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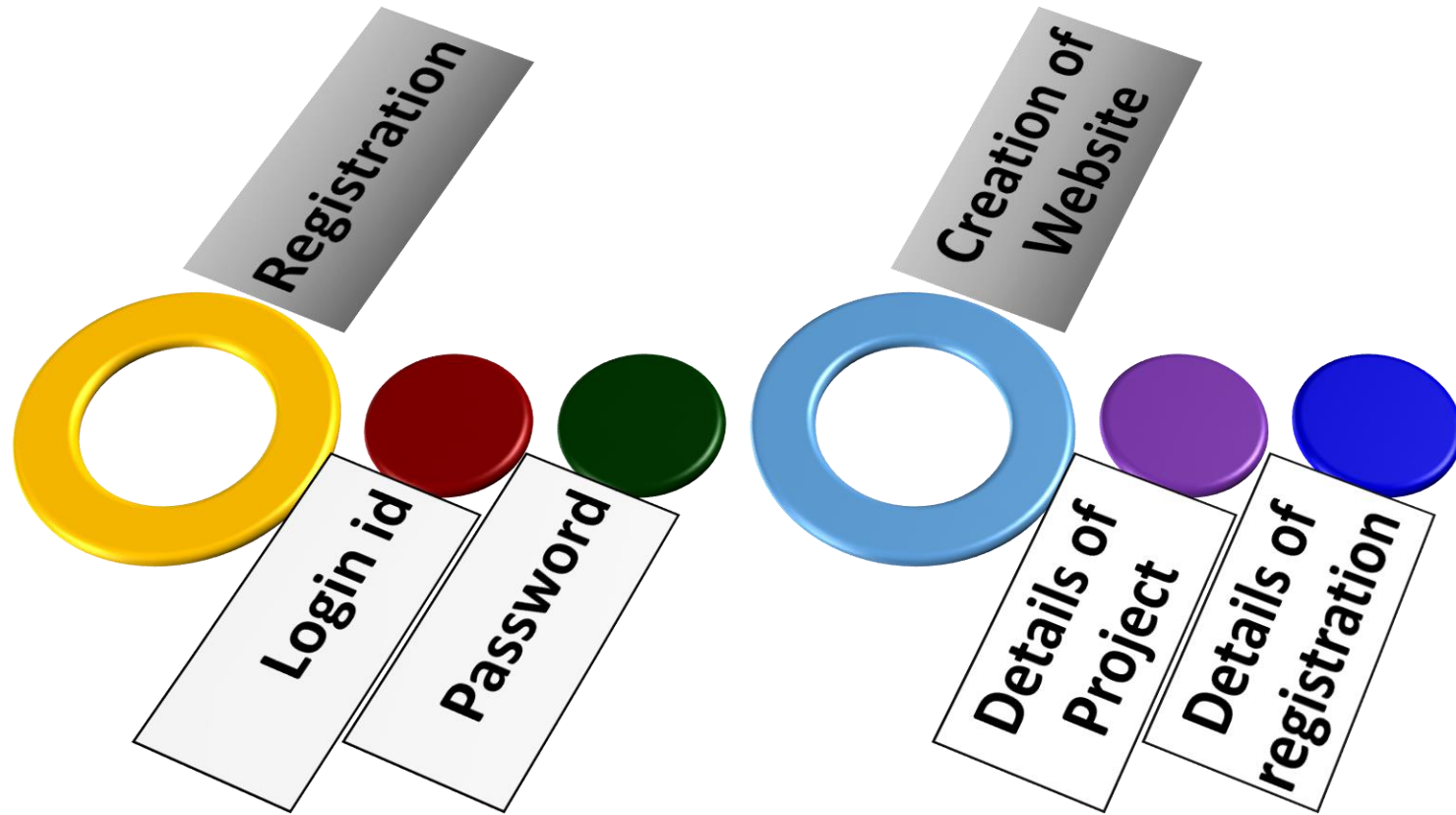
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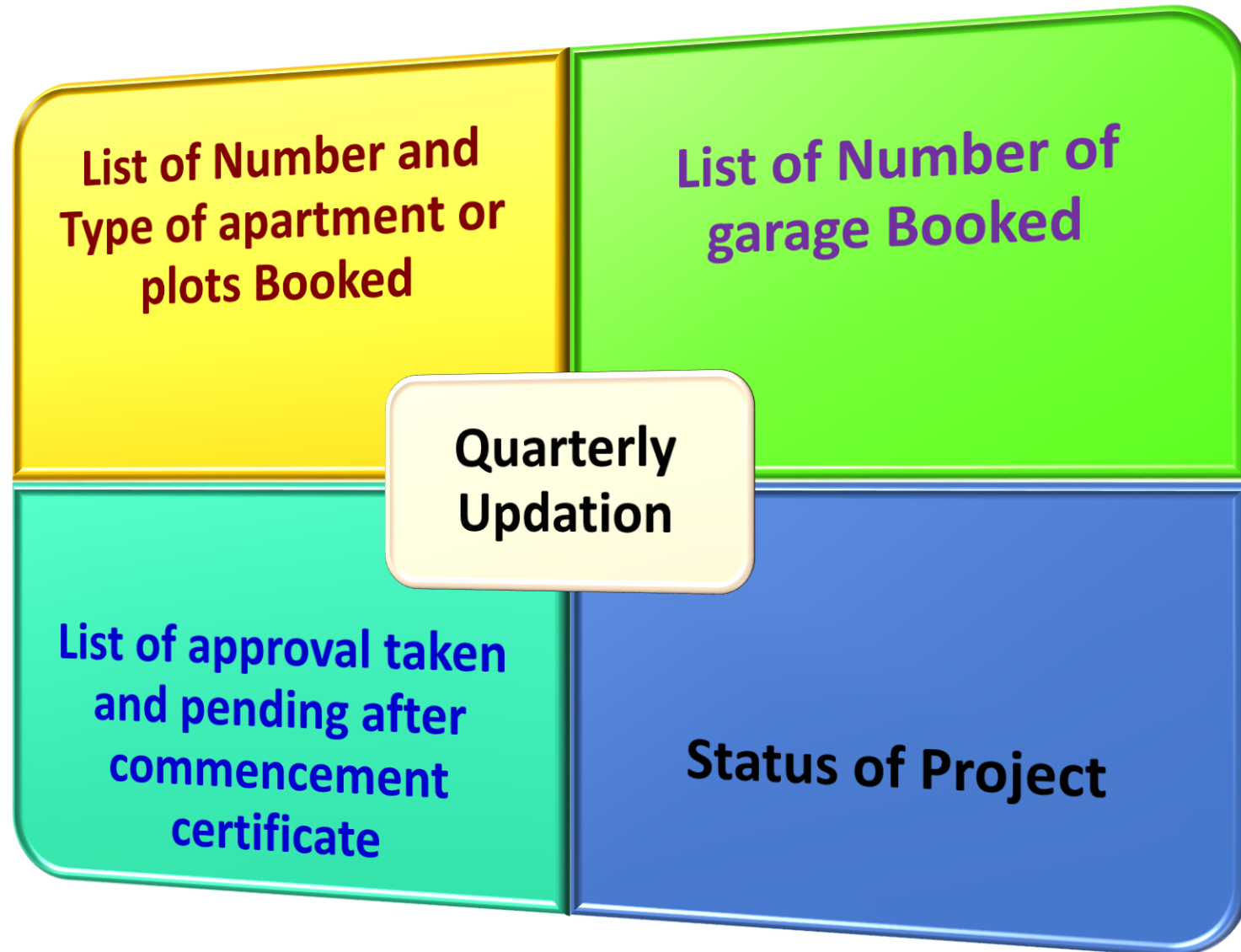
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Real Estate(Regulation and Development) Act, 2016 –RERA

Responsibility for Project, Allottee and Authority



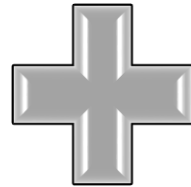
Responsibility for Project, Allottee and Authority



Responsibility for Project, Allottee and Authority



RERA
Registration
Number



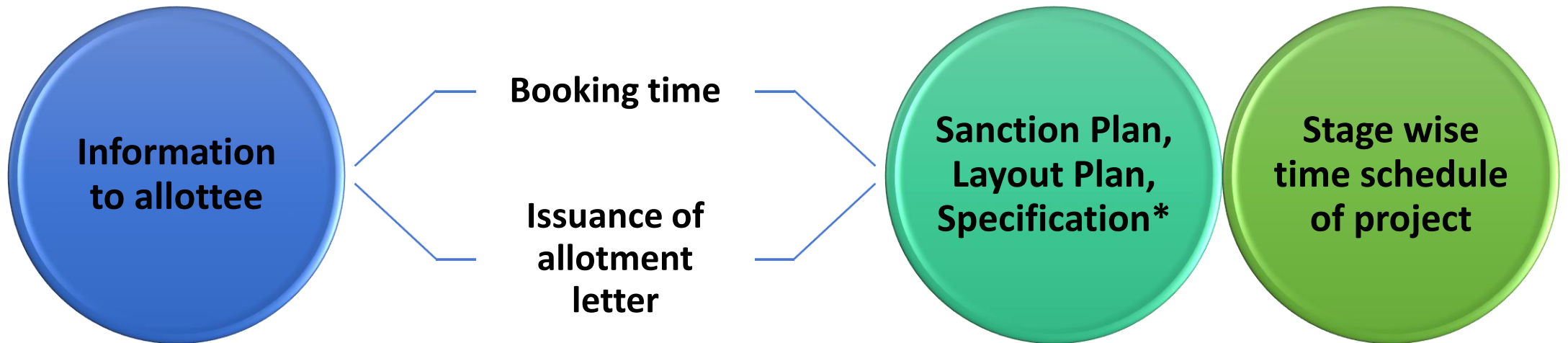
Website
address of
RERA
Authority



Advertisement
or Prospectus
issued or
published

Responsibility for Project, Allottee and Authority

4



*** Information may display at site or such other place as specified by Authority.**

Responsibility for Project, Allottee and Authority



The Promoter shall be **responsible for all obligations, responsibilities and functions** under the provisions of this Act or the rules and regulations made thereunder

or

to the allottees as per the agreement for sale, or to the association of allottees, as the case may be,

Till

the conveyance of all the apartments, plots or buildings, as the case may be, to the allottees, or the common areas to the association of allottees or the competent authority, as the case may be:

responsibility of the promoter, with respect to the structural defect or any other defect as per section 14(3) shall continue even after the conveyance deed of all the apartments

Responsibility for Project, Allottee and Authority

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To obtain Completion certificate and completion certificate and to make it available to allottee or association of allottee

**To obtain lease certificate, if project is on leasehold land, and make it available to allottee or association of allottee
(lease certificate shall specify the lease period and certification that no payment is due)**

Providing and maintaining of essential services , on reasonable charges, till taking over of the maintenance by association of allottee

Responsibility for Project, Allottee and Authority



Enable the formation of an association or society or co-operative society of the allottees under the laws applicable

(In the absence of local laws within a period of three months of the majority of allottees Booked)

Execute a registered conveyance deed of apartment in favour of allottee.

Execute conveyance deed of undivided proportionate title in the common areas to the association of allottees

Pay all outgoings until he transfers the physical possession of the project to the allottee or the associations of allottees, collected from the allottees

(land cost, ground rent, municipal or other local taxes, charges for water or electricity, maintenance charges, including mortgage loan and interest

Responsibility for Project, Allottee and Authority



**Not to mortgage or create a charge on apartment after execution of an agreement to sale
(if any charge is created, it shall not affect the right and interest of the allottee)**

The promoter may cancel the allotment only in terms of the agreement for sale:

Provided that the allottee may approach the Authority for relief, if he is aggrieved by such cancellation **and such cancellation is not in accordance with the terms of the agreement for sale, unilateral and without any sufficient cause**

Section-12

Obligations of the Promoter regarding veracity of the Advertisement or prospectus:

Where any person makes an advance or a deposit on the basis of the information contained in the notice advertisement or prospectus, or on the basis of any model apartment, plot or building, as the case may be, and sustains any loss or damage by reason of any incorrect, false statement included therein, he shall be compensated by the promoter in the manner as provided under this Act:

Provided that if the person affected by such incorrect, false statement contained in the notice, advertisement or prospectus, or the model apartment, plot or building, as the case may be, intends to withdraw from the proposed project, he shall be returned his entire investment along with interest at such rate as may be prescribed and the compensation in the manner provided under this Act

Section-12

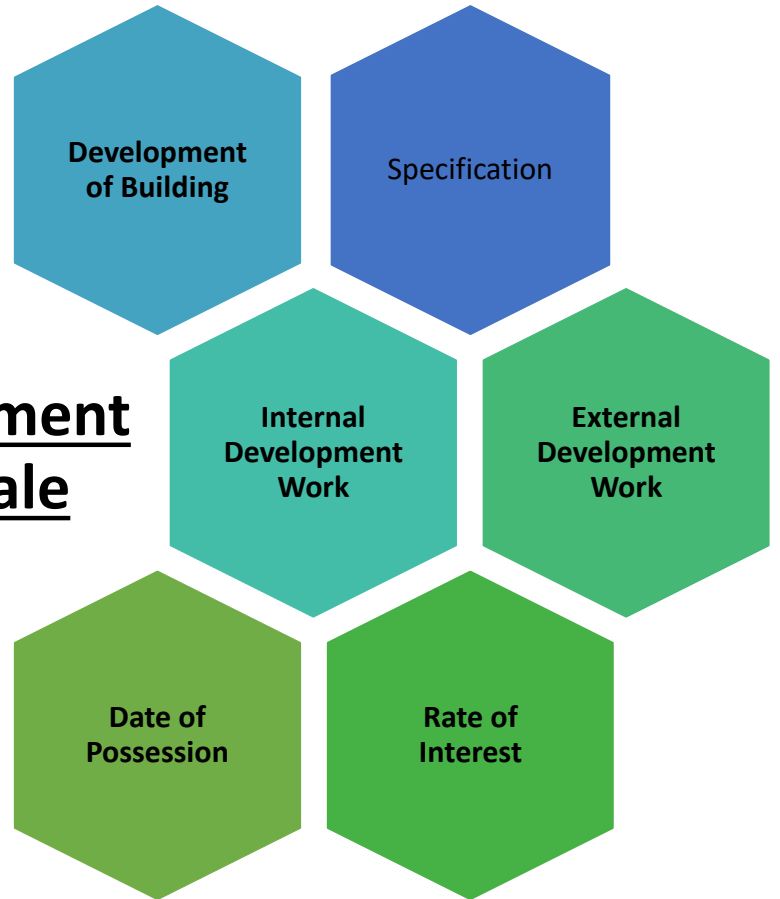
- *Explanation: - The Provision clearly says that if any person who buy any apartment/plot in the project, on the basis reliance of information given in advertisement/prospectus or model apartment and later on if it is found that such information was not correct and allottee has suffered the loss due to such incorrect or false information that it is the duty of promoter to compensate such losses.*
- *Apart from the compensation, if allottee wish to cancel the booking of apartment/plot due to such incorrect and false information than promoter has to return the entire amount along with the interest.*

Responsibility for Project, Allottee and Authority

Non-acceptance of money in excess of 10% of cost price of Plot or apartment unless agreement to sale is executed- Section 13



Agreement to Sale



Important Provisions

14(2) Notwithstanding anything contained in any law, contract or agreement, after the sanctioned plans, layout plans and specifications and the nature of the fixtures, fittings, amenities and common areas, of the apartment, plot or building, as the case may be, as approved by the competent authority, **are disclosed or furnished to the person who agree to take one or more of the said apartment**, plot or building, as the case may be, the promoter shall not make—

(i) any additions and alterations in the sanctioned plans, layout plans and specifications and the nature of fixtures, fittings and amenities described therein in respect of the apartment, plot or building, as the case may be, **which are agreed to be taken, without the previous consent of that person:**

Provided that the promoter may make such minor additions or alterations as may be required by the allottee.....

Important Provisions

(ii) any other alterations or additions in the sanctioned plans, layout plans and specifications of the buildings or the common areas within the project without the previous written consent of at least two-thirds of the allottees, other than the promoter, who have agreed to take apartments in such building.

Explanation.—For the purpose of this clause, the allottees, irrespective of the number of apartments or plots, as the case may be, booked by him or booked in the name of his family, or in the case of other persons such as companies or firms or any association of individuals, etc., by whatever name called, booked in its name or booked in the name of its associated entities or related enterprises, shall be considered as one allottee only.

Important Provisions

14(3) In case any **structural defect or any other defect in workmanship, quality or provision of services or any other obligations of the promoter as per the agreement for sale** relating to such development is brought to the notice of the promoter **within a period of five years by the allottee** from the **date of handing over possession**, it shall be the duty of the promoter to **rectify such defects without further charge, within thirty days**, and in the event of promoter's **failure to rectify such defects** within such time, the **aggrieved allottees shall be entitled to receive appropriate compensation** in the manner as provided under this Act.

Structural Defect defined by Haryana RERA, Tamil Nadu RERA and Telangana RERA

Important Provisions

No Transfer of Rights and liability in project by promoter without consent of 2/3 allottee and approval of Authority- **Section 15**

Insurance in respect of (i) title of land and building (ii) construction of real estate project- **Section 16**

Execution of conveyance deed in favour of allottee /common area to association of allottee and handover the physical possession of the plot, building or apartment as the case may be and the common area to association of allottee **within specified period as provided under Local Law** or within period of 3 months from date of issue of occupancy certificate/completion certificate/BU permission- **Section 17(1)**

Section-18

Return of amount and compensation:

18(1) If the promoter fails to complete or is unable to give possession of an apartment, plot or building, —

(a) in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or

(b) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason,

he shall be liable on demand to the allottees, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act:

Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed.

Section-18

Explanations: This section provide the two situations where promoter is liable to pay the interest to the allottee due to failure to give the possession of an apartment/plot or building

First situation talks, when promoter failed to give the possession of flat as per the terms and condition of the agreement for sale including the date of possession given in agreement for sale. Therefore, it is the duty of the promoter to give the possession as per the date mentioned in agreement for sale.

Second situation talks, when promoter failed to give the possession due to discontinuance of business after the revocation and suspension of registration granted under RERA.

In both the above situations, promoter has to give the interest for delay in possession of flat/apartment.

Further, if the allottee wish to cancel the booking then it is the duty of promoter to refund the entire amount along with interest.

It is important to note that the return of the amount along with the interest will not debar the allottee to seek the compensation so the allottee can seek the compensation from the promoter for the delay or failure to give the possession.

Section-18

18(2) The promoter shall compensate the allottees in case of **any loss caused to him due to defective title of the land, on which the project is being developed or has been developed**, in the manner as provided under this Act, and the **claim for compensation under this subsection shall not be barred by limitation provided under any law for the time being in force**

18(3) If the promoter fails to discharge any other obligations imposed on him under this Act or the rules or regulations made thereunder or in accordance with the terms and conditions of the agreement for sale, he shall be liable to pay such compensation to the allottees, in the manner as provided under this Act.

Rights of allottees

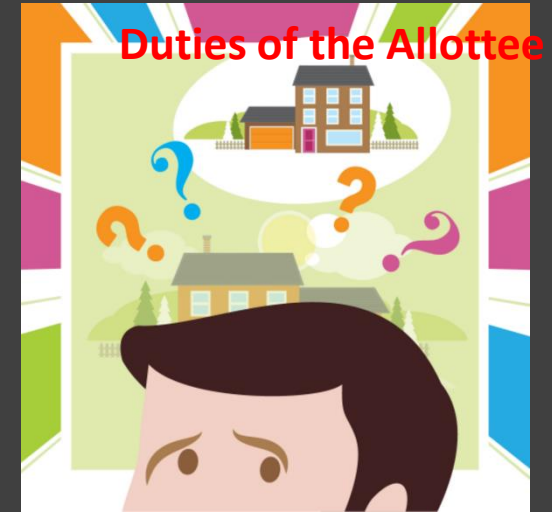
- Entitle to obtain **information** relating to sanction plans, layout plans along with specifications approved by the competent authority- **Section 19(1)**
- Entitle to know **stage wise time schedule** of completion of project including water, sanitation, electricity and other amenities and services as per Agreement for Sale – **Section 19(2)**
- Entitle for **Possession** of apartment , plot or building as per time given in declaration given u/s 4(2)(1)(c) – **Section 19(3)**



Rights of allottees

- Entitle to claim the **refund of amount** paid along **with interest** and compensation in the manner as provided under this Act- **Section 19(4)**
- Entitle to have the necessary documents and plans and including that of common area , after handing over the physical possession of the apartment, plot or building as the case may be , by promoter.- **Section 19(5)**
- Allottee and promoter can mutually reduce the share in expenses and interest on delayed payment- **Section 19 (6), 19(7)-19(8)**





DUTIES



Who?



Any aggrieved person

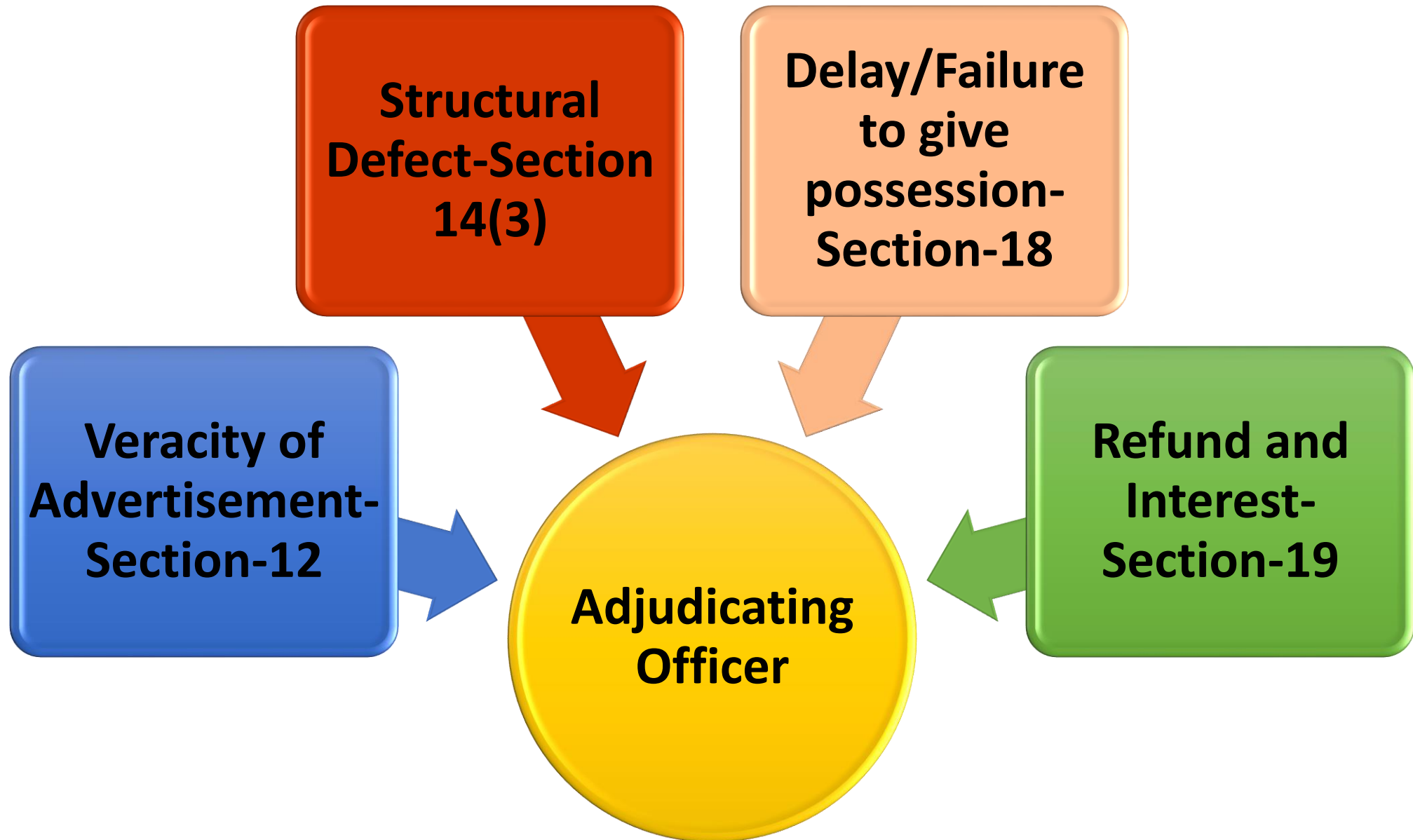


Association of Allottee



Voluntary Consumer Association

Complaint Procedure/Authority/Forms



Complaint Procedure/Authority/Forms



Complaint Procedure/Authority/Forms

Against Whom?



Real estate broker

Method?



Composition of RERA Authority

Chairperson

Member-1

Member-2

**Adjudicating
Officer**

**District Judge or
Retired District
Judge**

- Chairperson- 20 Years of experience
- Member- 15 Years of Experience

Urban development, Housing, Real Estate
development, Infrastructure, Economics, etc.

- Judicial or Quasi-Judicial ? Quasi Judicial like NCLT , Consumer Court.
- Members are Non Judicial Officer while Adjudicating officer is Judicial Member

Power of RERA Authority

- Power of RERA Authority-Section 35- Where the complaint is made by aggrieved person or *suo motu*- Authority have a power of Civil Court where authority can do following act

1. Discovery and production of books of account and other documents
2. Summoning and enforcing the attendance of persons and examining them on oath;
3. Issuing commissions for the examination of witnesses or document
4. Any other matter which may be prescribed

Suppose promoter is not cooperating or not providing information or absconding or out of India than aggrieved person can make application to authority to use the power of civil court.

Complaint Form/Procedure

Authority

- Facts of the case
- Relief(s) sought:
- Interim order, if prayed for:
- Complainant not pending with any other court, etc.:

**NO
LIMIT**

Adjudicating Officer

- Facts of the case
- Compensation(s) sought
- Complainant not pending with any other court, etc.:

**60 DAYS
TO GO**

Power to Adjudicate

Any person whose complaint in respect of matters covered under sections 12, 14, 18 and section 19 is pending before the Consumer Disputes Redressal Forum or the Consumer Disputes Redressal Commission or the National Consumer Redressal Commission, established under section 9 of the Consumer Protection Act, 1986, on or before the commencement of this Act, he may, with the permission of such Forum or Commission, as the case may be, withdraw the complaint pending before it and file an application before the adjudicating officer under this Act- **Proviso to Section 71**

Appeal to Appellate Tribunal

Application for settlement of disputes and appeals to Appellate Tribunal

- The appropriate Government or the competent authority or any person aggrieved by any direction or order or decision of the Authority or the adjudicating officer may prefer an appeal to the Appellate Tribunal.-**Section 44(1)**
- Appeal is required to be **made within sixty days** from the date on which a copy of the direction or order or decision made by Authority or adjudicating authority.- **Section 44(2)**
- Appellate **tribunal may entertain the application after sixty days** if it is satisfied that there was sufficient cause for not filing.
- Appeal shall be **disposed within in a period of sixty days** from the date of receipt of appeal-44(5).

Composition of Appellate Tribunal

Chairperson

**High Court Judge
(Sitting/Retired)**

Judicial Member

Technical Member

Judicial Officer for 15 Years

**Member of Indian Legal Service
and Additional Secretary**

**Advocate with 20 Years Experience
in Real Estate Matter**

**20 Years Experience in the field of
urban development, housing, real
estate development, infrastructure,
economics, planning, law, commerce,
accountancy, industry, management,
public affairs or**

Additional Secretary or equivalent

Composition of Appellate Tribunal

Appointment -Chairperson

By State Government in consultation with Chief Justice of High Court

Appointment -Member

By State Government on recommendation of a selection committee consisting of Chief Justice of High Court or his nominee

The Secretary of the Department handling Housing and the Law
Secretary

Limitation

Facts of the Case

Relief Sought

Interim Order, if prayed for

Enclosure:- Certified copy of Order

Copy of documents relied upon

Non – obedience of order

Order of Authority

By Promoter

Per day Penalty- Max 5 % of Project Cost

By Real Estate Agent /Allottee

Per day Penalty- Max 5 % of Flat/Office Price

Order of Tribunal

By Promoter

Per day Penalty- Max 10 % of Project Cost

or 3 Years Imprisonment

or Both

By Real Estate Agent /Allottee

Per day Penalty- Max 10 % of Flat/Office Price

or 1 Year Imprisonment

or Both

Recovery of interest or penalty or compensation → from Promoter, Agent or Allottee → as an arrear of Land Revenue -**Section 40(1)**

Application for Execution or Order- **Section 40(2)**

Complaint Procedure/Authority/Forms

Appeal to High Court

- Any person aggrieved by any decision or order of the Appellate Tribunal, may, file an appeal to the High Court
- Appeal is required to be filed within a period of **sixty days from** the date of communication of the decision or order of the Appellate Tribunal
- Appeal will be filed if the order of appellate tribunal is given on any one or more of the grounds specified in section 100 of the Code of Civil Procedure, 1908
- **High Court may entertain the application after sixty days** if it is satisfied that appellant was prevented by sufficient cause from preferring the appeal
- No appeal shall lie against any decision or order made by the Appellate Tribunal with the consent of the parties.

Bar of Jurisdiction-(Section 79):- This provision bars the civil court to entertain any suit which are related to contravention of the provisions of RERA

Application of other laws not barred (Section -88):- The provisions of this Act shall be in addition to, and not in derogation of, the provisions of any other law for the time being in force (*Pioneer Urban Land and Infrastructure Limited and Anr. Vs. Union of India & Ors.*)

Act to have overriding effect (Section-89):- If there is any inconsistency between the Act and any other law, this act would prevail as this as it is a special law and hence , would override a general law. (E.g. Contract no interest for delay but RERA it is payable/Rate of Interest).



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