the benefits and understand how they will affect rental and home values. Property values and land use regulations need to be aligned. The societal demands should inform the formulation of city planning, which should take pricing variations into account.⁷

3.3. Challenges owing to real estate sector adversely impacting urban planning

Effective urban planning is often hampered by problems in the real estate industry, which in turn hinders sustainable growth and the welfare of communities. The availability of land is one of the biggest concerns in densely populated areas and its scarcity leads to cost escalation, hampering

development. This shortage often leads to the encroachment on or conversion of environmentally sensitive areas and agricultural lands, exacerbating environmental degradation and reducing green spaces that are essential for urban life. Another significant obstacle is the fraud perpetrated by dishonest builders. Unfortunately, it's not uncommon for builders to misappropriate funds, exaggerate project timelines, or fail to deliver promised features. These deceitful practices can halt or scrap development projects in the long run, eroding investor confidence, diminishing public trust, and undermining the legitimacy of urban planning efforts. A related issue that complicates urban planning is the diversion of funds by builders. Financial instability and project delays may result when builders use funds allocated for specific projects to cover personal needs or other unrelated activities.

This diversion not only delays the completion of developments but also jeopardizes the financial sustainability of existing projects, placing buyers and investors in precarious positions. Excessive project delays represent another major challenge to efficient city planning. Regulatory roadblocks, insufficient funding, labor shortages, and unforeseen technical difficulties are among the many causes of these delays. Prolonged project durations impede urban development, strain infrastructure resources, and diminish public trust in the planning and execution process.

One of the most detrimental issues affecting the real estate industry and urban planning is the bankruptcy of construction companies. Communities often suffer from the legal, financial, and social ramifications caused by insolvent builders' abandoned projects, unpaid creditors, and disillusioned customers. In addition to slowing urban development, these disruptions burden local businesses and lower the quality of life for residents. The challenges faced by the real estate industry are exacerbated when banks fail to perform adequate due diligence before approving home loans.

Banks and other financial institutions, as key partners in the real estate sector, provide funding for development projects and home buyers. Speculative bubbles, mortgage defaults, and financial crises can all stem from lending decisions made with insufficient due diligence. Such risk assessment failures weaken the stability of the real estate market and the success of urban planning initiatives aimed at promoting sustainable development and equitable housing access.

A holistic approach is immediately needed to address these challenges, encompassing improved transparency, strategic legislative reforms, strengthened ethical standards, greater stakeholder participation, and enhanced economic oversight. The support of all stakeholders, such as builders, banks, urban planners, and investors, is required to foster a robust, enduring and diverse approach to urban planning that serves the dynamic needs of present and upcoming generations.

4. LAWS GOVERNING URBAN PLANNING AND REAL ESTATE SECTOR IN INDIA

Urban planning and the real estate industry in India are regulated by a complex web of laws at both the central and state levels. The Constitution of India acts as the bedrock of urban planning laws, providing the legal framework for the government to frame rules and regulations on land utilization and allocation. It provides the statutory framework for formulating and enforcing land-use policies, protecting rights of stakeholders, and supporting sustainable development, thus cultivating a well-balanced environment for holistic urban development in accordance with constitutional guidelines. Town and Country Planning Act, enacted at the state level, outlines various crucial aspects concerning town planning, building codes, and zoning. In a historic move, the federal government enacted the Real Estate (Regulation and Development) Act (RERA) to oversee the housing market and protect consumers.

RERA enshrines transparency in project marketing and implementation, establishes dispute resolution systems, and mandates real estate project registration with regulatory bodies.

The real estate regulations for infrastructure development are complemented by central and state laws, which have a significant bearing on infrastructure development, taxes, environment protection, and land usage. These laws and regulations are instrumental in ensuring the quality standards and compliance with safety measures on one hand, and the other, they play a crucial role in protecting rights of property owners while promoting systematic and sustainable urban infrastructure development.

4.1. Constitution of India, 1950

The guiding principles for establishing a social welfare state in India are outlined by the Constitution of India. Part 4 of the Constitution of India provides the Directive Principles of State Policy. The community, through the state, assumes the responsibility of achieving socioeconomic equality in a welfare state. Several welfare state programs collaborate with the laws of the nation to shape urban planning projects.

Articles 39(b) and (c) are crucial constitutional provisions due to their far-reaching effects on India's economic structure. At the heart of these articles is the issue of how the community's tangible resources are owned and controlled. For an act to be considered as falling within the scope of these articles, the economic system must be operational. Property rights and responsibilities under Articles 39(b) and (c) concern the distribution of common assets. Social theorists advocate the allocation of public resources in a manner that serves all. A socialist state is committed to promoting socioeconomic equality for all its citizens.⁹ The Articles 39(b) and (c) of the Constitution of India encourage the state to formulate policy to secure social and economic justice. Thus, the State shall endeavour to address public importance matters such as social and economic development planning, slum rehabilitation, and provision of urban amenities,

which contribute to social justice and equitable development.

Article 48A: The state is required to safeguard and enhance the environment as well as protect wildlife and forests. The environment can be protected by strategic urban planning, zoning laws, and public works and services, which further promote sustainable development, efficient management of land resources, and provision of amenities and green spaces for city dwellers.

Article 51A(g): This Article casts a fundamental duty upon every citizen of India to protect and improve the natural environment including forests, lakes, rivers, and wildlife, and to have compassion for living creatures. Various urban planning measures, like the provision of urban amenities and zoning laws help to develop sustainable infrastructure, that aligns with environment and wildlife protection objectives of the society. In essence, it demonstrates how urban planning and development initiatives are not only essential for the efficient organization and growth of urban areas but also align with constitutional directives aimed at promoting social justice, environmental protection, and the overall well-being of citizens.

Article 234ZD has authorized the district level planning committee to draft the District Development Plan. The District Planning Committee has been empowered to consolidate the plans formulated by the municipalities and panchayats into a district development plan, while addressing environmental issues, water management, holistic infrastructure planning, land use planning, and resource management. Further, Article 243ZE provides for the setting up of a Metropolitan Planning Committee with similar power to the District Planning Committee. The members of the Metropolitan Planning Committee are to be elected by the chiefs of the panchayats within the metropolitan area and elected members of the municipalities, to the population ratio of the respective panchayats and municipalities.

If the Indian Constitution and urban laws were to become diametrically opposed, it would be tantamount to having neither document exist. Since

the Constitution was fundamentally a transfer of power from the federal government to the states, its framers were acutely aware of the gravity of the situation and the urgent need to enact new laws. After the mid-1990s, both the legislative and executive branches of India's government have focused on fostering urbanization and societal change. To this end, they established directive principles and enacted various laws, including the 74th Amendment to the Constitution. The Constitution of India provides a comprehensive legal framework for the formulation and implementation of urban planning laws and policies.¹⁰

4.2. Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act 2013 (Act 30 of 2013)

The Act establishes that when the state acquires private or common property, it effectively becomes the owner of that land. Under the principle of Eminent Domain, the state has the authority to claim private property for public purposes. This appropriation for a "Public Utility" or "Public Purpose," as it is known in India, is the guiding principle behind such acquisitions. It is important to recall that eminent domain is the legal doctrine stating that the general public has no claim to real resources, including common property.

The demand for land as a public benefit is an equal and opposite force to the private demand for land in any planned urbanization. The acquisition of land is a necessary step in the process of its public use, which includes creating and promoting basic urban infrastructure and implementing other development initiatives. There has been a dramatic increase in the demand for both public and private land due to the new economic policies implemented during the 1990s, which included massive investments in infrastructure and an influx of foreign investors. In this context, the challenges surrounding land acquisition require further consideration.

4.3. National Rehabilitation and Resettlement Policy, 2007

India's National Rehabilitation and Resettlement Policy (NRRP) was not instigated by the urban development program or land acquisition experiences of the 1980s, despite the mass eviction of indigenous peoples from their homes to make way for projects like the Sardar Sarovar Dam in the Narmada Valley. Instead, it was a response to a protest movement spearheaded by non-governmental organizations (NGOs). The NRRP 2007 primarily aims to:-

- **Minimizing Displacement and Preserving Land:** Aim to reduce displacement and find alternatives to acquiring productive and agricultural land.
- **Legal Entitlement for Displaced Persons:** Ensure displaced individuals have a legal right to claim livelihood support from the state.
- **Protection for Vulnerable Groups:** Safeguard the rights of marginalized communities, especially Scheduled Castes (SCs) and Scheduled Tribes (STs).
- **Enhancing Living Standards:** Improve the quality of life and secure better livelihood opportunities for affected families.
- **Incorporating Rehabilitation in Development:** Integrate rehabilitation considerations into the planning and execution of development projects.
- **Promoting Cooperative Relationships:** Foster a cooperative relationship between land-acquiring entities and affected families, focusing on fair compensation and transparent dealings.
- **Defining Rehabilitation Timelines:** Establish clear timelines for the rehabilitation and resettlement processes.¹¹
- To provide binding guidelines to all states to follow the policy requirements.

Provisions under National Rehabilitation and Resettlement Policy, 2007

The Policy has clarified all essential and potentially

confusing terms and ideas. Environmental and social impact assessments are also mandated by this document.

- **Administrative Roles:** The policy outlines the roles for appointing administrators and commissioners, detailing their powers and responsibilities in rehabilitation and resettlement processes.
- **Land Acquisition and Resettlement Processes:** It lays down procedures for land acquisition and the subsequent rehabilitation and resettlement of displaced individuals.
- **Authority Guidelines and Implementation:** Grants powers to relevant authorities to establish guidelines, rehabilitation plans, and their implementation methods.
- **Grievance Resolution Mechanism:** Establishes mechanisms for grievance resolution, including the involvement of representatives from affected communities to ensure accountability.
- **Ombudsman Appointment:** Specifies the appointment of an ombudsman to oversee and address issues related to rehabilitation and resettlement.
- **Interstate Project Management:** Details procedures for managing interstate projects coordinated through the Ministry of Rural Development (M.R.D.) of India.
- **Monitoring Mechanisms:** Introduces monitoring mechanisms such as a National Monitoring Committee and a National Monitoring Cell for overseeing project implementation.
- **Information Sharing:** Mandates the sharing of information among central, state, and local Panchayati Raj institutions regarding development projects.
- **Oversight Committees:** Provides for the establishment of internal and external oversight committees to monitor and evaluate the execution of development projects.¹²

4.4. State Town Planning Act

At the same time, the Town Planning Committee has considerable influence over urban planning due to its role in creating and implementing strategies for municipal growth. Comprising architects, government officials, and urban planners, these committees develop plans for zoning laws, infrastructure, and environmental preservation. Their actions impact the social, economic, and physical aspects of cities in various ways, including transportation, housing, and public facilities.

To promote sustainable urban growth while balancing the interests of diverse stakeholders, the Town Planning Committee plays a crucial role. The committee's goal is to build communities that are hospitable, resilient, and welcoming by adopting smart development principles. They enhance people's quality of life, reduce environmental impact, and control urban sprawl through investments in infrastructure and strategic land-use planning. Every state has its own Town Planning policy, rules and regulations, for example:

1. **Orissa Draft Infrastructure Policy (2001)**

- Issued by the Infrastructure Development Department of the Government of Orissa, this policy encourages private sector involvement in infrastructure through established investment guidelines.

2. **Gujarat Integrated Township Policy (2008)**

- Managed by the Gujarat Urban Development Company, this policy aims to foster township development with robust infrastructure and high-quality environments, outlined by the eTownship Policy for efficient implementation in designated areas.

3. **Rajasthan Urban Housing and Habitat Policy (2006)**

- This policy, aligned with the National Housing and Habitat Policy 2005, addresses urban and rural dynamics in Rajasthan, focusing on the challenges posed by increasing urban population densities due to rural-urban migration.

4. **Rajasthan Public-Private Partnership Policy (2008)**

- Crafted by the Planning Department, this policy establishes a transparent framework to enhance infrastructure through Public-Private Partnerships, targeting improvements and expansions within the state.

5. **Assam Public Private Partnership Policy (2008)**

- Published in The Assam Gazette, this document sets forth principles for executing Public Private Partnerships in infrastructure, aiming to guide and facilitate these partnerships across Assam.

6. **Andhra Pradesh Infrastructure Development Enabling Act (2001)**

- The Act was enacted by the Finance Department of the state to provide a comprehensive legal framework to boost infrastructure development.

7. **Uttar Pradesh Urban Planning and Development Act (1973)**

- The Act provides a framework for addressing urban planning and development issues in critical areas of Uttar Pradesh, acknowledging the limitations of local bodies in dealing with these issues effectively.

8. **Karnataka Urban Development Authorities Act (1987)**

- Provided by the Department of Urban Development, this act defines the structure and authority of urban development bodies within Karnataka, detailing their roles and the terminology used within the act.

4.5. Rent Control and Premises Tenancy Acts

To prevent the exploitation of one party by the other, the Rent Control Act establishes regulations governing the rental of properties. Each state's Rent Control Act is unique since land is considered a state matter. Additionally, several states have revised their Acts over time. In general, most Rent Control Acts protect tenants by making it illegal for landlords to evict them without just cause and by ensuring that tenants are not denied access to basic utilities. India passed its first rent legislation in

1915. However, not every state adopted it at that time. Several states later revised it or enacted additional Rent Control Acts in response to the increasing demand for rental housing in urban areas. For instance, in 1948, the state of Maharashtra enacted the Bombay Rent Control Act, which effectively froze rent charges at low levels. Subsequently, this was replaced by the Maharashtra Rent Control Act. Similarly, in the 1950s, governments in West Bengal and Delhi passed Rent Control Acts to prevent landlords from taking advantage of immigrant tenants.¹³

When a ceiling is placed on rent below the equilibrium rent in the housing market, it is referred to as rent control. Either an overabundance of demand or a deficiency will result from it. Almost every piece of legislation or act pertaining to rent control has a dual function:

- a. To protect the tenant from paying more than a fair/standard rent;
- b. To protect the tenant from eviction from the house where he is living except for defined reasons and on defined conditions.

4.6. Stamp Duty Act

Property under-declaration and undervaluation leads to significant revenue losses for states and ULBs, serves as a major conduit for illicit funds, hinders the ability to use property as collateral for construction financing, and impedes the modernization of the property tax system (ad valorem).

4.7. RERA

In a historic move, the Indian government passed the **Real Estate (Regulation and Development) Act, 2016 (referred as RERA)**, to govern and encourage openness in the country's real estate market. Homebuyers' interests, on-time project completion, and a level playing field for all parties involved are the goals of RERA.

Impact of the RERA Act

Since its implementation, the RERA Act has had a profound impact on the Indian real estate sector:

- **Curbing Unethical Practices:** The implementation of strict regulations has reduced dishonesty among developers, fostering a more transparent and cleaner real estate market.
- **Boosting Investor Confidence:** The assurance provided by checking project details under RERA has increased investor trust, leading to more investments in compliant real estate projects.
- **Improving Project Quality:** The necessity to adhere to timelines and maintain quality in construction has been emphasized to avoid penalties and uphold developers' reputations.
- **Promoting Structured Development:** The real estate sector has seen more organized and responsible growth, which has been advantageous for both developers and purchasers

The key objectives of RERA include:

- Establishing a regulatory authority to oversee the real estate sector.
- Ensuring transparency and accountability in real estate transactions.
- Protecting the interests of homebuyers by imposing strict regulations
- Promoting fair practices and ethical conduct in the real estate industry.
- Facilitating timely completion of real estate projects.¹⁴

4.8. Transfer of Property Act

The Transfer of Property Act (ToPA), first enacted on July 1, 1882, addresses the various factors that must be considered when a buyer and seller exchange ownership of property. The Transfer of Property Act, being the oldest legislation in the country, provides guidelines for the transfer of immovable property in India. Immovable property can include pieces of land, houses, plots, or any other fixed, immovable objects. This law is applicable to anyone, including businesses and nonprofits, looking to transfer ownership of any

type of real property. However, the statute does not apply to assets that are passed down through inheritance or dealt with in a will.

The Transfer of Property Act (ToPA) covers six categories of property transactions: sales, leases, mortgages, exchanges, gifts, and actionable claims. Under ToPA, anyone who is legally competent, holds the legal title to the property, and is at least eighteen years old may transfer ownership of real estate. The legislation also stipulates that the terms of an oral agreement are not considered valid under the law; thus, a written agreement is essential for transferring property. Therefore, a valid written agreement is required for the transfer of any property, regardless of its value, even if it is less than one hundred rupees.¹⁵

4.9. Other allied acts

- **The Water (Prevention and Control of Pollution) Act, 1974;**

The Act was enacted to conserve and restore the water supply of the country while addressing issues of water pollution.¹⁶

- **The Water (Prevention and Control of Pollution) Cess Act, 1977;**

In 1977, lawmakers passed the Water (Prevention and Control of Pollution) Cess Act to make it easier to charge and collect a fee from businesses and individuals that use water for certain industrial purposes. The establishment of the Central Board and the State Boards for the Prevention and Control of Water Pollution to collect the cess is the key feature of the Act.

- **The Forest (Conservation) Act, 1980;**

The Act was enacted to conserve forests and biodiversity in the country. The country's woods and issues about them were the primary motivations for its passage. The Act's stated goal is the protection of our nation's forests and other ecologically sensitive areas. Planting trees and increasing forest growth in our nation is another goal of this Act.¹⁷

- **The Air (Prevention and Control of Pollution) Act, 1981;**

As the name suggests, the Act was enacted to

address the rising air pollution and setting up of Pollution Control Boards to take charge of preventing, controlling, and mitigating air pollution.¹⁸

- **The Environment (Protection) Act, 1986;**

The Act was enacted to preserve and enhance the natural environment. In doing so, it hopes to lessen the likelihood of harm to people, other animals, plants, and property. It covers the whole country of India and works to reduce, manage, and eliminate pollution.¹⁹

- **The Public Liability Insurance Act, 1991;**

The law applies to all owners engaged in the production or handling of hazardous chemicals. This act aims to ensure that victims and individuals impacted by accidents involving hazardous substances receive the financial compensation they deserve, regardless of whether they are workers or not.²⁰

- **The Biological Diversity Act, 2002.**

The overarching goals of this law are the preservation and restoration of biological variety, the regulation of resource use, and the guarantee of equitable distribution of the resources and benefits generated by these activities. The establishment of a National Biodiversity Authority in Chennai is provided for under Section 8, sub-Sections (1) and (3) of this Act.²¹

5. Conclusion and suggestions

For cities and countries to grow sustainably, the real estate and urban planning industries must collaborate. Infrastructure development, project amenities, neighborhood dynamics, policy changes, and economic conditions all contribute to rising real estate values. Master plans, city development plans, neighborhood plans, and specific development plans are essential to preserve the character and culture of the city, as real estate influences both design and culture.

With these concepts in mind, the scope of real estate development can expand, providing more opportunities for infrastructure development. The collaboration between builders and public agencies is imperative for the sustainable development of the

city. The real estate industry has strived to enhance living standards for all socioeconomic strata as a critical component of urban planning. To maintain and enhance the relationship between real estate development and urban planning, it is advisable to follow the suggested guidelines.

Currently, the real estate industry faces several challenges, including a lack of capital, skyrocketing property prices, an accumulation of unsold inventory, stringent construction standards, an unfavorable loan-to-value ratio, a growing preference for renting, and competition from other investment opportunities, among others.

Recommendations

Land use

- **Expansion via Satellite Towns:** Creating satellite towns and enhancing transport infrastructure to alleviate urban congestion.
- **Adopting Innovative Planning Concepts:** To elevate the comprehensive socio-economic conditions of local residents and real estate industry, the concepts like the garden city should also be part of an integrated plan.
- **Accurate Property Valuation:** Emphasizing the importance of meticulous land and property valuation.
- **Focusing on Inclusive Land Use Policies:** Focusing on equitable and resource efficient growth in zoning policies.
- **Strategic Urban Planning:** Formulating urban plans and corresponding strategies to open up new avenues for infrastructure and real estate growth.
- **Encouraging Mixed Use and Redevelopment:** Encouraging integrated developments and emphasizing on revitalization to boost urban development.

Sustainable development

- **Embracing eco-friendly strategies in the real estate sector:** The real estate sector

should focus on resource-efficient strategies while formulating policy at all levels.

- **Equitable Distribution of Resources:** Guaranteeing balanced allocation of civic amenities, spatial planning, and urban zoning to ensure public safety and social inclusion.
- **Prioritizing Resilience and Climate Risk in Investments:** Focus investment strategies on understanding city-scale risks, fiscal limitations, and essential infrastructure needs, including maintenance and renewal.
- **Enhancing Waste Reduction:** Generate capital that is agile and resilient to enhance efficiency, adaptability, and sustainable development.

Transportation

It is imperative to have a robust transport system for the overall social and economic development of society. Land prices are influenced by the quality of the local transport network. An area's real estate value is directly proportional to the quality and quantity of its transportation infrastructure, which in turn affects the area's active and passive accessibility.

- **Utilizing Planned Unit Development:** Employ the planned unit development approach to organize housing clusters and create open spaces.
- **Implementing Transit-Oriented Development:** Adopt transit-oriented development strategies to integrate transportation with residential and commercial areas.
- **Providing Adequate Facilities:** Ensure sufficient parking and other essential facilities are available, which can significantly influence real estate values and development.

Infrastructure

Improvements to the area's physical infrastructure, such as new roads, water and power lines, public gardens, etc., and social infrastructure, such as new

schools, colleges, and health care facilities, may reduce residents' commuting times and improve their quality of life.

More people are interested in buying and investing in township properties as a result of rising property prices caused by infrastructure development. Employment, digital, education, and community infrastructure are private developers' top goals, while education, utilities, waste management, transportation, and digital infrastructure are government authority's top priorities.

- **Enhancing Infrastructure Quality:** Government authorities should prioritize the provision of essential, high-quality infrastructure in urban areas.
- **Promoting Public-Private Partnerships:** Encourage collaboration between public and private sectors in real estate and urban infrastructure development.

For urban planning to be successful, RERA and the Town Planning Committee must work in tandem.

The Town Planning Committee outlines the comprehensive goals of urban development, whereas the RERA ensures that these goals are achieved within legal limits. The objective of urban planners to create habitable and functional cities is supported by RERA laws, which enforce standards across all aspects of real estate development, including construction quality, environmental sustainability, and the provision of necessary infrastructure.

Both the RERA laws and the Town Planning Committee play a crucial role in ensuring long-term, sustainable infrastructure development and growth without compromising the environment.

They are working together to create communities that can withstand natural disasters, have a fair distribution of wealth, and thrive economically.

The significance of integrated and collaborative approaches to urban development is shown by the symbiotic link between the real estate industry and urban planning. Sustainable, inclusive, and dynamic cities that cater to people's varied needs while also encouraging economic development and environmental protection are the result of well-

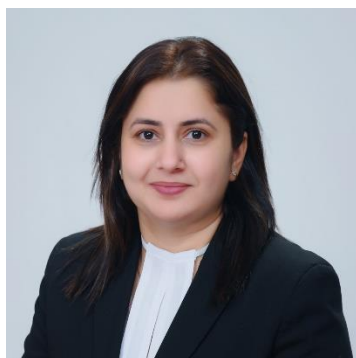
planned metropolitan areas. When it comes to defining the built environment, impacting property prices, market dynamics, and community well-being, the real estate industry is indispensable. It's also responsible for turning urban planning ideals into concrete initiatives. Stakeholders may address critical issues including land scarcity, infrastructure shortages, and regulatory compliance by aligning development aims with urban planning objectives. This will build a more resilient and equitable urban environment. The future of our cities is in our hands, and we can make it a better place for future generations by forming smart alliances, instituting open government, and coming up with creative solutions. This will allow us to fully utilise urban spaces as catalysts for innovation, creativity, and social cohesiveness.

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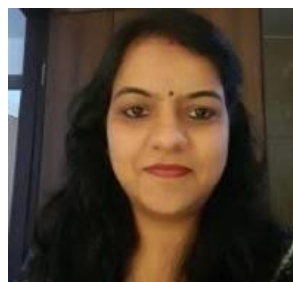
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