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The REAL ESTATE (Regulation and Development) Act, 2016

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Corrida Legal presents the Bare Act Series, sourced from official texts and supported with an executive summary designed to help readers grasp the essence of the law with ease.

NOTE:

An Executive Summary of the Apprentices Act, 1961 is included towards the end of this document, right after the full bare act of the statute. This summary helps professionals, business owners, compliance officers, HR managers, legal practitioners, and students quickly understand the key provisions relating to the engagement and training of apprentices, categories of apprentices, obligations of employers, qualifications and terms of apprenticeship, payment of stipend, responsibilities of apprentices, penalties for non-compliance, and enforcement mechanisms, without having to read the entire text.

The Apprentices Act, 1961 Summary provides a clear, practical, and time-saving guide for anyone looking to understand India's apprenticeship and skill development framework, ensure compliance in workforce training, promote employability, and stay aligned with statutory requirements under the Apprentices Act bare act.

THE REAL ESTATE (REGULATION AND DEVELOPMENT) ACT, 2016

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THE REAL ESTATE (REGULATION AND DEVELOPMENT) ACT, 2016

ACT NO. 16 OF 2016

[25*th March*, 2016.]

An Act to establish the Real Estate Regulatory Authority for regulation and promotion of the real estate sector and to ensure sale of plot, apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector and to establish an adjudicating mechanism for speedy dispute redressal and also to establish the Appellate Tribunal to hear appeals from the decisions, directions or orders of the Real Estate Regulatory Authority and the adjudicating officer and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Sixty-seventh Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. Short title, extent and commencement.—(*1*) This Act may be called the Real Estate (Regulation and Development) Act, 2016.

(2) It extends to the whole of India except the State of Jammu and Kashmir*.

(3) It shall come into force on such date[1] as the Central Government may, by notification in the Official Gazette, appoint:

Provided that different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

2. Definitions.—In this Act, unless the context otherwise requires,—

(a) "adjudicating officer" means the adjudicating officer appointed under sub-section (*1*) of section 71;

(b) "advertisement" means any document described or issued as advertisement through any medium and includes any notice, circular or other documents or publicity in any form, informing persons about a real estate project, or offering for sale of a plot, building or apartment or inviting persons to purchase in any manner such plot, building or apartment or to make advances or deposits for such purposes;

(c) "agreement for sale" means an agreement entered into between the promoter and the allottee;

(d) "allottee" in relation to a real estate project, means the person to whom a plot, apartment or building, as the case may be, has been allotted, sold (whether as freehold or leasehold) or otherwise transferred by the promoter, and includes the person who subsequently acquires the said allotment through sale, transfer or otherwise but does not include a person to whom such plot, apartment or building, as the case may be, is given on rent;

(e) "apartment" whether called block, chamber, dwelling unit, flat, office, showroom, shop, godown, premises, suit, tenement, unit or by any other name, means a separate and self-contained part of any immovable property, including one or more rooms or enclosed spaces, located on one or more floors or any part thereof, in a building or on a plot of land, used or intended to be used for any residential or commercial use such as residence, office, shop, showroom or godown or for carrying on any business, occupation, profession or trade, or for any other type of use ancillary to the purpose specified;

1. 1st May, 2016, *vide* notification No. S.O. 1544(E), Section 2, Sections 20 to 39, Sections 41 to 58, Sections 71 to 78, Sections 81 to 92 dated 26th April, 2016, *see* Gazette of India, Extraordinary, Part II, sec. 3(*ii*).
   1st May 2017, *vide* notification No. S.O. 1216(E), Section 3 to 19, Sections 40, Sections 59 to 71, Sections 79 to 80, dated 19th April, 2016, *see* Gazette of India, Extraordinary, Part II, sec. 3(*ii*).

*. *Vide* notification No. S.O. 3912(E), dated 30th October, 2019, this Act is made applicable to the Union territory of Jammu and Kashmir and the Union territory of Ladakh.

(f) "Appellate Tribunal" means the Real Estate Appellate Tribunal established under section 43;

(g) "appropriate Government" means in respect of matters relating to,—

(i) the Union territory without Legislature, the Central Government;

(ii) the Union territory of [1][Puducherry and Union territory of Jammu and Kashmir], the Union territory Government;

(iii) the Union territory of Delhi, the Central Ministry of Urban Development;

(iv) the State, the State Government;

(h) "architect" means a person registered as an architect under the provisions of the Architects Act, 1972 (20 of 1972);

(i) "Authority" means the Real Estate Regulatory Authority established under sub-section (*1*) of section 20;

(j) "building" includes any structure or erection or part of a structure or erection which is intended to be used for residential, commercial or for the purpose of any business, occupation, profession or trade, or for any other related purposes;

(k) "carpet area" means the net usable floor area of an apartment, excluding the area covered by the external walls, areas under services shafts, exclusive balcony or verandah area and exclusive open terrace area, but includes the area covered by the internal partition walls of the apartment.

Explanation.— For the purpose of this clause, the expression "exclusive balcony or verandah area" means the area of the balcony or verandah, as the case may be, which is appurtenant to the net usable floor area of an apartment, meant for the exclusive use of the allottee; and "exclusive open terrace area" means the area of open terrace which is appurtenant to the net usable floor area of an apartment, meant for the exclusive use of the allottee;

(l) "Chairperson" means the Chairperson of the Real Estate Regulatory Authority appointed under section 21;

(m) "commencement certificate" means the commencement certificate or the building permit or the construction permit, by whatever name called issued by the competent authority to allow or permit the promoter to begin development works on an immovable property, as per the sanctioned plan;

(n) "common areas" mean—

(i) the entire land for the real estate project or where the project is developed in phases and registration under this Act is sought for a phase, the entire land for that phase;

(ii) the stair cases, lifts, staircase and lift lobbies, fire escapes, and common entrances and exits of buildings;

(iii) the common basements, terraces, parks, play areas, open parking areas and common storage spaces;

(iv) the premises for the lodging of persons employed for the management of the property including accommodation for watch and ward staffs or for the lodging of community service personnel;

(v) installations of central services such as electricity, gas, water and sanitation, air-conditioning and incinerating, system for water conservation and renewable energy;

(vi) the water tanks, sumps, motors, fans, compressors, ducts and all apparatus connected with installations for common use;

(vii) all community and commercial facilities as provided in the real estate project;

1.Subs. by the Jammu and Kashmir Reorganization (Adaptation of Central Laws) Order, 2020, *vide* notification No. S.O. 1123(E) dated (18-3-2020).

(viii) all other portion of the project necessary or convenient for its maintenance, safety, etc., and in common use;

(o) "company" means a company incorporated and registered under the Companies Act, 2013 (18 of 2013) and includes,—

(i) a corporation established by or under any Central Act or State Act;

(ii) a development authority or any public authority established by the Government in this behalf under any law for the time being in force;

(p) "competent authority" means the local authority or any authority created or established under any law for the time being in force by the appropriate Government which exercises authority over land under its jurisdiction, and has powers to give permission for development of such immovable property;

(q) "completion certificate" means the completion certificate, or such other certificate, by whatever name called, issued by the competent authority certifying that the real estate project has been developed according to the sanctioned plan, layout plan and specifications, as approved by the competent authority under the local laws;

(r) "day" means the working day, in the concerned State or Union territory, as the case may be, notified by the appropriate Government from time to time;

(s) "development" with its grammatical variations and cognate expressions, means carrying out the development of immovable property, engineering or other operations in, on, over or under the land or the making of any material change in any immovable property or land and includes re-development;

(t) "development works" means the external development works and internal development works on immovable property;

(u) "engineer" means a person who possesses a bachelor's degree or equivalent from an institution recognised by the All India Council of Technical Education or any University or any institution recognised under a law or is registered as an engineer under any law for the time being in force;

(v) "estimated cost of real estate project" means the total cost involved in developing the real estate project and includes the land cost, taxes, cess, development and other charges;

(w) "external development works" includes roads and road systems landscaping, water supply, sewerage and drainage systems, electricity supply transformer, sub-station, solid waste management and disposal or any other work which may have to be executed in the periphery of, or outside, a project for its benefit, as may be provided under the local laws;

(x) "family" includes husband, wife, minor son and unmarried daughter wholly dependent on a person;

(y) "garage" means a place within a project having a roof and walls on three sides for parking any vehicle, but does not include an unenclosed or uncovered parking space such as open parking areas;

(z) "immovable property" includes land, buildings, rights of ways, lights or any other benefit arising out of land and things attached to the earth or permanently fastened to anything which is attached to the earth, but not standing timber, standing crops or grass;

(*za*) "interest" means the rates of interest payable by the promoter or the allottee, as the case may be.

Explanation.—For the purpose of this clause—

(i) the rate of interest chargeable from the allottee by the promoter, in case of default, shall be equal to the rate of interest which the promoter shall be liable to pay the allottee, in case of default;

(ii) the interest payable by the promoter to the allottee shall be from the date the promoter received the amount or any part thereof till the date the amount or part thereof and interest thereon is refunded, and the interest payable by the allottee to the promoter shall be from the date the allottee defaults in payment to the promoter till the date it is paid;

(*zb*) "internal development works" means roads, footpaths, water supply, sewers, drains, parks, tree planting, street lighting, provision for community buildings and for treatment and disposal of sewage and sullage water, solid waste management and disposal, water conservation, energy management, fire protection and fire safety requirements, social infrastructure such as education health and other public amenities or any other work in a project for its benefit, as per sanctioned plans;

(*zc*) "local authority" means the Municipal Corporation or Municipality or Panchayats or any other Local Body constituted under any law for the time being in force for providing municipal services or basic services, as the case may be, in respect of areas under its jurisdiction;

(*zd*) "Member" means the member of the Real Estate Regulatory Authority appointed under section 21 and includes the Chairperson;

(*ze*) "notification" means a notification published in the Official Gazette and the expression "notify" shall be construed accordingly;

(*zf*) "occupancy certificate" means the occupancy certificate, or such other certificate, by whatever name called, issued by the competent authority permitting occupation of any building, as provided under local laws, which has provision for civic infrastructure such as water, sanitation and electricity;

(*zg*) "Person" includes,—

(i) an individual;

(ii) a Hindu undivided family;

(iii) a company;

(iv) a firm under the Indian Partnership Act, 1932 (9 of 1932) or the Limited Liability Partnership Act, 2008 (6 of 2009), as the case may be;

(v) a competent authority;

(vi) an association of persons or a body of individuals whether incorporated or not;

(vii) a co-operative society registered under any law relating to co-operative societies;

(viii) any such other entity as the appropriate Government may, by notification, specify in this behalf;

(*zh*) "planning area" means a planning area or a development area or a local planning area or a regional development plan area, by whatever name called, or any other area specified as such by the appropriate Government or any competent authority and includes any area designated by the appropriate Government or the competent authority to be a planning area for future planned development, under the law relating to Town and Country Planning for the time being in force and as revised from time to time;

(*zi*) "prescribed" means prescribed by rules made under this Act;

(*zj*) "project" means the real estate project as defined in clause (*zn*);

(*zk*) "promoter" means,—

(i) a person who constructs or causes to be constructed an independent building or a building consisting of apartments, or converts an existing building or a part thereof into apartments, for the purpose of selling all or some of the apartments to other persons and includes his assignees; or

(ii) a person who develops land into a project, whether or not the person also constructs structures on any of the plots, for the purpose of selling to other persons all or some of the plots in the said project, whether with or without structures thereon; or

(iii) any development authority or any other public body in respect of allottees of—

(a) buildings or apartments, as the case may be, constructed by such authority or body on lands owned by them or placed at their disposal by the Government; or

(b) plots owned by such authority or body or placed at their disposal by the Government,

for the purpose of selling all or some of the apartments or plots; or

(iv) an apex State level co-operative housing finance society and a primary co-operative housing society which constructs apartments or buildings for its Members or in respect of the allottees of such apartments or buildings; or

(v) any other person who acts himself as a builder, coloniser, contractor, developer, estate developer or by any other name or claims to be acting as the holder of a power of attorney from the owner of the land on which the building or apartment is constructed or plot is developed for sale; or

(vi) such other person who constructs any building or apartment for sale to the general public.

Explanation.—For the purposes of this clause, where the person who constructs or converts a building into apartments or develops a plot for sale and the person who sells apartments or plots are different person, both of them shall be deemed to be the promoters and shall be jointly liable as such for the functions and responsibilities specified under this Act or the rules and regulations made thereunder;

(*zl*) "prospectus" means any document described or issued as a prospectus or any notice, circular, or other document offering for sale of any real estate project or inviting any person to make advances or deposits for such purposes;

(*zm*) "real estate agent" means any person, who negotiates or acts on behalf of one person in a transaction of transfer of his plot, apartment or building, as the case may be, in a real estate project, by way of sale, with another person or transfer of plot, apartment or building, as the case may be, of any other person to him and receives remuneration or fees or any other charges for his services whether as a commission or otherwise and includes a person who introduces, through any medium, prospective buyers and sellers to each other for negotiation for sale or purchase of plot, apartment or building, as the case may be, and includes property dealers, brokers, middlemen by whatever name called;

(*zn*) "real estate project" means the development of a building or a building consisting of apartments, or converting an existing building or a part thereof into apartments, or the development of land into plots or apartments, as the case may be, for the purpose of selling all or some of the said apartments or plots or building, as the case may be, and includes the common areas, the development works, all improvements and structures thereon, and all easement, rights and appurtenances belonging thereto;

(*zo*) "regulations" means the regulations made by the Authority under this Act;

(*zp*) "rule" means the rules made under this Act by the appropriate Government;

(*zq*) "sanctioned plan" means the site plan, building plan, service plan, parking and circulation plan, landscape plan, layout plan, zoning plan and such other plan and includes structural designs, if applicable, permissions such as environment permission and such other permissions, which are approved by the competent authority prior to start of a real estate project;

(*zr*) words and expressions used herein but not defined in this Act and defined in any law for the time being in force or in the municipal laws or such other relevant laws of the appropriate Government shall have the same meanings respectively assigned to them in those laws.

CHAPTER II

REGISTRATION OF REAL ESTATE PROJECT AND REGISTRATION OF REAL ESTATE AGENTS

3. Prior registration of real estate project with Real Estate Regulatory Authority.—(*1*) No promoter shall advertise, market, book, sell or offer for sale, or invite persons to purchase in any manner any plot, apartment or building, as the case may be, in any real estate project or part of it, in any planning area, without registering the real estate project with the Real Estate Regulatory Authority established under this Act:

Provided that projects that are ongoing on the date of commencement of this Act and for which the completion certificate has not been issued, the promoter shall make an application to the Authority for registration of the said project within a period of three months from the date of commencement of this Act:

Provided further that if the Authority thinks necessary, in the interest of allottees, for projects which are developed beyond the planning area but with the requisite permission of the local authority, it may, by order, direct the promoter of such project to register with the Authority, and the provisions of this Act or the rules and regulations made thereunder, shall apply to such projects from that stage of registration.

(2) Notwithstanding anything contained in sub-section (*1*), no registration of the real estate project shall be required—

(a) where the area of land proposed to be developed does not exceed five hundred square meters or the number of apartments proposed to be developed does not exceed eight inclusive of all phases:

Provided that, if the appropriate Government considers it necessary, it may, reduce the threshold below five hundred square meters or eight apartments, as the case may be, inclusive of all phases, for exemption from registration under this Act;

(b) where the promoter has received completion certificate for a real estate project prior to commencement of this Act;

(c) for the purpose of renovation or repair or re-development which does not involve marketing, advertising selling or new allotment of any apartment, plot or building, as the case may be, under the real estate project.

Explanation.—For the purpose of this section, where the real estate project is to be developed in phases, every such phase shall be considered a stand alone real estate project, and the promoter shall obtain registration under this Act for each phase separately.

4. Application for registration of real estate projects.—(*1*) Every promoter shall make an application to the Authority for registration of the real estate project in such form, manner, within such time and accompanied by such fee as may be [1][prescribed].

(2) The promoter shall enclose the following documents along with the application referred to in sub-section (*1*), namely:—

(a) a brief details of his enterprise including its name, registered address, type of enterprise (proprietorship, societies, partnership, companies, competent authority), and the particulars of registration, and the names and photographs of the promoter;

(b) a brief detail of the projects launched by him, in the past five years, whether already completed or being developed, as the case may be, including the current status of the said projects, any delay in its completion, details of cases pending, details of type of land and payments pending;

(c) an authenticated copy of the approvals and commencement certificate from the competent authority obtained in accordance with the laws as may be applicable for the real estate project mentioned in the application, and where the project is proposed to be developed in phases, an authenticated copy of the approvals and commencement certificate from the competent authority for each of such phases;

1. Subs. by the Real Estate (Regulation and Development) Removal of Difficulties Order, 2016 [S.O. 3347 (E)], for “specified by the regulations made by the Authority” (w.e.f. 28-10-2016).

(d) the sanctioned plan, layout plan and specifications of the proposed project or the phase thereof, and the whole project as sanctioned by the competent authority;

(e) the plan of development works to be executed in the proposed project and the proposed facilities to be provided thereof including fire fighting facilities, drinking water facilities, emergency evacuation services, use of renewable energy;

(f) the location details of the project, with clear demarcation of land dedicated for the project along with its boundaries including the latitude and longitude of the end points of the project;

(g) proforma of the allotment letter, agreement for sale, and the conveyance deed proposed to be signed with the allottees;

(h) the number, type and the carpet area of apartments for sale in the project along with the area of the exclusive balcony or verandah areas and the exclusive open terrace areas appurtenant with the apartment, if any;

(i) the number and area of garage for sale in the project;

(j) the names and addresses of his real estate agents, if any, for the proposed project;

(k) the names and addresses of the contractors, architect, structural engineer, if any and other persons concerned with the development of the proposed project;

(l) a declaration, supported by an affidavit, which shall be signed by the promoter or any person authorised by the promoter, stating:—

(A) that he has a legal title to the land on which the development is proposed along with legally valid documents with authentication of such title, if such land is owned by another person;

(B) that the land is free from all encumbrances, or as the case may be details of the encumbrances on such land including any rights, title, interest or name of any party in or over such land along with details;

(C) the time period within which he undertakes to complete the project or phase thereof, as the case may be;

(D) that seventy per cent. of the amounts realised for the real estate project from the allottees, from time to time, shall be deposited in a separate account to be maintained in a scheduled bank to cover the cost of construction and the land cost and shall be used only for that purpose:

Provided that the promoter shall withdraw the amounts from the separate account, to cover the cost of the project, in proportion to the percentage of completion of the project:

Provided further that the amounts from the separate account shall be withdrawn by the promoter after it is certified by an engineer, an architect and a chartered accountant in practice that the withdrawal is in proportion to the percentage of completion of the project:

Provided also that the promoter shall get his accounts audited within six months after the end of every financial year by a chartered accountant in practice, and shall produce a statement of accounts duly certified and signed by such chartered accountant and it shall be verified during the audit that the amounts collected for a particular project have been utilised for that project and the withdrawal has been in compliance with the proportion to the percentage of completion of the project.

Explanation.—For the purpose of this clause, the term "scheduled bank" means a bank included in the Second Scheduled to the Reserve Bank of India Act, 1934 (2 of 1934);

(E) that he shall take all the pending approvals on time, from the competent authorities;

(F) that he has furnished such other documents as may be prescribed by the rules or regulations made under this Act; and

(m) such other information and documents as may be prescribed.

(3) The Authority shall operationalise a web based online system for submitting applications for registration of projects within a period of one year from the date of its establishment.

5. Grant of registration.—(*1*) On receipt of the application under sub-section (*1*) of section 4, the Authority shall within a period of thirty days.

(a) grant registration subject to the provisions of this Act and the rules and regulations made thereunder, and provide a registration number, including a Login Id and password to the applicant for accessing the website of the Authority and to create his web page and to fill therein the details of the proposed project; or

(b) reject the application for reasons to be recorded in writing, if such application does not conform to the provisions of this Act or the rules or regulations made thereunder:

Provided that no application shall be rejected unless the applicant has been given an opportunity of being heard in the matter.

(2) If the Authority fails to grant the registration or reject the application, as the case may be, as provided under sub-section (*1*), the project shall be deemed to have been registered, and the Authority shall within a period of seven days of the expiry of the said period of thirty days specified under sub-section (*1*), provide a registration number and a Login Id and password to the promoter for accessing the website of the Authority and to create his web page and to fill therein the details of the proposed project.

(3) The registration granted under this section shall be valid for a period declared by the promoter under sub-clause (*C*) of clause (*l*) of sub-section (*2*) of section 4 for completion of the project or phase thereof, as the case may be.

6. Extension of registration.—The registration granted under section 5 may be extended by the Authority on an application made by the promoter, due to force majeure, in such form and on payment of such fee as may be [1][prescribed]:

Provided that the Authority may in reasonable circumstances, without default on the part of the promoter, based on the facts of each case, and for reasons to be recorded in writing, extend the registration granted to a project for such time as it considers necessary, which shall, in aggregate, not exceed a period of one year:

Provided further that no application for extension of registration shall be rejected unless the applicant has been given an opportunity of being heard in the matter.

Explanation.— For the purpose of this section, the expression “force majeure” shall mean a case of war, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature affecting the regular development of the real estate project.

7. Revocation of registration.—(*1*) The Authority may, on receipt of a complaint or *suomotu* in this behalf or on the recommendation of the competent authority, revoke the registration granted under section 5, after being satisfied that—

(a) the promoter makes default in doing anything required by or under this Act or the rules or the regulations made thereunder;

(b) the promoter violates any of the terms or conditions of the approval given by the competent authority;

(c) the promoter is involved in any kind of unfair practice or irregularities.

Explanation.—For the purposes of this clause, the term “unfair practice means” a practice which, for the purpose of promoting the sale or development of any real estate project adopts any unfair method or unfair or deceptive practice including any of the following practices, namely:—

(A) the practice of making any statement, whether in writing or by visible representation which,—

(i) falsely represents that the services are of a particular standard or grade;

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1. Subs. by the Real Estate (Regulation and Development) Removal of Difficulties Order, 2016 [S.O. 3347 (E)], for “specified by regulations made by the Authority” (w.e.f. 28-10-2016).

(ii) represents that the promoter has approval or affiliation which such promoter does not have;

(iii) makes a false or misleading representation concerning the services;

(B) the promoter permits the publication of any advertisement or prospectus whether in any newspaper or otherwise of services that are not intended to be offered;

(d) the promoter indulges in any fraudulent practices.

(2) The registration granted to the promoter under section 5 shall not be revoked unless the Authority has given to the promoter not less than thirty days notice, in writing, stating the grounds on which it is proposed to revoke the registration, and has considered any cause shown by the promoter within the period of that notice against the proposed revocation.

(3) The Authority may, instead of revoking the registration under sub-section (*1*), permit it to remain in force subject to such further terms and conditions as it thinks fit to impose in the interest of the allottees, and any such terms and conditions so imposed shall be binding upon the promoter.

(4) The Authority, upon the revocation of the registration,—

(a) shall debar the promoter from accessing its website in relation to that project and specify his name in the list of defaulters and display his photograph on its website and also inform the other Real Estate Regulatory Authority in other States and Union territories about such revocation or registration;

(b) shall facilitate the remaining development works to be carried out in accordance with the provisions of section 8;

(c) shall direct the bank holding the project bank account, specified under sub-clause(*D*) of clause (*l*) of sub-section (*2*) of section 4, to freeze the account, and thereafter take such further necessary actions, including consequent de-freezing of the said account, towards facilitating the remaining development works in accordance with the provisions of section 8;

(d) may, to protect the interest of allottees or in the public interest, issue such directions as it may deem necessary.

8. Obligation of Authority consequent upon lapse of or on revocation of registration.—Upon lapse of the registration or on revocation of the registration under this Act, the Authority, may consult the appropriate Government to take such action as it may deem fit including the carrying out of the remaining development works by competent authority or by the association of allottees or in any other manner, as may be determined by the Authority:

Provided that no direction, decision or order of the Authority under this section shall take effect until the expiry of the period of appeal provided under the provisions of this Act:

Provided further that in case of revocation of registration of a project under this Act, the association of allottees shall have the first right of refusal for carrying out of the remaining development works.

9. Registration of real estate agents.—(*1*) No real estate agent shall facilitate the sale or purchase of or act on behalf of any person to facilitate the sale or purchase of any plot, apartment or building, as the case may be, in a real estate project or part of it, being the part of the real estate project registered under section 3, being sold by the promoter in any planning area, without obtaining registration under this section.

(2) Every real estate agent shall make an application to the Authority for registration in such form, manner, within such time and accompanied by such fee and documents as may be prescribed.

(3) The Authority shall, within such period, in such manner and upon satisfying itself of the fulfilment of such conditions, as may be prescribed—

(a) grant a single registration to the real estate agent for the entire State or Union territory, as the case may be;

(b) reject the application for reasons to be recorded in writing, if such application does not conform to the provisions of the Act or this rules or regulations made thereunder:

Provided that no application shall be rejected unless the applicant has been given an opportunity of being heard in the matter.

(4) Whereon the completion of the period specified under sub-section (*3*), if the applicant does not receive any communication about the deficiencies in his application or the rejection of his application, he shall be deemed to have been registered.

(5) Every real estate agent who is registered as per the provisions of this Act or the rules and regulations made thereunder, shall be granted a registration number by the Authority, which shall be quoted by the real estate agent in every sale facilitated by him under this Act.

(6) Every registration shall be valid for such period as may be prescribed, and shall be renewable for a period in such manner and on payment of such fee as may be prescribed.

(7) Where any real estate agent who has been granted registration under this Act commits breach of any of the conditions thereof or any other terms and conditions specified under this Act or any rules or regulations made thereunder, or where the Authority is satisfied that such registration has been secured by the real estate agent through misrepresentation or fraud, the Authority may, without prejudice to any other provisions under this Act, revoke the registration or suspend the same for such period as it thinks fit:

Provided that no such revocation or suspension shall be made by the Authority unless an opportunity of being heard has been given to the real estate agent.

10. Functions of real estate agents.—Every real estate agent registered under section 9 shall—

(a) not facilitate the sale or purchase of any plot, apartment or building, as the case may be, in a real estate project or part of it, being sold by the promoter in any planning area, which is not registered with the Authority;

(b) maintain and preserve such books of account, records and documents as may be prescribed;

(c) not involve himself in any unfair trade practices, namely:—

(i) the practice of making any statement, whether orally or in writing or by visible representation which—

(A) falsely represents that the services are of a particular standard or grade;

(B) represents that the promoter or himself has approval or affiliation which such promoter or himself does not have;

(C) makes a false or misleading representation concerning the services;

(ii) permitting the publication of any advertisement whether in any newspaper or otherwise of services that are not intended to be offered.

(d) facilitate the possession of all the information and documents, as the allottee, is entitled to, at the time of booking of any plot, apartment or building, as the case may be;

(e) discharge such other functions as may be prescribed.

CHAPTER III

FUNCTIONS AND DUTIES OF PROMOTER

11. Functions and duties of promoter.—(*1*) The promoter shall, upon receiving his Login Id and password under clause (*a*) of sub-section (*1*) or under sub-section (*2*) of section 5, as the case may be, create his web page on the website of the Authority and enter all details of the proposed project as provided under sub-section (*2*) of section 4, in all the fields as provided, for public viewing, including—

(a) details of the registration granted by the Authority;

(b) quarterly up-to-date the list of number and types of apartments or plots, as the case may be, booked;

(c) quarterly up-to-date the list of number of garages booked;

(d) quarterly up-to-date the list of approvals taken and the approvals which are pending subsequent to commencement certificate;

(e) quarterly up-to-date status of the project; and

(f) such other information and documents as may be specified by the regulations made by the Authority.

(2) The advertisement or prospectus issued or published by the promoter shall mention prominently the website address of the Authority, wherein all details of the registered project have been entered and include the registration number obtained from the Authority and such other matters incidental thereto.

(3) The promoter, at the time of the booking and issue of allotment letter shall be responsible to make available to the allottee, the following information, namely:—

(a) sanctioned plans, layout plans, along with specifications, approved by the competent authority, by display at the site or such other place as may be specified by the regulations made by the Authority;

(b) the stage wise time schedule of completion of the project, including the provisions for civic infrastructure like water, sanitation and electricity.

(4) The promoter shall—

(a) 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:

Provided that the responsibility of the promoter, with respect to the structural defect or any other defect for such period as is referred to in sub-section (*3*) of section 14, shall continue even after the conveyance deed of all the apartments, plots or buildings, as the case may be, to the allottees are executed.

(b) be responsible to obtain the completion certificate or the occupancy certificate, or both, as applicable, from the relevant competent authority as per local laws or other laws for the time being in force and to make it available to the allottees individually or to the association of allottees, as the case may be;

(c) be responsible to obtain the lease certificate, where the real estate project is developed on a leasehold land, specifying the period of lease, and certifying that all dues and charges in regard to the leasehold land has been paid, and to make the lease certificate available to the association of allottees;

(d) be responsible for providing and maintaining the essential services, on reasonable charges, till the taking over of the maintenance of the project by the association of the allottees;

(e) enable the formation of an association or society or co-operative society, as the case may be, of the allottees, or a federation of the same, under the laws applicable:

Provided that in the absence of local laws, the association of allottees, by whatever name called, shall be formed within a period of three months of the majority of allottees having booked their plot or apartment or building, as the case may be, in the project;

(f) execute a registered conveyance deed of the apartment, plot or building, as the case may be, in favour of the allottee along with the undivided proportionate title in the common areas to the association of allottees or competent authority, as the case may be, as provided under section 17 of this Act;

(g) pay all outgoings until he transfers the physical possession of the real estate project to the allottee or the associations of allottees, as the case may be, which he has collected from the allottees, for the payment of outgoings (including land cost, ground rent, municipal or other local taxes, charges for water or electricity, maintenance charges, including mortgage loan and interest on mortgages or other encumbrances and such other liabilities payable to competent authorities, banks and financial institutions, which are related to the project):

Provided that where any promoter fails to pay all or any of the outgoings collected by him from the allottees or any liability, mortgage loan and interest thereon before transferring the real estate project to such allottees, or the association of the allottees, as the case may be, the promoter shall continue to be liable, even after the transfer of the property, to pay such outgoings and penal charges, if any, to the authority or person to whom they are payable and be liable for the cost of any legal proceedings which may be taken therefor by such authority or person;

(h) after he executes an agreement for sale for any apartment, plot or building, as the case may be, not mortgage or create a charge on such apartment, plot or building, as the case may be, and if any such mortgage or charge is made or created then notwithstanding anything contained in any other law for the time being in force, it shall not affect the right and interest of the allottee who has taken or agreed to take such apartment, plot or building, as the case may be;

(5) 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.

(6) The promoter shall prepare and maintain all such other details as may be specified, from time to time, by regulations made by the Authority.

12. Obligations of 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.

13. No deposit or advance to be taken by promoter without first entering into agreement for sale.—(*1*) A promoter shall not accept a sum more than ten per cent. of the cost of the apartment, plot, or building as the case may be, as an advance payment or an application fee, from a person without first entering into a written agreement for sale with such person and register the said agreement for sale, under any law for the time being in force.

(*2*) The agreement for sale referred to in sub-section (*1*) shall be in such form as may be prescribed and shall specify the particulars of development of the project including the construction of building and apartments, along with specifications and internal development works and external development works, the dates and the manner by which payments towards the cost of the apartment, plot, or building, as the case may be, are to be made by the allottees and the date on which the possession of the apartment, plot or building is to be handed over, the rates of interest payable by the promoter to the allottee and the allottee to the promoter in case of default, and such other particulars, as may be prescribed.

14. Adherence to sanctioned plans and project specifications by the promoter.—(*1*) The proposed project shall be developed and completed by the promoter in accordance with the sanctioned plans, layout plans and specifications as approved by the competent authorities.

(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, or such minor changes or alterations as may be necessary due to architectural and structural reasons duly recommended and verified by an authorised Architect or Engineer after proper declaration and intimation to the allottee.

Explanation.—For the purpose of this clause, "minor additions or alterations" excludes structural change including an addition to the area or change in height, or the removal of part of a building, or any change to the structure, such as the construction or removal or cutting into of any wall or a part of a wall, partition, column, beam, joist, floor including a mezzanine floor or other support, or a change to or closing of any required means of access ingress or egress or a change to the fixtures or equipment, etc.

(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 allottee, 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.

(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.

15. Obligations of promoter in case of transfer of a real estate project to a third party.—(*1*) The promoter shall not transfer or assign his majority rights and liabilities in respect of a real estate project to a third party without obtaining prior written consent from two-third allottees, except the promoter, and without the prior written approval of the Authority:

Provided that such transfer or assignment shall not affect the allotment or sale of the apartments, plots or buildings as the case may be, in the real estate project made by the erstwhile promoter.

Explanation.—For the purpose of this sub-section, the allottee, 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, 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.

(*2*) On the transfer or assignment being permitted by the allottees and the Authority under sub-section (*1*), the intending promoter shall be required to independently comply with all the pending obligations under the provisions of this Act or the rules and regulations made thereunder, and the pending obligations as per the agreement for sale entered into by the erstwhile promoter with the allottees:

Provided that any transfer or assignment permitted under provisions of this section shall not result in extension of time to the intending promoter to complete the real estate project and he shall be required to comply with all the pending obligations of the erstwhile promoter, and in case of default, such intending promoter shall be liable to the consequences of breach or delay, as the case may be, as provided under this Act or the rules and regulations made thereunder.

16. Obligations of promoter regarding insurance of real estate project.—(*1*) The promoter shall obtain all such insurances as may be notified by the appropriate Government, including but not limited to insurance in respect of —

(i) title of the land and building as a part of the real estate project; and

(ii) construction of the real estate project.

(2) The promoter shall be liable to pay the premium and charges in respect of the insurance specified in sub-section (*1*) and shall pay the same before transferring the insurance to the association of the allottees.

(3) The insurance as specified under sub-section (*1*) shall stand transferred to the benefit of the allottee or the association of allottees, as the case may be, at the time of promoter entering into an agreement for sale with the allottee.

(4) On formation of the association of the allottees, all documents relating to the insurance specified under sub-section (*1*) shall be handed over to the association of the allottees.

17. Transfer of title.—(*1*) The promoter shall execute a registered conveyance deed in favour of the allottee along with the undivided proportionate title in the common areas to the association of the allottees or the competent authority, as the case may be, and hand over the physical possession of the plot, apartment of building, as the case may be, to the allottees and the common areas to the association of the allottees or the competent authority, as the case may be, in a real estate project, and the other title documents pertaining thereto within specified period as per sanctioned plans as provided under the local laws:

Provided that, in the absence of any local law, conveyance deed in favour of the allottee or the association of the allottees or the competent authority, as the case may be, under this section shall be carried out by the promoter within three months from date of issue of occupancy certificate.

(*2*) After obtaining the occupancy certificate and handing over physical possession to the allottees in terms of sub-section (*1*), it shall be the responsibility of the promoter to handover the necessary documents and plans, including common areas, to the association of the allottees or the competent authority, as the case may be, as per the local laws:

Provided that, in the absence of any local law, the promoter shall handover the necessary documents and plans, including common areas, to the association of the allottees or the competent authority, as the case may be, within thirty days after obtaining the [1][completion] certificate.

18. Return of amount and compensation.—(*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.

(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

1. Subs. by the Real Estate (Regulation and Development) Removal of Difficulties Order, 2016 [S.O. 3347(E), for "occupancy" (w.e.f. 28-10-2016).

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.

(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.

CHAPTER IV

RIGHTS AND DUTIES OF ALLOTTEES

19. Rights and duties of allottees.—(*1*) The allottee shall be entitled to obtain the information relating to sanctioned plans, layout plans along with the specifications, approved by the competent authority and such other information as provided in this Act or the rules and regulations made thereunder or the agreement for sale signed with the promoter.

(2) The allottee shall be entitled to know stage-wise time schedule of completion of the project, including the provisions for water, sanitation, electricity and other amenities and services as agreed to between the promoter and the allottee in accordance with the terms and conditions of the agreement for sale.

(3) The allottee shall be entitled to claim the possession of apartment, plot or building, as the case may be, and the association of allottees shall be entitled to claim the possession of the common areas, as per the declaration given by the promoter under sub-clause (*C*) of clause (*l*) of sub-section (*2*) of section 4.

(4) The allottee shall be entitled to claim the refund of amount paid along with interest at such rate as may be prescribed and compensation in the manner as provided under this Act, from the promoter, if the promoter fails to comply or is unable to give possession of the apartment, plot or building, as the case may be, in accordance with the terms of agreement for sale or due to discontinuance of his business as a developer on account of suspension or revocation of his registration under the provisions of this Act or the rules or regulations made thereunder.

(5) The allottee shall be entitled to have the necessary documents and plans, including that of common areas, after handing over the physical possession of the apartment or plot or building as the case may be, by the promoter.

(6) Every allottee, who has entered into an agreement for sale to take an apartment, plot or building as the case may be, under section 13, shall be responsible to make necessary payments in the manner and within the time as specified in the said agreement for sale and shall pay at the proper time and place, the share of the registration charges, municipal taxes, water and electricity charges, maintenance charges, ground rent, and other charges, if any.

(7) The allottee shall be liable to pay interest, at such rate as may be prescribed, for any delay in payment towards any amount or charges to be paid under sub-section (*6*).

(8) The obligations of the allottee under sub-section (*6*) and the liability towards interest under sub-section (*7*) may be reduced when mutually agreed to between the promoter and such allottee.

(9) Every allottee of the apartment, plot or building as the case may be, shall participate towards the formation of an association or society or cooperative society of the allottees, or a federation of the same.

(10) Every allottee shall take physical possession of the apartment, plot or building as the case may be, within a period of two months of the occupancy certificate issued for the said apartment, plot or building, as the case may be.

(11) Every allottee shall participate towards registration of the conveyance deed of the apartment, plot or building, as the case may be, as provided under sub-section (*1*) of section 17 of this Act.

CHAPTER V

THE REAL ESTATE REGULATORY AUTHORITY

20. Establishment and incorporation of Real Estate Regulatory Authority.—(*1*) The appropriate Government shall, within a period of one year from the date of coming into force of this Act, by notification, establish an Authority to be known as the Real Estate Regulatory Authority to exercise the powers conferred on it and to perform the functions assigned to it under this Act:

Provided that the appropriate Government of two or more States or Union territories may, if it deems fit, establish one single Authority:

Provided further that the appropriate Government may, if it deems fit, establish more than one Authority in a State or Union territory, as the case may be:

Provided also that until the establishment of a Regulatory Authority under this section, the appropriate Government shall, by order, designate any Regulatory Authority or any officer preferably the Secretary of the department dealing with Housing, as the Regulatory Authority for the purposes under this Act:

Provided also that after the establishment of the Regulatory Authority, all applications, complaints or cases pending with the Regulatory Authority designated, shall stand transferred to the Regulatory Authority so established and shall be heard from the stage such applications, complaints or cases are transferred.

(*2*) The Authority shall be a body corporate by the name aforesaid having perpetual succession and a common seal, with the power, subject to the provisions of this Act, to acquire, hold and dispose of property, both movable and immovable, and to contract, and shall, by the said name, sue or be sued.

21. Composition of Authority.—The Authority shall consist of a Chairperson and not less than two whole time Members to be appointed by the appropriate Government.

22. Qualifications of Chairperson and Members of Authority.—The Chairperson and other Members of the Authority shall be appointed by the appropriate Government on the recommendations of a Selection Committee consisting of the Chief Justice of the High Court or his nominee, the Secretary of the Department dealing with Housing and the Law Secretary, in such manner as may be prescribed, from amongst persons having adequate knowledge of and professional experience of at-least twenty years in case of the Chairperson and fifteen years in the case of the Members in urban development, housing, real estate development, infrastructure, economics, technical experts from relevant fields, planning, law, commerce, accountancy, industry, management, social service, public affairs or administration:

Provided that a person who is, or has been, in the service of the State Government shall not be appointed as a Chairperson unless such person has held the post of Additional Secretary to the Central Government or any equivalent post in the Central Government or State Government:

Provided further that a person who is, or has been, in the service of the State Government shall not be appointed as a member unless such person has held the post of Secretary to the State Government or any equivalent post in the State Government or Central Government.

23. Term of office of Chairperson and Members.—(*1*) The Chairperson and Members shall hold office for a term not exceeding five years from the date on which they enter upon their office, or until they attain the age of sixty-five years, whichever is earlier and shall not be eligible for re-appointment.

(*2*) Before appointing any person as a Chairperson or Member, the appropriate Government shall satisfy itself that the person does not have any such financial or other interest as is likely to affect prejudicially his functions as such Member.

24. Salary and allowances payable to Chairperson and Members.—(*1*) The salary and allowances payable to, and the other terms and conditions of service of, the Chairperson and other Members shall be such as may be prescribed and shall not be varied to their disadvantage during their tenure.

(2) Notwithstanding anything contained in sub-sections (*1*) and (*2*) of section 23, the Chairperson or a Member, as the case may be, may,—

(a) relinquish his office by giving in writing, to the appropriate Government, notice of not less than three months; or

(b) be removed from his office in accordance with the provisions of section 26 of this Act.

(3) Any vacancy caused to the office of the Chairperson or any other Member shall be filled-up within a period of three months from the date on which such vacancy occurs.

25. Administrative powers of Chairperson.—The Chairperson shall have powers of general superintendence and directions in the conduct of the affairs of Authority and he shall, in addition to presiding over the meetings of the Authority, exercise and discharge such administrative powers and functions of the Authority as may be prescribed.

26. Removal of Chairperson and Members from office in certain circumstances.—(*1*) The appropriate Government may, in accordance with the procedure notified, remove from office the Chairperson or other Members, if the Chairperson or such other Member, as the case may be,—

(a) has been adjudged as an insolvent; or

(b) has been convicted of an offence, involving moral turpitude; or

(c) has become physically or mentally incapable of acting as a Member; or

(d) has acquired such financial or other interest as is likely to affect prejudicially his functions; or

(e) has so abused his position as to render his continuance in office prejudicial to the public interest.

(*2*) The Chairperson or Member shall not be removed from his office on the ground specified under clause (*d*) or clause (*e*) of sub-section (*1*) except by an order made by the appropriate Government after an inquiry made by a Judge of the High Court in which such Chairperson or Member has been informed of the charges against him and given a reasonable opportunity of being heard in respect of those charges.

27. Restrictions on Chairperson or Members on employment after cessation of office.—(*1*) The Chairperson or a Member, ceasing to hold office as such, shall not—

(a) accept any employment in, or connected with, the management or administration of, any person or organisation which has been associated with any work under this Act, from the date on which he ceases to hold office:

Provided that nothing contained in this clause shall apply to any employment under the appropriate Government or a local authority or in any statutory authority or any corporation established by or under any Central, State or provincial Act or a Government Company, as defined under clause (*45*) of section 2 of the Companies Act, 2013 (18 of 2013), which is not a promoter as per the provisions of this Act;

(b) act, for or on behalf of any person or organisation in connection with any specific proceeding or transaction or negotiation or a case to which the Authority is a party and with respect to which the Chairperson or such Member had, before cessation of office, acted for or provided advice to the Authority;

(c) give advice to any person using information which was obtained in his capacity as the Chairperson or a Member and being unavailable to or not being able to be made available to the public;

(d) enter into a contract of service with, or accept an appointment to a boardof directors of, or accept an offer of employment with, an entity with which he had direct and significant official dealings during his term of office as such.

(*2*) The Chairperson and Members shall not communicate or reveal to any person any matter which has been brought under his consideration or known to him while acting as such.

28. Officers and other employees of Authority.—(*1*) The appropriate Government may, in consultation with the Authority appoint such officers and employees as it considers necessary for the efficient discharge of their functions under this Act who would discharge their functions under the general superintendence of the Chairperson.

(*2*) The salary and allowances payable to, and the other terms and conditions of service of, the officers and of the employees of the Authority appointed under sub-section (*1*) shall be such as may be prescribed.

29. Meetings of Authority.—(*1*) The Authority shall meet at such places and times, and shall follow such rules of procedure in regard to the transaction of business at its meetings, (including quorum at such meetings), as may be specified by the regulations made by the Authority.

(2) If the Chairperson for any reason, is unable to attend a meeting of the Authority, any other Member chosen by the Members present amongst themselves at the meeting, shall preside at the meeting.

(3) All questions which come up before any meeting of the Authority shall be decided by a majority of votes by the Members present and voting, and in the event of an equality of votes, the Chairperson or in his absence, the person presiding shall have a second or casting vote.

(4) The questions which come up before the Authority shall be dealt with as expeditiously as possible and the Authority shall dispose of the same within a period of sixty days from the date of receipt of the application:

Provided that where any such application could not be disposed of within the said period of sixty days, the Authority shall record its reasons in writing for not disposing of the application within that period.

30. Vacancies, etc., not to invalidate proceeding of Authority.—No act or proceeding of the Authority shall be invalid merely by reason of—

(a) any vacancy in, or any defect in the constitution of, the Authority; or

(b) any defect in the appointment of a person acting as a Member of the Authority; or

(c) any irregularity in the procedure of the Authority not affecting the merits of the case.

31. Filing of complaints with the Authority or the adjudicating officer.—(*1*) Any aggrieved person may file a complaint with the Authority or the adjudicating officer, as the case may be, for any violation or contravention of the provisions of this Act or the rules and regulations made thereunder, against any promoter, allottee or real estate agent, as the case may be.

Explanation.—For the purpose of this sub-section "person" shall include the association of allottees or any voluntary consumer association registered under any law for the time being in force.

(*2*) The form, manner and fees for filing complaint under sub-section (*1*) shall be such as may be [1][prescribed].

32. Functions of Authority for promotion of real estate sector.—The Authority shall in order to facilitate the growth and promotion of a healthy, transparent, efficient and competitive real estate sector make recommendations to the appropriate Government or the competent authority, as the case may be, on,—

(a) protection of interest of the allottees, promoter and real estate agent;

(b) creation of a single window system for ensuring time bound project approvals and clearances for timely completion of the project;

(c) creation of a transparent and robust grievance redressal mechanism against acts of omission and commission of competent authorities and their officials;

(d) measures to encourage investment in the real estate sector including measures to increase financial assistance to affordable housing segment;

(e) measures to encourage construction of environmentally sustainable and affordable housing, promoting standardisation and use of appropriate construction materials, fixtures, fittings and construction techniques;

1. Subs. by the Real Estate (Regulation and Development) Removal of Difficulties Order, 2016 [S.O. 3347 (E)], for "specified by regulations" (w.e.f. 28-10-2016).

(f) measures to encourage grading of projects on various parameters of development including grading of promoters;

(g) measures to facilitate amicable conciliation of disputes between the promoters and the allottees through dispute settlement forums set up by the consumer or promoter associations;

(h) measures to facilitate digitization of land records and system towards conclusive property titles with title guarantee;

(i) to render advice to the appropriate Government in matters relating to the development of real estate sector;

(j) any other issue that the Authority may think necessary for the promotion of the real estate sector.

33. Advocacy and awareness measures.—(*1*) The appropriate Government may, while formulating a policy on real estate sector (including review of laws related to real estate sector) or any other matter, make a reference to the Authority for its opinion on possible effect of such policy or law on real estate sector and on the receipt of such a reference, the Authority shall within a period of sixty days of making such reference, give its opinion to the appropriate Government, which may thereafter take further action as it deems fit.

(2) The opinion given by the Authority under sub-section (*1*) shall not be binding upon the appropriate Government in formulating such policy or laws.

(3) The Authority shall take suitable measures for the promotion of advocacy, creating awareness and imparting training about laws relating to real estate sector and policies.

34. Functions of Authority.—The functions of the Authority shall include—

(a) to register and regulate real estate projects and real estate agents registered under this Act;

(b) to publish and maintain a website of records, for public viewing, of all real estate projects for which registration has been given, with such details as may be prescribed, including information provided in the application for which registration has been granted;

(c) to maintain a database, on its website, for public viewing, and enter the names and photographs of promoters as defaulters including the project details, registration for which has been revoked or have been penalised under this Act, with reasons therefor, for access to the general public;

(d) to maintain a database, on its website, for public viewing, and enter the names and photographs of real estate agents who have applied and registered under this Act, with such details as may be prescribed, including those whose registration has been rejected or revoked;

(e) to fix through regulations for each areas under its jurisdiction the standard fees to be levied on the allottees or the promoter or the real estate agent, as the case may be;

(f) to ensure compliance of the obligations cast upon the promoters, the allottees and the real estate agents under this Act and the rules and regulations made thereunder;

(g) to ensure compliance of its regulations or orders or directions made in exercise of its powers under this Act;

(h) to perform such other functions as may be entrusted to the Authority by the appropriate Government as may be necessary to carry out the provisions of this Act.

35. Powers of Authority to call for information, conduct investigations.—(*1*) Where the Authority considers it expedient to do so, on a complaint or *suomotu*, relating to this Act or the rules or regulations made thereunder, it may, by order in writing and recording reasons therefor call upon any promoter or allottee or real estate agent, as the case may be, at any time to furnish in writing such information or explanation relating to its affairs as the Authority may require and appoint one or more persons to make an inquiry in relation to the affairs of any promoter or allottee or the real estate agent, as the case may be.

(*2*) Notwithstanding anything contained in any other law for the time being in force, while exercising the powers under sub-section (*1*), the Authority shall have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 (5 of 1908) while trying a suit, in respect of the following matters, namely:—

(i) the discovery and production of books of account and other documents, at such place and at such time as may be specified by the Authority;

(ii) summoning and enforcing the attendance of persons and examining them on oath;

(iii) issuing commissions for the examination of witnesses or documents;

(iv) any other matter which may be prescribed.

36. Power to issue interim orders.—Where during an inquiry, the Authority is satisfied that an act in contravention of this Act, or the rules and regulations made thereunder, has been committed and continues to be committed or that such act is about to be committed, the Authority may, by order, restrain any promoter, allottee or real estate agent from carrying on such act until the conclusion of such inquiry or until further orders, without giving notice to such party, where the Authority deems it necessary.

37. Powers of Authority to issue directions.—The Authority may, for the purpose of discharging its functions under the provisions of this Act or rules or regulations made thereunder, issue such directions from time to time, to the promoters or allottees or real estate agents, as the case may be, as it may consider necessary and such directions shall be binding on all concerned.

38. Powers of Authority.—(*1*) The Authority shall have powers to impose penalty or interest, in regard to any contravention of obligations cast upon the promoters, the allottees and the real estate agents, under this Act or the rules and the regulations made thereunder.

(2) The Authority shall be guided by the principles of natural justice and, subject to the other provisions of this Act and the rules made thereunder, the Authority shall have powers to regulate its own procedure.

(3) Where an issue is raised relating to agreement, action, omission, practice or procedure that—

(a) has an appreciable prevention, restriction or distortion of competition in connection with the development of a real estate project; or

(b) has effect of market power of monopoly situation being abused for affecting interest of allottees adversely,

then the Authority, may, *suomotu*, make reference in respect of such issue to the Competition Commission of India.

39. Rectification of orders.—The Authority may, at any time within a period of two years from the date of the order made under this Act, with a view to rectifying any mistake apparent from the record, amend any order passed by it, and shall make such amendment, if the mistake is brought to its notice by the parties:

Provided that no such amendment shall be made in respect of any order against which an appeal has been preferred under this Act:

Provided further that the Authority shall not, while rectifying any mistake apparent from record, amend substantive part of its order passed under the provisions of this Act.

40. Recovery of interest or penalty or compensation and enforcement of order, etc.—(*1*) If a promoter or an allottee or a real estate agent, as the case may be, fails to pay any interest or penalty or compensation imposed on him, by the adjudicating officer or the Regulatory Authority or the Appellate Authority, as the case may be, under this Act or the rules and regulations made thereunder, it shall be recoverable from such promoter or allottee or real estate agent, in such manner as may be prescribed as an arrears of land revenue.

(*2*) If any adjudicating officer or the Regulatory Authority or the Appellate Tribunal, as the case may be, issues any order or directs any person to do any act, or refrain from doing any act, which it is empowered to do under this Act or the rules or regulations made thereunder, then in case of failure by any person to comply with such order or direction, the same shall be enforced, in such manner as may be prescribed.

CHAPTER VI

CENTRAL ADVISORY COUNCIL

41. Establishment of Central Advisory Council.—(*1*) The Central Government may, by notification, establish with effect from such date as it may specify in such notification, a Council to be known as the Central Advisory Council.

(2) The Minister to the Government of India in charge of the Ministry of the Central Government dealing with Housing shall be the *ex officio* Chairperson of the Central Advisory Council.

(3) The Central Advisory Council shall consist of representatives of the Ministry of Finance, Ministry of Industry and Commerce, Ministry of Urban Development, Ministry of Consumer Affairs, Ministry of Corporate Affairs, Ministry of Law and Justice, Niti Aayog, National Housing Bank, Housing and Urban Development Corporation, five representatives of State Governments to be selected by rotation, five representatives of the Real Estate Regulatory Authorities to be selected by rotation, and any other Central Government department as notified.

(4) The Central Advisory Council shall also consist of not more than ten members to represent the interests of real estate industry, consumers, real estate agents, construction labourers, non-governmental organisations and academic and research bodies in the real estate sector.

42. Functions of Central Advisory Council.—(*1*) The functions of the Central Advisory Council shall be to advise and recommend the Central Government,—

(a) on all matters concerning the implementation of this Act;

(b) on major questions of policy;

(c) towards protection of consumer interest;

(d) to foster the growth and development of the real estate sector;

(e) on any other matter as may be assigned to it by the Central Government.

(*2*) The Central Government may specify the rules to give effect to the recommendations of the Central Advisory Council on matters as provided under sub-section (*1*).

CHAPTER VII

THE REAL ESTATE APPELLATE TRIBUNAL

43. Establishment of Real Estate Appellate Tribunal.—(*1*) The appropriate Government shall, within a period of one year from the date of coming into force of this Act, by notification, establish an Appellate Tribunal to be known as the —(name of the State/Union territory) Real Estate Appellate Tribunal.

(2) The appropriate Government may, if it deems necessary, establish one or more benches of the Appellate Tribunal, for various jurisdictions, in the State or Union territory, as the case may be.

(3) Every bench of the Appellate Tribunal shall consist of at least one Judicial Member and one Administrative or Technical Member.

(4) The appropriate Government of two or more States or Union territories may, if it deems fit, establish one single Appellate Tribunal:

Provided that, until the establishment of an Appellate Tribunal under this section, the appropriate Government shall designate, by order, any Appellate Tribunal functioning under any law for the time being in force, to be the Appellate Tribunal to hear appeals under the Act:

Provided further that after the Appellate Tribunal under this section is established, all matters pending with the Appellate Tribunal designated to hear appeals, shall stand transferred to the Appellate Tribunal so established and shall be heard from the stage such appeal is transferred.

(5) Any person aggrieved by any direction or decision or order made by the Authority or by an adjudicating officer under this Act may prefer an appeal before the Appellate Tribunal having jurisdiction over the matter:

Provided that where a promoter files an appeal with the Appellate Tribunal, it shall not be entertained, without the promoter first having deposited with the Appellate Tribunal atleast thirty per cent. of the penalty, or such higher percentage as may be determined by the Appellate Tribunal, or the total amount to be paid to the allottee including interest and compensation imposed on him, if any, or with both, as the case may be, before the said appeal is heard.

Explanation.—For the purpose of this sub-section "person" shall include the association of allottees or any voluntary consumer association registered under any law for the time being in force.

44. Application for settlement of disputes and appeals to Appellate Tribunal.—(*1*) 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.

(2) Every appeal made under sub-section (*1*) shall be preferred within a period of sixty days from the date on which a copy of the direction or order or decision made by the Authority or the adjudicating officer is received by the appropriate Government or the competent authority or the aggrieved person and it shall be in such form and accompanied by such fee, as may be prescribed:

Provided that the Appellate Tribunal may entertain any appeal after the expiry of sixty days if it is satisfied that there was sufficient cause for not filling it within that period.

(3) On receipt of an appeal under sub-section (*1*), the Appellate Tribunal may after giving the parties an opportunity of being heard, pass such orders, including interim orders, as it thinks fit.

(4) The Appellate Tribunal shall send a copy of every order made by it to the parties and to the Authority or the adjudicating officer, as the case may be.

(5) The appeal preferred under sub-section (*1*), shall be dealt with by it as expeditiously as possible and endeavour shall be made by it to dispose of the appeal within a period of sixty days from the date of receipt of appeal:

Provided that where any such appeal could not be disposed of within the said period of sixty days, the Appellate Tribunal shall record its reasons in writing for not disposing of the appeal within that period.

(6) The Appellate Tribunal may, for the purpose of examining the legality or propriety or correctness of any order or decision of the Authority or the adjudicating officer, on its own motion or otherwise, call for the records relevant to deposing of such appeal and make such orders as it thinks fit.

45. Composition of Appellate Tribunal.—The Appellate Tribunal shall consist of a Chairperson and not less than two whole time Members of which one shall be a Judicial member and other shall be a Technical or Administrative Member, to be appointed by the appropriate Government.

Explanation.—For the purposes of this Chapter,—

(i) "Judicial Member" means a Member of the Appellate Tribunal appointed as such under clause (*b*) of sub-section (*1*) of section 46;

(ii) "Technical or Administrative Member" means a Member of the Appellate Tribunal appointed as such under clause (*c*) of sub-section (*1*) of section 46.

46. Qualifications for appointment of Chairperson and Members.—(*1*) A person shall not be qualified for appointment as the Chairperson or a Member of the Appellate Tribunal unless he,—

(a) in the case of Chairperson, is or has been a Judge of a High Court; and

(b) in the case of a Judicial Member he has held a judicial office in the territory of India for at least fifteen years or has been a member of the Indian Legal Service and has held the post of Additional Secretary of that service or any equivalent post, or has been an advocate for at least twenty years with experience in dealing with real estate matters; and

(c) in the case of a Technical or Administrative Member, he is a person who is well-versed in the field of urban development, housing, real estate development, infrastructure, economics, planning, law, commerce, accountancy, industry, management, public affairs or administration and possesses experience of at least twenty years in the field or who has held the post in the Central Government or a State Government equivalent to the post of Additional Secretary to the Government of India or an equivalent post in the Central Government or an equivalent post in the State Government.

(2) The Chairperson of the Appellate Tribunal shall be appointed by the appropriate Government in consultation with the Chief Justice of High Court or his nominee.

(3) The Judicial Members and Technical or Administrative Members of the Appellate Tribunal shall be appointed by the appropriate Government on the recommendations of a Selection Committee consisting of the Chief Justice of the High Court or his nominee, the Secretary of the Department handling Housing and the Law Secretary and in such manner as may be prescribed.

47. Term of office of Chairperson and Members.—(*1*) The Chairperson of the Appellate Tribunal or a Member of the Appellate Tribunal shall hold office, as such for a term not exceeding five years from the date on which he enters upon his office, but shall not be eligible for re-appointment:

Provided that in case a person, who is or has been a Judge of a High Court, has been appointed as Chairperson of the Tribunal, he shall not hold office after he has attained the age of sixty-seven years:

Provided further that no Judicial Member or Technical or Administrative Member shall hold office after he has attained the age of sixty-five years.

(*2*) Before appointing any person as Chairperson or Member, the appropriate Government shall satisfy itself that the person does not have any such financial or other interest, as is likely to affect prejudicially his functions as such member.

48. Salary and allowances payable to Chairperson and Members.—(*1*) The salary and allowances payable to, and the other terms and conditions of service of, the Chairperson and other Members shall be such as may be prescribed and shall not be varied to their disadvantage during their tenure.

(2) Notwithstanding anything contained in sub-sections (*1*) and (*2*) of section 47, the Chairperson or a Member, as the case may be, may:—

(a) relinquish his office by giving in writing to the appropriate Government a notice of not less than three months;

(b) be removed from his office in accordance with the provisions of section 49.

(3) A vacancy caused to the office of the Chairperson or any other Member, as the case may be, shall be filled-up within a period of three months from the date on which such vacancy occurs.

49. Removal of Chairperson and Member from office in certain circumstances.—(*1*) The appropriate Government may, in consultation with the Chief Justice of the High Court, remove from office of the Chairperson or any Judicial Member or Technical or Administrative Member of the Appellate Tribunal, who—

(a) has been adjudged as an insolvent; or

(b) has been convicted of an offence which, in the opinion of the appropriate Government involves moral turpitude; or

(c) has become physically or mentally incapable; or

(d) has acquired such financial or other interest as is likely to affect prejudicially his functions; or

(e) has so abused his position as to render his continuance in office prejudicial to the public interest.

(2) The Chairperson or Judicial Member or Technical or Administrative Member shall not be removed from his office except by an order made by the appropriate Government after an inquiry made by the Judge of the High Court in which such Chairperson or Judicial Member or Technical or Administrative Member has been informed of the charges against him and given a reasonable opportunity of being heard in respect of those charges.

(3) The appropriate Government may suspend from the office of the Chairperson or Judicial Member or Technical or Administrative Member in respect of whom a reference of conducting an inquiry has been made to the Judge of the High Court under sub-section (*2*), until the appropriate Government passes an order on receipt of the report of inquiry made by the Judge of the High Court on such reference.

(4) The appropriate Government may, by rules, regulate the procedure for inquiry referred to in sub-section (*2*).

50. Restrictions on Chairperson or Judicial Member or Technical or Administrative Member on employment after cessation of office.—(*1*) The Chairperson or Judicial Member or Technical or Administrative Member, ceasing to hold office as such shall not:—

(a) accept any employment in, or connected with, the management or administration of, any person or organisation which has been associated with any work under this Act, from the date on which he ceases to hold office:

Provided that nothing contained in this clause shall apply to any employment under the appropriate Government or a local authority or in any statutory authority or any corporation established by or under any Central, State or Provincial Act or a Government Company as defined under clause (*45*) of section 2 of the Companies Act, 2013 (18 of 2013), which is not a promoter as per the provisions of this Act;

(b) act, for or on behalf of any person or organisation in connection with any specific proceeding or transaction or negotiation or a case to which the Authority is a party and with respect to which the Chairperson or Judicial Member or Technical or Administrative Member had, before cessation of office, acted for or provided advice to, the Authority;

(c) give advice to any person using information which was obtained in his capacity as the Chairperson or Judicial Member or Technical or Administrative Member and being unavailable to or not being able to be made available to the public;

(d) enter into a contract of service with, or accept an appointment to a board of directors of, or accept an offer of employment with, an entity with which he had direct and significant official dealings during his term of office as such.

(*2*) The Chairperson or Judicial Member or Technical or Administrative Member shall not communicate or reveal to any person any matter which has been brought under his consideration or known to him while acting as such.

51. Officers and other employees of Appellate Tribunal.—(*1*) The appropriate Government shall provide the Appellate Tribunal with such officers and employees as it may deem fit.

(2) The officers and employees of the Appellate Tribunal shall discharge their functions under the general superintendence of its Chairperson.

(3) The salary and allowances payable to, and the other terms and conditions of service of, the officers and employees of the Appellate Tribunal shall be such as may be prescribed.

52. Vacancies.—If, for reason other than temporary absence, any vacancy occurs in the office of the Chairperson or a Member of the Appellate Tribunal, the appropriate Government shall appoint another person in accordance with the provisions of this Act to fill the vacancy and the proceedings may be continued before the Appellate Tribunal from the stage at which the vacancy is filled.

53. Powers of Tribunal.—(*1*)The Appellate Tribunal shall not be bound by the procedure laid down by the Code of Civil Procedure, 1908 (5 of 1908) but shall be guided by the principles of natural justice.

(2) Subject to the provisions of this Act, the Appellate Tribunal shall have power to regulate its own procedure.

(3) The Appellate Tribunal shall also not be bound by the rules of evidence contained in the Indian Evidence Act, 1872 (1 of 1872).

(4) The Appellate Tribunal shall have, for the purpose of discharging its functions under this Act, the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 (5 of 1908) in respect of the following matters, namely:—

(a) summoning and enforcing the attendance of any person and examining him on oath;

(b) requiring the discovery and production of documents;

(c) receiving evidence on affidavits;

(d) issuing commissions for the examinations of witnesses or documents;

(e) reviewing its decisions;

(f) dismissing an application for default or directing it *ex parte*; and

(g) any other matter which may be prescribed.

(5) All proceedings before the Appellate Tribunal shall be deemed to be judicial proceedings within the meaning of sections 193, 219 and 228 for the purposes of section 196 of the Indian Penal Code (45 of 1860), and the Appellate Tribunal shall be deemed to be civil court for the purposes of section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973 (2 of 1974).

54. Administrative powers of Chairperson of Appellate Tribunal.—The Chairperson shall have powers of general superintendence and direction in the conduct of the affairs of Appellate Tribunal and he shall, in addition to presiding over the meetings of the Appellate Tribunal, exercise and discharge such administrative powers and functions of the Appellate Tribunal as may be prescribed.

55. Vacancies, etc., not to invalidate proceeding of Appellate Tribunal.—No act or proceeding of the Appellate Tribunal shall be invalid merely by reason of—

(a) any vacancy in, or any defect in the constitution of, the Appellate Tribunal; or

(b) any defect in the appointment of a person acting as a Member of the Appellate Tribunal; or

(c) any irregularity in the procedure of the Appellate Tribunal not affecting the merits of the case.

56. Right to legal representation.—The applicant or appellant may either appear in person or authorise one or more chartered accountants or company secretaries or cost accountants or legal practitioners or any of its officers to present his or its case before the Appellate Tribunal or the Regulatory Authority or the adjudicating officer, as the case may be.

Explanation.—For the purposes of this section,—

(a) "chartered accountant" means a chartered accountant as defined in clause (*b*) of sub-section (*1*) of section 2 of the Chartered Accountants Act, 1949 (38 of 1949) or any other law for the time being in force and who has obtained a certificate of practice under sub-section (*1*) of section 6 of that Act;

(b) "company secretary" means a company secretary as defined in clause (*c*) of sub-section (*1*) of section 2 of the Company Secretaries Act, 1980 (56 of 1980) or any other law for the time being in force and who has obtained a certificate of practice under sub-section (*1*) of section 6 of that Act;

(c) "cost accountant" means a cost accountant as defined in clause (*b*) of sub-section (*1*) of section 2 of the Cost and Works Accountants Act, 1959 (23 of 1959) or any other law for the time being in force and who has obtained a certificate of practice under sub-section (*1*) of section 6 of that Act;

(d) "legal practitioner" means an advocate, vakil or an attorney of any High Court, and includes a pleader in practice.

57. Orders passed by Appellate Tribunal to be executable as a decree.—(*1*) Every order made by the Appellate Tribunal under this Act shall be executable by the Appellate Tribunal as a decree of civil court, and for this purpose, the Appellate Tribunal shall have all the powers of a civil court.

(*2*) Notwithstanding anything contained in sub-section (*1*), the Appellate Tribunal may transmit any order made by it to a civil court having local jurisdiction and such civil court shall execute the order as if it were a decree made by the court.

58. Appeal to High Court.—(*1*) Any person aggrieved by any decision or order of the Appellate Tribunal, may, file an appeal to the High Court, within a period of sixty days from the date of communication of the decision or order of the Appellate Tribunal, to him, on any one or more of the grounds specified in section 100 of the Code of Civil Procedure, 1908 (5 of 1908):

Provided that the High Court may entertain the appeal after the expiry of the said period of sixty days, if it is satisfied that the appellant was prevented by sufficient cause from preferring the appeal in time.

Explanation.—The expression "High Court" means the High Court of a State or Union territory where the real estate project is situated.

(*2*) No appeal shall lie against any decision or order made by the Appellate Tribunal with the consent of the parties.

CHAPTER VIII

OFFENCES, PENALTIES AND ADJUDICATION

59. Punishment for nonregistration under section 3.—(*1*) If any promoter contravenes the provisions of section 3, he shall be liable to a penalty which may extend up to ten per cent. of the estimated cost of the real estate project as determined by the Authority.

(*2*) If any promoter does not comply with the orders, decisions or directions issued under sub-section (*1*) or continues to violate the provisions of section 3, he shall be punishable with imprisonment for a term which may extend up to three years or with fine which may extend up to a further ten per cent. of the estimated cost of the real estate project, or with both.

60. Penalty for contravention of section 4.—If any promoter provides false information or contravenes the provisions of section 4, he shall be liable to a penalty which may extend up to five per cent. of the estimated cost of the real estate project, as determined by the Authority.

61. Penalty for contravention of other provisions of this Act.—If any promoter contravenes any other provisions of this Act, other than that provided under section 3 or section 4, or the rules or regulations made thereunder, he shall be liable to a penalty which may extend up to five per cent. of the estimated cost of the real estate project as determined by the Authority.

62. Penalty for nonregistration and contravention under sections 9 and 10.—If any real estate agent fails to comply with or contravenes the provisions of section 9 or section 10, he shall be liable to a penalty of ten thousand rupees for every day during which such default continues, which may cumulatively extend up to five per cent. of the cost of plot, apartment or building, as the case may be, of the real estate project, for which the sale or purchase has been facilitated as determined by the Authority.

63. Penalty for failure to comply with orders of Authority by promoter.—If any promoter, who fails to comply with, or contravenes any of the orders or directions of the Authority, he shall be liable to a penalty for every day during which such default continues, which may cumulatively extend up to five per cent., of the estimated cost of the real estate project as determined by the Authority.

64. Penalty for failure to comply with orders of Appellate Tribunal by promoter.—If any promoter, who fails to comply with, or contravenes any of the orders, decisions or directions of the

Appellate Tribunal, he shall be punishable with imprisonment for a term which may extend up to three years or with fine for every day during which such default continues, which may cumulatively extend up to ten per cent. of the estimated cost of the real estate project, or with both.

65. Penalty for failure to comply with orders of Authority by real estate agent.—If any real estate agent, who fails to comply with, or contravenes any of the orders or directions of the Authority, he shall be liable to a penalty for every day during which such default continues, which may cumulatively extend up to five per cent., of the estimated cost of plot, apartment or building, as the case may be, of the real estate project, for which the sale or purchase has been facilitated and as determined by the Authority.

66. Penalty for failure to comply with orders of Appellate Tribunal by real estate agent.—If any real estate agent, who fails to comply with, or contravenes any of the orders, decisions or directions of the Appellate Tribunal, he shall be punishable with imprisonment for a term which may extend up to one year or with fine for every day during which such default continues, which may cumulatively extend up to ten per cent. of the estimated cost of plot, apartment or building, as the case may be, of the real estate project, for which the sale or purchase has been facilitated, or with both.

67. Penalty for failure to comply with orders of Authority by allottee.—If any allottee, who fails to comply with, or contravenes any of the orders, decisions or directions of the Authority he shall be liable to a penalty for the period during which such default continues, which may cumulatively extend up to five per cent. of the plot, apartment or building cost, as the case may be, as determined by the Authority.

68. Penalty for failure to comply with orders of Appellate Tribunal by allottee.—If any allottee, who fails to comply with, or contravenes any of the orders or directions of the Appellate Tribunal, as the case may be, he shall be punishable with imprisonment for a term which may extend up to one year or with fine for every day during which such default continues, which may cumulatively extend up to ten per cent. of the plot, apartment or building cost, as the case may be, or with both.

69. Offences by companies.—(*1*) Where an Offence under this Act has been committed by a company, every person who, at the time, the offence was committed was in charge of, or was responsible to the company for the conduct of, the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section, shall render any such person liable to any punishment under this Act if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(*2*) Notwithstanding anything contained in sub-section (*1*), where an offence under this Act has been committed by a company, and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purpose of this section,—

(a) "company" means any body corporate and includes a firm, or other association of individuals; and

(b) "director" in relation to a firm, means a partner in the firm.

70. Compounding of offences.—Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), if any person is punished with imprisonment under this Act, the punishment may, either before or after the institution of the prosecution, be compounded by the court on such terms and conditions and on payment of such sums as may be prescribed:

Provided that the sum prescribed shall not, in any case, exceed the maximum amount of the fine which may be imposed for the offence so compounded.

71. Power to adjudicate.—(*1*) For the purpose of adjudging compensation under sections 12, 14, 18 and section 19, the Authority shall appoint, in consultation with the appropriate Government, one or more judicial officer as deemed necessary, who is or has been a District Judge to be an adjudicating officer for holding an inquiry in the prescribed manner, after giving any person concerned a reasonable opportunity of being heard:

Provided that 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 (68 of 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.

(2) The application for adjudging compensation under sub-section (*1*), shall be dealt with by the adjudicating officer as expeditiously as possible and dispose of the same within a period of sixty days from the date of receipt of the application:

Provided that where any such application could not be disposed of within the said period of sixty days, the adjudicating officer shall record his reasons in writing for not disposing of the application within that period.

(3) While holding an inquiry the adjudicating officer shall have power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document which in the opinion of the adjudicating officer, may be useful for or relevant to the subject matter of the inquiry and if, on such inquiry, he is satisfied that the person has failed to comply with the provisions of any of the sections specified in sub-section (*1*), he may direct to pay such compensation or interest, as the case any be, as he thinks fit in accordance with the provisions of any of those sections.

72. Factors to be taken into account by the adjudicating officer.—While adjudging the quantum of compensation or interest, as the case may be, under section 71, the adjudicating officer shall have due regard to the following factors, namely:—

(a) the amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;

(b) the amount of loss caused as a result of the default;

(c) the repetitive nature of the default;

(d) such other factors which the adjudicating officer considers necessary to the case in furtherance of justice.

CHAPTER IX

FINANCE, ACCOUNTS, AUDITS AND REPORTS

73. Grants and loans by Central Government.—The Central Government may, after due appropriation made by Parliament in this behalf, make to the Authority grants and loans of such sums of money as that Government may consider necessary.

74. Grants and loans by State Government.—The State Government may, after due appropriation made by State Legislature by law in this behalf, make to the Authority, grants and loans of such sums of money as the State Government may think fit for being utilised for the purposes of this Act.

75. Constitution of Fund.—(*1*) The appropriate Government shall constitute a fund to be called the 'Real Estate Regulatory Fund' and there shall be credited thereto,—

(a) all Government grants received by the Authority;

(b) the fees received under this Act;

(c) the interest accrued on the amounts referred to in clauses (*a*) to (*b*).

(2) The Fund shall be applied for meeting—

(a) the salaries and allowances payable to the Chairperson and other Members, the adjudicating officer and the administrative expenses including the salaries and allowances payable to the officers and other employees of the Authority and the Appellate Tribunal;

(b) the other expenses of the Authority in connection with the discharge of its functions and for the purposes of this Act.

(3) The Fund shall be administered by a committee of such Members of the Authority as may be determined by the Chairperson.

(4) The committee appointed under sub-section (*3*) shall spend monies out of the Fund for carrying out the objects for which the Fund has been constituted.

76. Crediting sums realised by way of penalties to Consolidated Fund of India or State account.—(*1*) All sums realised, by way of penalties, imposed by the Appellate Tribunal or the Authority, in the Union territories, shall be credited to the Consolidated Fund of India.

(*2*) All sums realised, by way of penalties, imposed by the Appellate Tribunal or the Authority, in a State, shall be credited to such account as the State Government may specify.

77. Budget, accounts and audit.—(*1*) The Authority shall prepare a budget, maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed by the appropriate Government in consultation with the Comptroller and Auditor General of India.

(2) The accounts of the Authority shall be audited by the Comptroller and Auditor General of India at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the Authority to the Comptroller and Auditor General of India.

(3) The Comptroller and Auditor-General and any person appointed by him in connection with the audit of the accounts of the Authority under this Act shall have the same rights and privileges and authority in connection with such audit as the Comptroller and Auditor General generally has in connection with the audit of Government accounts and, in particular shall have the right to demand and production of books, accounts, connected vouchers and other documents and papers, and to inspect any of the offices of the Authority.

(4) The accounts of the Authority, as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf, together with the audit report thereon shall be forwarded annually to the appropriate Government by the Authority and the appropriate Government shall cause the audit report to be laid, as soon as may be after it is received, before each House of Parliament or, as the case may be, before the State Legislature or the Union territory Legislature, where it consists of two Houses, or where such legislature consists of one House, before that House.

78. Annual report.—(*1*) The Authority shall prepare once in every year, in such form and at such time as may be prescribed by the appropriate Government,—

(a) a description of all the activities of the Authority for the previous year;

(b) the annual accounts for the previous year; and

(c) the programmes of work for the coming year.

(*2*) A copy of the report received under sub-section (*1*) shall be laid, as soon as may be after it is received, before each House of Parliament or, as the case may be, before the State Legislature or the Union Territory Legislature, where it consists of two Houses, or where such legislature consists of one House, before that House.

CHAPTER X

MISCELLANEOUS

79. Bar of jurisdiction.—No civil court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which the Authority or the adjudicating officer or the Appellate Tribunal is empowered by or under this Act to determine and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act.

80. Cognizance of offences.—(*1*) No court shall take cognizance of any offence punishable under this Act or the rules or regulations made thereunder save on a complaint in writing made by the Authority or by any officer of the Authority duly authorised by it for this purpose.

(*2*) No court inferior to that of a Metropolitan Magistrate or a Judicial Magistrate of the first class shall try any offence punishable under this Act.

81. Delegation.—The Authority may, by general or special order in writing, delegate to any member, officer of the Authority or any other person subject to such conditions, if any, as may be specified in the order, such of its powers and functions under this Act (except the power to make regulations under section 85), as it may deem necessary.

82. Power of appropriate Government to supersede Authority.—(*1*) If, at any time, the appropriate Government is of the opinion,—

(a) that, on account of circumstances beyond the control of the Authority, it is unable to discharge the functions or perform the duties imposed on it by or under the provisions of this Act; or

(b) that the Authority has persistently defaulted in complying with any direction given by the appropriate Government under this Act or in the discharge of the functions or performance of the duties imposed on it by or under the provisions of this Act and as a result of such default the financial position of the Authority or the administration of the Authority has suffered; or

(c) that circumstances exist which render it necessary in the public interest so to do,

the appropriate Government may, by notification, supersede the Authority for such period, not exceeding six months, as may be specified in the notification and appoint a person or persons as the President or the Governor, as the case may be, may direct to exercise powers and discharge functions under this Act:

Provided that before issuing any such notification, the appropriate Government shall give a reasonable opportunity to the Authority to make representations against the proposed supersession and shall consider the representations, if any, of the Authority.

(2) Upon the publication of a notification under sub-section (*1*) superseding the Authority,—

(a) the Chairperson and other Members shall, as from the date of supersession, vacate their offices as such;

(b) all the powers, functions and duties which may, by or under the provisions of this Act, be exercised or discharged by or on behalf of the Authority shall, until the Authority is reconstituted under sub-section (*3*), be exercised and discharged by the person or persons referred to in sub-section (*1*); and

(c) all properties owned or controlled by the Authority shall, until the Authority is reconstituted under sub-section (*3*), vest in the appropriate Government.

(3) On or before the expiration of the period of supersession specified in the notification issued under sub-section (*1*), the appropriate Government shall reconstitute the Authority by a fresh appointment of its Chairperson and other members and in such case any person who had vacated his office under clause (*a*) of sub-section (*2*) shall not be deemed to be disqualified for re-appointment.

(4) The appropriate Government shall cause a copy of the notification issued under sub-section (*1*) and a full report of any action taken under this section and the circumstances leading to such action to be laid before each House of Parliament or, as the case may be, before the State Legislature, or the Union

Territory Legislature, as the case may be, where it consists of two Houses, or where such legislature consists of one House, before that House.

83. Powers of appropriate Government to issue directions to Authority and obtain reports and returns.—(*1*) Without prejudice to the foregoing provisions of this Act, the Authority shall, in exercise of its powers and in performance of its functions under this Act, be bound by such directions on questions of policy, as the appropriate Government may give in writing to it from time to time:

Provided that the Authority shall, as far as practicable, be given an opportunity to express its views before any direction is given under this sub-section.

(2) If any dispute arises between the appropriate Government and the Authority as to whether a question is or is not a question of policy, the decision of the appropriate Government thereon shall be final.

(3) The Authority shall furnish to the appropriate Government such returns or other information with respect to its activities as the appropriate Government may, from time to time, require.

84. Power of appropriate Government to make rules.—(*1*) The appropriate Government shall, within a period of six months of the commencement of this Act, by notification, make rules for carrying out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

[1][(*a*) the form, time and manner of making application and fees payable therewith under sub-section (*1*) of section 4;

(*ab*) information and documents for application to the Authority for registration under clause (*m*) of sub-section (*2*) of section 4;

(*ac*) the form of application and the fees for extension of registration under section 6;]

(b) the form and manner of making application and fee and documents to be accompanied with such application as under sub-section (*2*) of section 9;

(c) the period, manner and conditions under which the registration is to be granted under sub-section (*3*) of section 9;

(d) the validity of the period of registration and the manner and fee for renewal under sub-section (*6*) of section 9;

(e) the maintenance and preservation of books of account, records and documents under clause (*b*) of section 10;

(f) the discharge of other functions by the real estate agent under clause (*e*) of section 10;

(g) the rate of interest payable under section 12;

(h) the form and particulars of agreement for sale under sub-section (*2*) of section 13;

(i) the rate of interest payable under clause (*b*) of sub-section (*1*) of section 18;

(j) the rate of interest payable under sub-section (*4*) of section 19;

(k) the rate of interest payable under sub-section (*7*) of section 19;

(l) the manner of selection of Chairperson and Members of Authority under section 22;

(m) the salaries and allowances payable to, and the other terms and conditions of service of, the Chairperson and other Members of the Authority under sub-section (*1*) of section 24;

(n) the administrative powers of the Chairpersons under section 25;

1. Subs. by the Real Estate (Regulation and Development) Removal of Difficulties Order, 2016 [S.O. 3347(E)], for clause (*a*) (w.e.f. 28-10-2016).

(o) the salaries and allowances payable to, and the other terms and conditions of service of, the officers and other employees of the Authority under sub-section (*2*) of section 28;

[1][(*oa*) the form, manner and fees for filing of a complaint under sub-section (*2*) of section 31;]

(p) the details to be published on the website as under clause (*b*) and under clause (*d*) of section 34;

(q) the additional functions which may be performed by the Authority under clause (*iv*) of sub-section (*2*) of section 35;

(r) the manner of recovery of interest, penalty and compensation under sub-section (*1*) of section 40;

(s) the manner of implementation of the order, direction or decisions of the adjudicating officer, the Authority or the Appellate Tribunal under sub-section (*2*) of section 40;

(t) recommendations received from the Central Advisory Council under sub-section (*2*) of section 42;

(u) the form and manner and fee for filing of appeal under sub-section (*2*) of section 44;

(v) the manner of selection of Members of the Tribunal under sub-section (*3*) of section 46;

(w) the salaries and allowances payable to, and the other terms and conditions of service of, the Chairperson and other Members of the Appellate Tribunal under sub-section (*1*) of section 48;

(x) the procedure for inquiry of the charges against the Chairperson or Judicial Member of the Tribunal under sub-section (*4*) of section 49;

(y) the salaries and allowances payable to, and the other terms and conditions of service of, the officers and employees of the Appellate Tribunal under sub-section (*3*) of section 51;

(z) any other powers of the Tribunal under clause (*g*) of sub-section (*4*) of section 53;

(*za*) the powers of the Chairperson of the Appellate Tribunal under section 54;

(*zb*) the terms and conditions and the payment of such sum for compounding of the offences under section 70;

(*zc*) the manner of inquiry under sub-section (*1*) of section 71;

(*zd*) the form to be specified in which the Authority shall prepare a budget, maintain proper accounts and other relevant records and prepare an annual statement of accounts under sub-section (*1*) of section 77;

(*ze*) the form in which and time at which the Authority shall prepare an annual report under sub-section (*1*) of section 78;

(*zf*) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be made, by rules.

85. Power to make regulations.—(*1*) The Authority shall, within a period of three months of its establishment, by notification, make regulations, consistent with this Act and the rules made thereunder to carry out the purposes of this Act.

(*2*) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:—

[2]*   *   *   *   *

(c) such other information and documents required under clause (*f*) of sub-section (*1*) of section 11;

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1. Ins. by the Real Estate (Regulation and Development) Removal of Difficulties Order, 2016 [S.O. 3347(E)], (w.e.f. 28-10-2016).
2. Omitted by *ibid*. (w.e.f. 28-10-2016).

(d) display of sanctioned plans, layout plans along with specifications, approved by the competent authority, for display under clause (*a*) of sub-section (*3*) of section 11;

(e) preparation and maintenance of other details under sub-section (*6*) of section 11;

(f) time, places and the procedure in regard to transaction of business at the meetings of the Authority under sub-section (*1*) of section 29;

[1]* * * * *

(h) standard fees to be levied on the promoter, the allottees or the real estate agent under clause (*e*) of section 34;

(i) any other matter which is required to be, or may be, specified by regulation or in respect of which provision is to be made by regulations.

86. Laying of rules.—(*1*) Every rule made by the Central Government, every regulation made by the Authority under the Union territory of Delhi and the Union territories without Legislature and every notification issued by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or in the notification, as the case may be, or both Houses agree that the rule or regulation or the notification should not be made, the rule or regulation or notification, as the case may be, shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation or notification, as the case may be.

(*2*) Every rule made by a State Government or the Union territory Government, as the case may be, every regulation made by the Authority under the State Government or [2][the Union territory Government of Puducherry or the Union territory Government of Jammu and Kashmir], as the case may be, and every notification issued by the State Government or [2][the Union territory Government of Puducherry or the Union territory Government of Jammu and Kashmir], as the case may be, under this Act, shall be laid as soon as may be, after it is made, before the State Legislature, or the Union territory Legislature, as the case may be, where it consists of two Houses, or where such legislature consists of one House, before that House.

87. Members, etc., to be public servants.—The Chairperson, Members and other officers and employees of the Authority, and the Appellate Tribunal and the adjudicating officer shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code (45 of 1860).

88. Application of other laws not barred.—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.

89. Act to have overriding effect.—The provisions of this Act shall have effect, notwithstanding anything inconsistent therewith contained in any other law for the time being in force.

90. Protection of action taken in good faith.—No suit, prosecution or other legal proceedings shall lie against the appropriate Government or the Authority or any officer of the appropriate Government or any member, officer or other employees of the Authority for anything which is in good faith done or intended to be done under this Act or the rules or regulations made thereunder.

91. Power to remove difficulties.—(*1*) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty:

Provided that no order shall be made under this section after the expiry of two years from the date of the commencement of this Act.

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1. Omitted by the Real Estate (Regulation and Development) Removal of Difficulties Order, 2016 [S.O. 3347 (E)], (w.e.f. 28-10-2016).

2. Subs. by the Jammu and Kashmir Reorganization (Adaptation of Central Laws) Third Order, 2020, *vide* notification No. S.O. 3807(E) dated (26-10-2020).

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

92. Repeal.—The Maharashtra Housing (Regulation and Development) Act, 2012 (Maharashtra Act No. II of 2014) is hereby repealed.

The Real Estate (Regulation and Development) Act, 2016 (RERA Act, 2016) Executive Summary

1. Introduction to the Real Estate (Regulation and Development) Act, 2016 (RERA Act 2016)

The real estate industry in India has long been a vital part of the nation's economy, but for decades it lacked a clear regulatory structure. Homebuyers often faced challenges such as project delays, misleading advertisements, hidden costs, and poor construction quality. Developers, too, struggled with unclear approval systems and inconsistent state regulations. To address these long-standing issues and bring order, trust, and transparency into the housing market, the Government of India introduced The Real Estate (Regulation and Development) Act, 2016 (RERA Act 2016).

This landmark legislation established a transparent and accountable system to protect consumers and promote fair business practices. It became the first comprehensive law to standardise how real estate projects are marketed, sold, and executed. By creating the Real Estate Regulatory Authority (RERA) in each state and union territory, the Act ensured that every stakeholder — from developers and agents to homebuyers — operates under a uniform, lawful framework.

The Real Estate Regulation and Development Act 2016 Bare Act PDF Download reflects the spirit of reform that India's property market needed. It is not just a legal text but a statement of intent: to ensure that every rupee invested by a homebuyer leads to a secure, timely, and lawful delivery of property.

Key Objectives of the RERA Act 2016

The RERA Act was designed to achieve a balance between consumer protection and industry regulation. Its objectives can be summarised as follows:

- **Transparency:** Mandatory registration of projects and public disclosure of all essential project details.
- **Accountability:** Developers are held responsible for adhering to approved plans, quality standards, and delivery timelines.
- **Consumer Protection:** Empowering homebuyers with clear rights and access to grievance redressal mechanisms.
- **Financial Discipline:** Ensuring that funds collected from buyers are used strictly for the purpose of the specific project.
- **Market Stability:** Promoting a fair, competitive, and professional real estate environment.

Why the RERA Act 2016 Was Needed

Before this legislation, the real estate sector operated with limited oversight. Buyers had little recourse if developers defaulted on commitments, while state-level laws varied widely. The RERA Act 2016 Executive Summary Corrida Legal underlines how this law transformed the landscape:

- It made registration and disclosure mandatory for every real estate project before sale or marketing.

- Developers are now required to deposit 70% of buyer funds into a dedicated escrow account to prevent misuse.
- Homebuyers gained the legal right to timely possession, refund, or compensation for delays.
- A centralised authority was created to adjudicate disputes swiftly without lengthy court battles.

Broader Impact on the Real Estate Sector

The Real Estate Regulatory Authority Rules and Compliance PDF shows that this Act has changed the very character of India's housing market. Developers now function with greater credibility, buyers are more confident, and the overall sector has become more transparent. Over time, RERA has improved market discipline and reduced speculative activity, ensuring that projects move from planning to possession more efficiently.

Highlights of What the Act Covers

The Act governs:

- Registration of new and ongoing real estate projects.
- Licensing of agents and promoters.
- Disclosure of project details to the public.
- Buyer and developer rights and obligations.
- Dispute resolution mechanisms.
- Enforcement of penalties for non-compliance.

The RERA Act 2016 Key Provisions and Summary Corrida Legal highlights that this legislation is not only a buyer's safeguard but also a roadmap for responsible business conduct. It builds an ecosystem where trust replaces uncertainty, and legal structure replaces ambiguity.

By regulating the complex dynamics between developers, agents, and homebuyers, the Real Estate Regulation Act 2016 Registration and Penalties PDF ensures that the dream of owning a home is grounded in legal protection and ethical business practice. This transformative law continues to reinforce India's progress toward a transparent, efficient, and consumer-friendly real estate sector.

2. Objectives, Scope, and Applicability under the RERA Act 2016 Executive Summary Corrida Legal

The Real Estate (Regulation and Development) Act, 2016 was enacted with a clear intent — to restore confidence in India's housing market and protect the interests of homebuyers while bringing accountability to developers and real estate agents. The Act applies uniformly across the country and sets out the foundation for fair, transparent, and efficient property transactions. Its scope extends beyond consumer protection to include structural reform of how the entire real estate ecosystem functions.

The RERA Act 2016 Executive Summary Corrida Legal outlines that this law was never meant to restrict business but to ensure that business is conducted responsibly. It redefined the relationship between buyers and promoters, ensuring that promises made on paper translate into projects delivered in reality.

2.1 Core Objectives of the RERA Act 2016

The Act's objectives are multifaceted, aimed at both protecting consumers and professionalising the sector. They include:

- **Ensuring transparency:** Every real estate project must disclose detailed information about layout plans, approvals, contractors, timelines, and financial status on the RERA website.

- **Promoting accountability:** Developers must adhere strictly to sanctioned plans and maintain financial integrity by utilising buyer funds only for the registered project.
- **Securing buyer confidence:** Homebuyers are granted rights to timely possession, refunds, and interest in case of delay or breach.
- **Creating a regulatory structure:** The establishment of the Real Estate Regulatory Authority (RERA) in every state ensures consistent enforcement.
- **Balancing interests:** The Act maintains equilibrium between the legitimate interests of developers and the protection of buyers.

Each of these objectives aligns with the broader goal of promoting ethical growth and long-term sustainability in India's real estate industry.

2.2 Scope of Application

The scope of the Real Estate Regulation and Development Act 2016 Bare Act PDF Download is comprehensive, covering a wide range of entities and activities within the property development chain. It applies to:

- Residential and commercial real estate projects exceeding 500 square metres or involving more than eight units.
- Ongoing projects without a completion certificate at the time of the Act's enforcement.
- Promoters and developers engaged in construction, marketing, or sale of real estate units.
- Real estate agents and brokers involved in facilitating property transactions.
- Buyers or allottees purchasing property directly from a registered developer.

The Act applies uniformly across all states and union territories, with each establishing its own Real Estate Regulatory Authority (RERA) and Appellate Tribunal to enforce compliance.

2.3 Key Exemptions

While broad in scope, the Real Estate Regulatory Authority Rules and Compliance PDF specifies certain exemptions. Projects not covered under the Act include:

- Projects smaller than the prescribed size threshold (below 500 square metres or eight units).
- Renovation or repair projects that do not involve marketing or new allotments.
- Industrial and government-owned development works not offered for sale.

These exemptions ensure that the law focuses on large-scale projects affecting public interest while keeping small-scale developments outside the compliance burden.

2.4 Central and State Coordination

The Act's effectiveness relies heavily on coordination between the Central Government and State Governments. The central law provides the legislative framework, while each state notifies its own RERA rules and establishes its regulatory authority. The RERA Act 2016 Key Provisions and Summary Corrida Legal explains that this structure allows flexibility while maintaining uniformity across the country.

Each state authority is responsible for:

- Registering and monitoring real estate projects.
- Publishing project information online for public access.

- Conducting hearings and resolving disputes.
- Enforcing penalties for violations.
- Reporting compliance and progress to the central government.

This decentralised system ensures that RERA functions effectively across India, adapting to local market conditions while adhering to national legal standards.

2.5 Alignment with Other Laws and Policies

The Real Estate Regulation Act 2016 Registration and Penalties PDF aligns closely with India's broader legal and policy framework, complementing existing laws such as:

- The Indian Contract Act, 1872 — ensuring enforceability of property contracts.
- The Consumer Protection Act, 2019 — providing remedies for unfair trade practices.
- The Insolvency and Bankruptcy Code, 2016 — protecting homebuyers as financial creditors.
- The Benami Transactions (Prohibition) Act, 1988 — preventing misuse of property ownership.

This alignment ensures that RERA operates harmoniously within the legal ecosystem, creating a unified approach to real estate governance.

2.6 Broader Impact of Applicability

Since its enactment, the RERA Act has dramatically altered how real estate operates in India. Developers must now meet stricter disclosure norms, buyers can access project details online, and agents are bound by licensing requirements. The RERA Act 2016 Consumer Rights and Developer Obligations PDF demonstrates how this shift has improved investor confidence, curbed unethical practices, and brought credibility to the real estate market.

By defining its objectives and scope with clarity, the RERA Act 2016 has created a predictable, transparent, and legally sound framework that benefits all stakeholders. Its reach ensures that whether a project is in a metropolitan city or a small township, the same rules of fairness and accountability apply.

Through this strong legal foundation, the Act continues to empower India's real estate industry to grow with integrity, ensuring that every homebuyer's investment is safeguarded and every developer operates within a system of trust and responsibility.

3. Key Definitions and Concepts under the Real Estate Regulatory Authority Rules and Compliance PDF

Every effective law begins with clear definitions, and the Real Estate (Regulation and Development) Act, 2016 is no exception. To ensure uniform interpretation and prevent disputes, the Act precisely defines terms that govern real estate transactions and relationships among buyers, developers, and agents. Understanding these definitions is essential for applying the law correctly and maintaining compliance across projects and jurisdictions.

The Real Estate Regulatory Authority Rules and Compliance PDF serves as a guide for interpreting these core terms, helping legal practitioners, builders, and consumers understand their respective positions under the law.

3.1 Promoter

A promoter refers to any person or entity that develops or constructs a building, apartment, or plot for sale. It also includes developers who convert existing structures into apartments or act on behalf of owners in marketing projects. The definition ensures that even joint ventures and landowners with development rights come within the Act's ambit.

Promoters are the central figures in real estate development, and under the RERA framework, they carry the primary responsibility for registration, disclosure, and compliance.

3.2 Allottee

An allottee is a buyer who has been allotted or sold a unit, apartment, or plot by a promoter. The Real Estate Regulation and Development Act 2016 Bare Act PDF Download includes within this term those who have agreed to buy property but have not yet taken possession. Allottees are entitled to timely possession, information about the project, and protection against false representation or delay.

This definition ensures that homebuyers are recognised not just as consumers but as stakeholders with enforceable rights.

3.3 Real Estate Project

A real estate project includes the development of buildings, conversion of existing structures, or development of land into plots or apartments for sale. The RERA Act mandates that every such project must be registered with the respective state authority before advertising, marketing, or selling any unit.

This ensures that projects are transparent, financially secure, and executed under the supervision of the Real Estate Regulatory Authority.

3.4 Carpet Area

Carpet area refers to the net usable floor area within an apartment, excluding walls, balconies, and other non-usable spaces. The RERA Act 2016 Executive Summary Corrida Legal made it mandatory for developers to sell property based on carpet area rather than super built-up area.

This definition revolutionised property transactions by providing clarity and eliminating deceptive pricing practices that previously led to disputes between buyers and builders.

3.5 Advertisement

Advertisement under RERA includes any form of public communication that markets a real estate project, whether through print, digital media, or physical display. The Real Estate Regulation Act 2016 Registration and Penalties PDF clarifies that no advertisement can be issued unless the project is duly registered.

This prevents misleading marketing and ensures that buyers rely on authentic, verified project information published on official RERA websites.

3.6 Completion Certificate and Occupancy Certificate

A completion certificate is issued by the local authority confirming that the project complies with sanctioned plans and legal requirements. An occupancy certificate follows, authorising occupation of the building. These documents are crucial in determining whether a project is ready for possession or still under development.

The RERA framework makes it illegal to hand over possession or advertise completion before obtaining these certificates, ensuring that buyers occupy safe, lawful properties.

3.7 Ongoing Project

An ongoing project refers to any development that was not completed or did not have a completion certificate at the time the Act came into force. Such projects were required to be registered retrospectively. This brought several previously unregulated projects under the purview of RERA, offering long-awaited protection to buyers.

3.8 Real Estate Agent

A real estate agent is any person who facilitates the sale or purchase of a property for commission. The RERA Act 2016 Key Provisions and Summary Corrida Legal mandates that agents must be registered with the respective RERA authority and hold valid licenses to operate. They must also ensure that only registered projects are marketed to clients.

This formalised structure eliminated the informal brokerage practices that once dominated the sector and introduced professional accountability to real estate transactions.

3.9 Structural Defect

A structural defect includes faults in design, workmanship, or quality that affect the building's safety or utility. Developers are liable to rectify such defects within five years of possession without additional cost to the buyer. This provision ensures lasting quality assurance and protects homeowners from post-possession risks.

3.10 Relevance of Definitions

These definitions form the foundation of the RERA Act's enforcement. Each term eliminates ambiguity and establishes clear lines of responsibility. The RERA Act 2016 Consumer Rights and Developer Obligations PDF emphasises that clarity in definitions prevents misuse of language and ensures consistent application across India.

4. Registration and Approval Process under the RERA Act 2016 Key Provisions and Summary Corrida Legal

The Real Estate (Regulation and Development) Act, 2016 introduced one of the most impactful reforms in India's property sector — the mandatory registration of real estate projects and agents. Before this law came into effect, many builders launched and marketed projects without securing approvals, often leading to delays, incomplete constructions, and financial losses for buyers. RERA changed this landscape completely by establishing a transparent and traceable registration system.

The RERA Act 2016 Key Provisions and Summary Corrida Legal explains that no developer can advertise, market, book, or sell any part of a real estate project unless it is first registered with the respective state's Real Estate Regulatory Authority. This requirement ensures that only approved and legally compliant projects reach the market, providing buyers with an assurance of safety and accountability.

4.1 Mandatory Registration of Real Estate Projects

Every promoter or developer must register their project with RERA before launching it for public sale. This rule applies to both residential and commercial projects exceeding 500 square metres or involving more than eight units. Even ongoing projects without completion certificates must be registered.

The registration process helps authorities monitor project timelines, verify legal permissions, and safeguard buyer investments. It also prevents developers from using funds collected for one project on another.

4.2 Documents Required for Registration

To obtain registration, the promoter must submit detailed documentation. The Real Estate Regulation and Development Act 2016 Bare Act PDF Download lists the following key requirements:

- Authenticated copies of land ownership and title deeds.
- Approved building plans, layout designs, and development permissions.
- Timeline for completion and delivery schedule.
- Details of contractors, engineers, and architects associated with the project.
- Financial statements and project cost structure.
- Declaration that 70% of the amounts received from buyers will be deposited in a dedicated bank account for project use only.

These documents serve as a guarantee of legitimacy and form the basis for the public information available on the official RERA website.

4.3 Registration of Real Estate Agents

RERA also brought structure to the intermediary segment of the market by making it mandatory for real estate agents to register. The Real Estate Regulation Act 2016 Registration and Penalties PDF explains that no agent can facilitate the sale or purchase of property without valid registration.

Key conditions for agent registration include:

- Submission of business credentials, PAN, and proof of address.
- Disclosure of any prior criminal or civil violations.
- Commitment to transact only in registered projects.

Registered agents are issued unique identification numbers, which they must quote in all transactions and advertisements. This step significantly reduced fraudulent and unverified property dealings.

4.4 Application and Approval Procedure

Once an application is submitted, the Real Estate Regulatory Authority examines the details and verifies compliance. If satisfied, it grants a registration number that remains valid for the project's duration.

The **RERA Act 2016 Executive Summary Corrida Legal** outlines that the authority must process registration within 30 days, ensuring efficiency and predictability. If the application is rejected, the promoter must be informed with reasons, allowing them to correct deficiencies and reapply.

This transparent procedure minimises delays and promotes professionalism among developers.

4.5 Display of Registration Details

Every registered project must prominently display its RERA registration number in all advertisements, brochures, and websites. This allows potential buyers to verify the project's legal status directly through the RERA portal.

The Real Estate Regulatory Authority Rules and Compliance PDF emphasises that buyers can access full project details, including:

- Sanctioned layout and plans.
- Progress of construction.
- Names of contractors and promoters.
- Approvals obtained from local authorities.
- Financial disclosures and escrow account details.

This public accessibility transformed the real estate market into an open and verifiable space, where information is no longer hidden behind promotional promises.

4.6 Validity and Renewal of Registration

The registration is valid for the period declared by the promoter during application. If a project is delayed, an extension may be granted by RERA under justified circumstances, such as force majeure. However, failure to complete within the registered timeline without approval attracts penalties and possible cancellation.

Extensions, when allowed, are limited and carefully scrutinised, ensuring that developers cannot misuse them to indefinitely postpone projects.

4.7 Penalties for Non-Registration

The RERA Act 2016 Consumer Rights and Developer Obligations PDF sets strict penalties for non-compliance. Developers who advertise or sell without registration can face fines up to 10% of the project cost and imprisonment for repeat offences. Similarly, unregistered agents involved in such transactions can be penalised heavily or barred from future dealings.

These penalties serve as deterrents and reinforce the seriousness of compliance under RERA.

4.8 Benefits of Mandatory Registration

Mandatory registration under RERA has been a turning point for India’s property sector. It has introduced transparency, instilled buyer confidence, and improved project delivery standards. Key benefits include:

- Assurance that funds are utilised only for the specific project.
- Access to verified information about developers and timelines.
- Reduction in fraudulent pre-launch schemes.
- Legal protection for homebuyers against defaulting promoters.
- Improved investor trust in the real estate market.

Through this framework, the RERA Act 2016 Key Provisions and Summary Corrida Legal established a culture of discipline and documentation in real estate transactions.

By making registration the cornerstone of project approval, RERA ensured that every building, advertisement, and sale is backed by legality and transparency. This single reform reshaped India’s property market into a system that values integrity, compliance, and accountability over unchecked commercial gain.

5. Rights and Obligations of Promoters and Developers under the Real Estate Regulation Act 2016 Registration and Penalties PDF

The Real Estate (Regulation and Development) Act, 2016 sets out a balanced framework of rights and obligations for promoters and developers. It ensures that while they have the freedom to conduct business, they must do so responsibly and transparently. The Act introduces a shift from a loosely monitored sector to a structured environment where developers are accountable to both the law and the homebuyer.

The Real Estate Regulation Act 2016 Registration and Penalties PDF outlines that every promoter must uphold fair practices, honour commitments made to allottees, and maintain financial discipline. By defining these obligations, the law has established a culture of responsibility that strengthens consumer trust and promotes ethical growth within the real estate industry.

5.1 Mandatory Disclosures by Promoters

Before marketing or selling a property, every developer must make comprehensive disclosures to the Real Estate Regulatory Authority. These disclosures, verified during the registration process, ensure that buyers have full knowledge of what they are investing in. Key details include:

- Title of the land and proof of ownership.
- Layout plan, specifications, and sanctioned design.
- Details of approvals and pending permissions.
- Project timelines and completion schedules.
- Details of contractors, engineers, and architects.

- Information on any encumbrances or litigations related to the project.

The purpose is to replace ambiguity with transparency, allowing buyers to make informed decisions based on verified data.

5.2 Financial Accountability and Escrow Mechanism

One of the most crucial reforms under the RERA Act 2016 Executive Summary Corrida Legal is the financial safeguard introduced through the 70 percent escrow rule. Developers are required to deposit seventy percent of the funds received from buyers into a separate bank account dedicated to that specific project.

This amount can be withdrawn only in proportion to the stage of construction and after certification by an engineer, architect, and chartered accountant. This rule prevents diversion of funds to other projects, which was a common cause of delay and project failure before the enactment of the law.

5.3 Adherence to Approved Plans and Specifications

Developers are bound to follow the sanctioned layout and building plans as approved by competent authorities. Any alteration or deviation can be made only with the consent of two-thirds of allottees. The Real Estate Regulation and Development Act 2016 Bare Act PDF Download ensures that this provision protects buyers from unexpected changes in project design, layout, or amenities that could otherwise affect the property's value or usability.

This rule has significantly improved construction quality and promoted fairness by holding promoters accountable for every modification.

5.4 Timely Completion and Delivery of Projects

The RERA Act mandates that every project be completed within the time period mentioned during registration. Delays without valid reasons can attract heavy penalties and compensation claims. If the project is not delivered on time, buyers have the right to withdraw and claim a full refund with interest or choose to remain and receive compensation for the delay.

By enforcing these deadlines, the law has introduced a sense of discipline and professionalism into real estate development.

5.5 Structural Defects and Quality Assurance

Developers are responsible for ensuring construction quality. In case of any structural defects or deficiencies in workmanship, quality, or services, the promoter must rectify them within five years from the date of possession at no extra cost. The Real Estate Regulatory Authority Rules and Compliance PDF makes this provision a key protection for homebuyers, ensuring that property value and safety are not compromised after delivery.

This accountability clause ensures lasting consumer confidence and promotes long-term reliability in housing projects.

5.6 Obligations Regarding Conveyance and Possession

Upon completion, the promoter must hand over possession and execute a registered conveyance deed in favour of the allottee within the time specified. Additionally, all common areas, facilities, and documents must be transferred to the association of allottees.

Failure to do so can result in penalties and further legal action. This ensures that ownership rights are not delayed or withheld once the project is finished.

5.7 Marketing and Advertisement Regulations

Before issuing any advertisement or promotional content, developers must mention their RERA registration

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number. All promotional material must be accurate and consistent with the approved project details. Any misleading advertisement constitutes a punishable offence under the Real Estate Regulation Act 2016 Registration and Penalties PDF.

This restriction has eliminated false claims and misleading campaigns that once dominated the market.

5.8 Rights of Promoters

While the law imposes several obligations, it also recognises certain rights of developers, such as:

- Right to receive payments as per the sale agreement.
- Right to amend plans with due consent of allottees.
- Right to be compensated for legitimate delays caused by government approvals or unforeseen events.
- Right to approach the Appellate Tribunal for dispute resolution.

These rights maintain balance, ensuring that developers are not overburdened and can operate within a fair and predictable legal structure.

5.9 Penalties for Non-Compliance

Non-compliance with any provision of the Act leads to strict penalties. Developers who fail to register, delay possession, or provide false information can face fines up to ten percent of the project cost. Repeat offenders may face imprisonment of up to three years.

The Real Estate Regulation Act 2016 Registration and Penalties PDF underscores that these penalties are not punitive alone — they are preventive measures designed to deter misconduct and preserve the integrity of the market.

5.10 Significance of Compliance

The introduction of RERA has reshaped the relationship between developers and buyers into one based on trust, fairness, and transparency. Developers who comply not only avoid penalties but also gain long-term credibility and goodwill in the market.

The Real Estate Regulation Act 2016 Registration and Penalties PDF demonstrates that these obligations serve a larger purpose — to create a responsible and reliable real estate environment where both investment and integrity can thrive together.

By defining clear duties, imposing accountability, and guaranteeing buyer protection, RERA has successfully transformed India’s real estate sector from an unregulated marketplace into a lawful, transparent, and consumer-oriented system that encourages ethical business and sustainable growth.

6. Rights and Protections for Homebuyers under the RERA Act 2016 Consumer Rights and Developer Obligations PDF

Before the Real Estate (Regulation and Development) Act, 2016 came into force, homebuyers in India often found themselves in uncertain situations. Many invested their life savings into housing projects that were delayed, altered, or abandoned without clear legal remedies. The RERA Act changed this imbalance permanently by giving homebuyers a strong legal voice. It created a framework where buyers are not passive investors but recognised stakeholders with enforceable rights and protections.

The RERA Act 2016 Consumer Rights and Developer Obligations PDF serves as a charter of rights for property purchasers. It ensures transparency, timely possession, financial security, and accessible grievance redressal, marking a significant shift in how consumer protection operates within the real estate industry.

6.1 Right to Full Disclosure and Transparency

Every homebuyer is entitled to complete transparency from the developer. Before booking or purchase, the promoter must share detailed project information such as layout plans, land title, approvals, and completion timelines. The Real Estate Regulation and Development Act 2016 Bare Act PDF Download mandates that all such details be published on the official RERA website for public access.

This eliminates the secrecy that once surrounded real estate transactions and allows buyers to verify all project details before investing.

6.2 Right to Timely Possession

Timely delivery of property is one of the most important rights under RERA. Developers must adhere to the deadlines declared at the time of registration. If possession is delayed, buyers have two options — withdraw and receive a full refund with interest, or remain invested and receive compensation for each month of delay.

The RERA Act 2016 Executive Summary Corrida Legal highlights that this provision ensures accountability and discourages developers from making unrealistic promises about completion dates.

6.3 Right to Refund, Interest, and Compensation

If a promoter fails to deliver as promised, misrepresents facts, or violates approved plans, buyers can claim a refund of the amount paid along with interest. Additionally, they are entitled to compensation for any loss caused by the delay or defect. The Real Estate Regulation Act 2016 Registration and Penalties PDF provides a legal route for such claims, ensuring that buyers no longer rely on lengthy consumer court proceedings.

This provision builds confidence and protects individuals who invest in real estate as a long-term asset rather than speculative venture.

6.4 Right to Accurate Measurement and Carpet Area

The Act introduced a major reform by standardising the concept of “carpet area.” Developers can now sell apartments only based on the net usable floor area, not on super built-up or arbitrary calculations. If the final carpet area differs from what was agreed upon, buyers have the right to claim refund or adjustment in price.

This change, recorded in the Real Estate Regulatory Authority Rules and Compliance PDF, made property pricing more transparent and uniform across the country.

6.5 Right to Defect Liability Protection

If a buyer notices structural defects, poor workmanship, or substandard materials within five years of taking possession, the developer is legally bound to fix them at no extra cost. The Real Estate Regulation Act 2016 Registration and Penalties PDF enforces this clause to ensure long-term safety and value for property owners.

It protects buyers not just at the time of purchase but through the initial years of occupancy, making the law one of the strongest in consumer protection globally.

6.6 Right to Fair Contract Terms

RERA prohibits one-sided contracts that favour developers. All sale agreements must be balanced, clearly stating the obligations of both parties. Clauses regarding payment schedules, possession dates, and penalties must comply with the RERA format prescribed by each state.

This provision prevents developers from inserting hidden conditions or unfair penalties that disadvantage buyers.

6.7 Right to Information During Construction

Homebuyers are entitled to continuous updates on the progress of construction, fund utilisation, and status of approvals. The Real Estate Regulation and Development Act 2016 Bare Act PDF Download ensures that developers regularly upload project updates to the RERA website, giving buyers real-time visibility into how their investments are being used.

Such transparency allows buyers to monitor whether the project is proceeding as promised and to hold developers accountable if deviations occur.

6.8 Right to Participate in Project Management

Upon completion of the project, buyers collectively form an association or society to manage the property's common areas and facilities. Developers are required to hand over maintenance responsibilities and documentation to this association.

The RERA Act 2016 Key Provisions and Summary Corrida Legal recognises this as a fundamental right, ensuring that buyers have a direct role in maintaining the property and safeguarding its long-term value.

6.9 Right to Grievance Redressal and Legal Remedy

Every homebuyer can approach the Real Estate Regulatory Authority for quick resolution of complaints against developers, agents, or even regulatory violations. If unsatisfied, they can appeal before the Real Estate Appellate Tribunal.

The Real Estate Regulation Act 2016 Registration and Penalties PDF establishes a time-bound grievance system, making justice accessible and efficient. This mechanism has significantly reduced reliance on traditional litigation by offering a dedicated forum for property disputes.

6.10 Empowerment of the Consumer through RERA

The RERA Act 2016 Consumer Rights and Developer Obligations PDF has given homebuyers unprecedented empowerment. They now have legal recourse against delays, transparency over their investments, and financial protection in case of default.

By turning information into a right and accountability into an obligation, RERA ensures that property ownership is no longer a gamble but a legally protected investment. It has redefined the homebuyer's place in the market — from vulnerable participant to informed decision-maker.

Through these protections, the Real Estate (Regulation and Development) Act, 2016 restored fairness, discipline, and dignity to India's housing sector. It stands as a guarantee that every homebuyer's trust, effort, and savings are shielded by law — ensuring that the dream of owning a home is fulfilled with confidence, security, and justice.

7. Role, Powers, and Functions of the Real Estate Regulatory Authority (RERA)

The Real Estate Regulatory Authority, commonly known as RERA, is the central institution that ensures the effective implementation of the Real Estate (Regulation and Development) Act, 2016. It functions as both a watchdog and a facilitator—monitoring compliance, protecting consumer interests, and promoting professionalism across the real estate sector. Through its active role, RERA has transformed how property transactions are regulated, making transparency, accountability, and trust the foundation of the housing market.

The Real Estate Regulation and Development Act 2016 Bare Act PDF Download establishes RERA in every state and union territory, ensuring that real estate activities are governed locally but under a uniform national framework.

7.1 Establishment and Structure of RERA

Each state government is required to establish its own Real Estate Regulatory Authority. The body typically comprises a Chairperson and at least two full-time members appointed by the government. These members are experts from fields such as law, real estate, urban development, and finance.

This decentralised setup ensures that each RERA functions effectively within its regional context while maintaining alignment with national goals and standards.

7.2 Primary Objectives of RERA

The Real Estate Regulatory Authority Rules and Compliance PDF highlights that RERA was created to:

- Protect the interests of homebuyers and promote fair dealings.
- Ensure the timely completion and handover of real estate projects.
- Enforce transparency in project registration, marketing, and delivery.
- Provide quick redressal of disputes between buyers and developers.
- Promote standardisation and professionalism within the real estate sector.

By fulfilling these objectives, RERA has become one of the most impactful regulatory frameworks in India's economic reforms.

7.3 Key Powers of the Authority

RERA possesses quasi-judicial powers that enable it to act independently and decisively. The Real Estate Regulation Act 2016 Registration and Penalties PDF lists its powers, including:

- The authority to summon individuals, demand documents, and conduct inquiries.
- Power to enforce attendance and examine witnesses on oath.
- The ability to impose penalties, revoke registrations, or blacklist promoters.
- Authority to order refunds, compensation, and interest payments to aggrieved buyers.
- Power to frame regulations and issue guidelines to improve compliance.

These powers ensure that RERA is not just an advisory body but a legal authority capable of enforcing real estate accountability.

7.4 Monitoring and Regulation of Projects

A major function of RERA is the continuous monitoring of registered projects. Developers are required to submit regular updates about construction progress, fund utilisation, and possession timelines. These updates are made publicly available on RERA's official website.

This transparency allows buyers to track project development and hold promoters accountable for any deviation. The RERA Act 2016 Executive Summary Corrida Legal emphasises that this monitoring mechanism is one of the reasons project delays have significantly reduced since the law came into effect.

7.5 Adjudication and Dispute Resolution

RERA acts as the first forum for addressing grievances. It hears complaints related to non-registration, delay in possession, false promises, or breach of contract. The authority can pass binding orders on refunds, interest, or compensation.

If either party disagrees with RERA's decision, they can appeal before the Real Estate Appellate Tribunal. This process, outlined in the Real Estate Regulation and Development Act 2016 Bare Act PDF Download, ensures that disputes are resolved efficiently without long-drawn litigation.

7.6 Enforcement of Compliance and Penalties

RERA is empowered to enforce strict compliance among developers and agents. When violations occur—such as unregistered marketing, misappropriation of funds, or failure to adhere to approved plans—the authority can:

- Impose fines proportional to the project cost.
- Suspend or cancel the project registration.
- Publish the names of defaulting promoters for public awareness.
- Initiate prosecution for serious or repeated offences.

This proactive enforcement has made developers more cautious and accountable in their operations.

7.7 Public Access and Digital Transparency

One of RERA's most progressive features is the digitisation of project data. Each authority maintains an online platform where buyers can view:

- Registered project details.
- Developer credentials.
- Project progress reports.
- Status of legal approvals and occupancy certificates.

The Real Estate Regulatory Authority Rules and Compliance PDF notes that this open-access system empowers homebuyers with information that was previously unavailable or unreliable. It has also improved investor confidence and encouraged ethical marketing practices across the industry.

7.8 Promoting Professionalism and Industry Standards

Beyond regulation, RERA also plays a developmental role by promoting best practices in construction, project management, and consumer relations. It conducts awareness programs, issues advisories, and collaborates with industry associations to raise the quality of the real estate sector.

The RERA Act 2016 Key Provisions and Summary Corrida Legal recognises this as a key achievement—turning a once-unregulated market into a structured, credible, and consumer-friendly industry.

7.9 Significance of RERA's Role

The Real Estate Regulatory Authority has redefined how trust is built in the housing market. It has ensured that homebuyers are treated as equal participants, developers are monitored under law, and every transaction is traceable and transparent.

By bridging the gap between the consumer and the developer through law and oversight, RERA stands as one of the most effective institutional reforms in India's post-independence economic history. It has made the dream of homeownership not only attainable but secure—anchored firmly in law, integrity, and accountability.

8. Appellate Tribunal and Adjudication Mechanism under the RERA Act 2016 Bare Act PDF Download

One of the strongest features of the Real Estate (Regulation and Development) Act, 2016 is its dedicated grievance redressal framework. The Act establishes a structured, time-bound mechanism that allows homebuyers, developers, and agents to resolve disputes efficiently without depending on lengthy civil litigation. This system operates through two key bodies — the Real Estate Regulatory Authority (RERA) and the Real Estate Appellate Tribunal (REAT). Together, they ensure that justice in real estate matters is swift, fair, and enforceable.

The Real Estate Regulation and Development Act 2016 Bare Act PDF Download explains that this adjudication structure is designed to ensure accountability at every stage. It provides accessible remedies for violations such as project delays, non-registration, misrepresentation, and unfair trade practices, making it one of the most effective consumer protection mechanisms in India.

8.1 Establishment of the Real Estate Appellate Tribunal

Every state and union territory must establish its own Real Estate Appellate Tribunal (REAT) to hear appeals against decisions of the RERA or its adjudicating officer. Each tribunal is chaired by a senior judicial officer, usually a retired High Court judge, along with two technical and administrative members.

This ensures that decisions are informed not only by law but also by expertise in real estate, urban planning, and finance. The Real Estate Regulation Act 2016 Registration and Penalties PDF highlights that this institutional setup ensures legal precision, fairness, and efficiency in handling disputes.

8.2 Jurisdiction and Powers of the Appellate Tribunal

The Appellate Tribunal acts as the second level of authority for resolving conflicts under RERA. It has the power to:

- Hear appeals against orders or directions issued by RERA.
- Review adjudicating officer decisions on compensation and penalties.
- Enforce compliance with its judgments and impose fines for disobedience.
- Summon individuals, call for documents, and conduct inquiries similar to a civil court.

The Real Estate Regulation and Development Act 2016 Bare Act PDF Download ensures that the tribunal’s decisions are binding on all parties unless challenged in the High Court.

8.3 Process of Filing Appeals

Any aggrieved party — whether a homebuyer, developer, or real estate agent — can appeal to the Appellate Tribunal within 60 days from the date of the RERA order. The application must include details of the dispute, copies of the impugned order, and relevant evidence.

Once admitted, the tribunal issues notices to all parties and conducts hearings in a time-bound manner. This system eliminates procedural delays typical of conventional courts, providing faster resolution of real estate disputes.

8.4 Role of the Adjudicating Officer

In addition to the tribunal, the Act empowers RERA to appoint an Adjudicating Officer, typically a District Judge or equivalent officer, to determine claims for compensation. This officer focuses on disputes related to delayed possession, defective construction, false representations, or financial mismanagement.

The RERA Act 2016 Executive Summary Corrida Legal notes that this inclusion ensures that compensation claims are handled by trained judicial professionals who can assess damages quickly and fairly.

8.5 Time-Bound Resolution and Enforcement

One of RERA’s key reforms lies in its commitment to time-bound dispute resolution. Both RERA and the Appellate Tribunal must strive to dispose of cases within 60 days of filing. In cases of unavoidable delay, reasons must be recorded in writing.

Orders passed by the Tribunal are executable as decrees of a civil court. If a promoter fails to comply, RERA can initiate recovery proceedings as arrears of land revenue, ensuring that homebuyers receive the compensation they are entitled to.

8.6 Penalties for Non-Compliance with Tribunal Orders

Failure to comply with an order issued by the Appellate Tribunal is treated as a serious offence. Promoters or agents who ignore such orders can face imprisonment of up to three years, or fines that may extend to 10 percent of the project cost.

The Real Estate Regulation Act 2016 Registration and Penalties PDF underscores that this provision gives the law real strength — it transforms tribunal orders into enforceable obligations rather than advisory decisions.

8.7 Appeal to the High Court

If either party remains dissatisfied with the Tribunal's decision, they can appeal to the **High Court** within 60 days. However, appeals can only be filed on substantial questions of law, ensuring that higher courts intervene only where necessary. This maintains the integrity and efficiency of the specialised real estate adjudication process.

8.8 Interaction with Consumer Courts and Other Forums

The RERA mechanism functions independently but does not bar homebuyers from seeking remedies under other laws such as the Consumer Protection Act. The Real Estate Regulation Act 2016 Registration and Penalties PDF provides that buyers can choose either RERA or the consumer forum based on their preference, though they cannot pursue the same complaint simultaneously in both.

This flexibility ensures that buyers are never left without a legal remedy, regardless of the nature of their grievance.

8.9 Benefits of the RERA Adjudication System

The introduction of RERA's adjudicatory framework has brought multiple benefits to the real estate ecosystem:

- Faster and more specialised resolution of disputes.
- Reduction in fraudulent and unethical developer practices.
- Legal recognition of homebuyers as primary stakeholders.
- Decreased burden on civil and consumer courts.
- Consistency and uniformity in real estate decisions across states.

The Real Estate Regulation and Development Act 2016 Bare Act PDF Download demonstrates that this model is one of the most progressive legal systems in India, bridging the gap between regulation and justice.

By combining a strong authority with a swift appeals process, RERA has turned accountability into a practical reality. It ensures that grievances are not buried under bureaucracy but resolved through a transparent, accessible, and legally binding mechanism — a system where every buyer's right finds its rightful protection under the law.

Conclusion

The Real Estate (Regulation and Development) Act, 2016, often referred to as the RERA Act, marked a turning point in India's property sector. For decades, real estate operated in an unregulated and fragmented manner, often leaving homebuyers vulnerable to delays, misinformation, and financial loss. With the enactment of RERA, this long-standing imbalance was finally corrected. The Act introduced transparency, accountability, and fairness, transforming a trust-deficit market into a structured and consumer-driven ecosystem.

The Real Estate Regulation and Development Act 2016 Bare Act PDF Download reflects the government's vision of ensuring that every homebuyer's investment is protected by law. It created an organised system that mandates registration, continuous disclosures, and compliance across every project and stakeholder — from developers and brokers to financial institutions.

Key Takeaways

- **Transparency as a Legal Obligation:** Developers must disclose every project detail — from layout and approvals to financial progress — ensuring buyers have full visibility before investing.
- **Financial Accountability:** The 70 percent escrow rule guarantees that buyers' funds are used only for the project they invested in, bringing long-overdue discipline to real estate financing.
- **Consumer Empowerment:** Homebuyers now have enforceable rights to possession, refund, compensation, and legal recourse through RERA and its appellate bodies.
- **Professionalisation of the Industry:** Real estate agents and developers are subject to licensing, compliance audits, and ethical regulations, fostering credibility in the sector.
- **Speedy Redressal Mechanism:** Dedicated authorities and tribunals provide efficient resolution of disputes, replacing years of legal uncertainty with timely justice.
- **National Impact:** RERA's implementation across states has unified India's real estate market under a common standard of fairness and transparency.

The RERA Act 2016 Executive Summary Corrida Legal highlights that beyond compliance, this law represents a shift in mindset — from unregulated profit-driven practices to a governance model grounded in accountability and trust. It has restored faith among homebuyers, encouraged responsible developers, and enhanced India's image as a safe and reliable destination for real estate investment.