



RERA~ A Gamechanger?

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The Real Estate (Regulation and Development) Act, 2016 (RERA) was implemented on May 1 last year and state governments and Union territories (UTs) were required to establish a regulatory authority by May 1 this year. It stipulated deadlines to be met by governments of states and UTs.

Real Estate Act - Important Dates and Timelines:

- The Real Estate Bill was passed by Rajya Sabha on 10th March, 2016 and the Lok Sabha on 15th March, 2016.
- The Bill as passed by the parliament was assented to by the Hon'ble President on 25th March, 2016.
- The Act as assented to by the Hon'ble President was published in the Official Gazette on 26th March, 2016 for public information.
- Section 2, Sections 20-39, Sections 41-58, Sections 71-78 and Section 81-92 are notified and made effective from 1st May, 2016
- Sections 3-19, Section 40, Sections 59-70, Section 79 and Section 80 are notified and made effective from 1st May, 2017.

Preamble:

The Act aims to regulate the real estate sector, bring clarity for both the buyers and sellers and reform the sector. It envisages establishment of a regulatory and appellate authority for settlement of grievances, registration of real estate projects and contains various pro-allottee/ pro-buyer provisions. Further, the Act aims to increase transparency and accountability in real estate sector by regulating the buying and selling of commercial and residential units or projects and timely completion of project by the promoters. It is expected to boost the confidence of the home-buyers and is touted by many as a step in the right direction and a major game-changer. The salient provisions of the Act have been discussed below.

Notifying the rules:

From the date of its implementation (May 1, 2016), RERA required all State Governments to notify their rules within 6 months, i.e., October 31, 2016. However, till April 30, 2017, very few states had notified the rules. The Central Government was required to notify rules for UTs. While 60 sections under the Act were notified on April 26th last year and they came into effect from May 1st last year the remaining 32 Sections were notified by the Centre on April 19 this year and they were made effective from May, 1st this year. Gujarat Real Estate (Regulation and Development) (General) Rules, 2017 were notified on 4th May, 2017.

Establishing the authority:

RERA stipulates that regulatory authorities had to be set up by April 30, 2017. However, the state governments or UTs are in process of establishment of permanent regulatory authority.

The Act empowers the appropriate governments to designate any officer as an Interim Regulatory Authority till a full-fledged authority is established. According to the Ministry of Housing And Urban Poverty Alleviation, as on May 1, 2017, some states and UTs have created interim regulatory authorities. These include Kerala, Maharashtra, Punjab, Rajasthan, Mizoram, Haryana, Gujarat, Delhi, Andaman and Nicobar Islands, and Chandigarh. Many others are in advanced stages of finalising such authorities. These include Odisha, Bihar, Jharkhand, Assam, Tamil Nadu, Andhra Pradesh, Telangana, Tripura, Dadra and Nagar Haveli, and Daman and Diu.

As per section 85 of the Act, Regulations are required to be notified by the 'Regulatory Authority' within 3 months of its establishment. Each State and Union Territory will have its own Regulatory Authority, whose responsibility amongst other ones will be to maintain a website, with records of all projects registered with the authority.

Uniform Applicability

The provisions of RERA extends to the whole of the India (except Jammu and Kashmir) and are applicable to commercial as well as residential real estate projects.

It will set in motion the process of making necessary operational rules and creation of institutional infrastructure for protecting the interests of consumers.

Salient Provisions of the RERA

Real Estate (Regulation and Development) Act, 2016 along with UT without Legislature Real Estate (Regulation and Development) (General) Rules, 2016 AND UT without Legislature Real Estate (Regulation and Development) (Agreement for Sale) Rules, 2016:

Act has 92 Sections divided into 10 chapters as below:

Chapter	Section	Contents	Remarkable Points
Chapter-I	1-2	Preliminary	(Short title and commencement, Definitions)
Chapter -II	3-10	Registration of RE Projects And	Information and documents to be furnished by the promoter for registration of project, Additional disclosure by promoters of ongoing projects, Grant or rejection of registration of the project, Extension of registration of project, Revocation of registration of the project.
		Registration of Real Estate Agents	Application for registration, grant & renewal of registration, revocation of registration, maintenance of books of accounts, other functions.
Chapter-III	11-18	Functions and Duties of Promoter	Interest payable by promoter / allottee & timelines for refund
Chapter -IV	19	Rights and Duties of Allottees	Allottees entitled to obtain information, claim the possession etc.
Chapter -V	20 -40	The Real Estate Regulatory	Details to be published on the website of

		Authority	the Authority
Chapter -VI	41-42	Central Advisory Council	Establishment and Functions of CAC
Chapter -VII	43-58	The Real Estate Appellate Tribunal	Composition of Appellate Tribunal
Chapter - VIII	59-72	Offences, Penalties and Adjudication	terms and conditions and the fine payable for compounding of offence
Chapter -IX	73-78	Finance, Accounts, Audits and Reports	Budget, accounts and audit, Annual Report.
Chapter -X	79-92	Miscellaneous	Cognizance of Offences, power to remove difficulties.

GOOD TO KNOW BASIC DEFINATIONS:

1. **“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.
2. **“Agreement for sale”** means an agreement entered into between the promoter and the allottees.
3. **“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;
4. **“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.
5. **“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.
6. **“Carpet Area”** as per RERA developers can sell units only on carpet area, which means the net usable floor area of an apartment. This excludes 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.
7. **“Common Areas”** means the entire land for the real estate project the stair cases, lifts, staircase and lift lobbies, fire escapes, and common entrances and exits of buildings; the common basements, terraces, parks, play areas, open parking areas and common storage spaces; all apparatus connected with installations and all community and commercial facilities.
8. **“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.
9. **“Promoter”** is the person who constructs or converts a building into apartments or develops a plot for sale and the persons who sells apartments or plots are different persons, 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 there under.

10. **Real Estate Agent** : According to the Act, a 'real estate agent' is anyone who acts on behalf of one person in a transaction of plot, apartment or building and receives a remuneration as commission or otherwise.
11. **Web-based system**: According to Act, within a year of the establishment of a regulatory authority, there needs to be a web-based online system for various purposes. A few states like Maharashtra have set up these websites, but even here, all the required information is not available.

Will ongoing projects be covered?

The RERA Act holds promises for the existing buyers of real estate properties, residential and commercial, who have still not got possession of their properties. According to the RERA Act passed by Parliament last year, which is implemented in its entirety in all states, every ongoing and under-construction projects are supposed to come under the regulator's ambit". All Residential Apartments, Plotted Developments, Commercial Real Estate Projects including shops, offices, showrooms, godowns, ongoing projects in respect of which completion certificates have not been issued. The central Act requires developers to get all ongoing projects that have not received completion certificate registered with the regulatory authorities before July 31, 2017.

Real Estate Projects developed in Phases would require registration for each phase separately.

Some relief / Exemptions:

1. Number of units does not exceed 8 (all phases)
2. Obtained completion certificate for the project before the commencement of this Act.
3. Projects being developed on land less than 500 sq. mts. (0.05 hectare or 0.12 acre)
4. Does not cover sale of ready to occupy property in the resale market
5. Renovation / Repair: Not involving marketing, advertisement, selling or allotment of any apartment, plot or building.
6. Re development RE projects where no new allotments are to be made.

Completion certificate is the key:

Effectively, all those projects which have not received the completion certificate prior to the commencement of the Act need to come under the purview of the Act. To operationally cover the ongoing project, the developer has to get the project registered with the regulatory authority of the state.

The developers have been given a time frame of 3 months from the date of commencement of this Act for the under-construction projects to be registered. For projects where the completion certificate has already been issued, the developers need not go for its registration.

Project in phases: It's a common practice that a specific society or project is developed in phases by the developer. As has been seen in the recent past, the buyers of phases or towers/apartments which are typically offered for sale at the later stages get entrapped.

In practice: The coverage to existing projects may not be uniform across states. UP and Gujarat excluded ongoing projects, and homebuyers are pressing the Central government to bring such

projects under RERA in these states. Whether or not all ongoing and under-construction projects get covered under the Act will depend entirely on the respective State Governments passing it for their respective regions."

For example, as per the Uttar Pradesh Real Estate (Regulation and Development) Rules, 2016 notification dated October 27, 2016, it covers ongoing projects what have not been issued completion certificate but specially excludes such projects which fulfil any of the following criteria on the date of the notification of these rules :

1. Where all development works have been completed and
2. The application has been filed with the competent authority for issue of completion certificate.

Registration of Real Estate Project with RERA:

- Every real estate projects having a planning area of more than 500 square meters or more than eight proposed number of apartments must be registered with RERA.
- The promoter must deposit 70% of the amount realized from the projects shall be deposited in a separate *Bank account*, (not escrow) maintained by a scheduled bank to cover the cost of construction and the land cost and the amount must be used for that purpose only.
- The amount withdrawn should be in proportion to the percentage of completion of project.
- Information and documents to be furnished by the promoter for registration of project- In addition to documents to be provided as mentioned in Section 3 of the Act.

Further, the cost of land and construction of the project might be higher than 70% of total cost of the project. This may lead to borrowing of funds to raise the cost of the project with interest cost which will ultimately increase the cost of the project and burden the consumers.

Application for Registration need to disclose following:

- a) Brief Details of the enterprise (viz Name, Registered Address, type of enterprise.
- b) Details about Location of projects, Specification of projects, Brochures, photographs of projects, clear demarcation of the land proposed to be developed.
- c) In case land is not owned by the promoter – Agreement entered into between Owner & Promoter
- d) PAN card, Last Three Years Annual Reports including (P & L Accounts, Balance Sheet, Cash Flow Statement, Directors report, Auditors Report), number of parking areas, copy of land title details **of encumbrances etc.**
- e) Income Tax Return of Last Three Years.
- f) File Details as per FORM A with Authority
- g) Details of projects launched in last 5 years, litigations if any, status of other projects and status of delay.
- h) Copy of Commencement Certificate, sanction plan, Approved layout plan, development Plan to be executed.
- i) Proforma of allotment letter, Format of an Agreement for sale, and the conveyance deed proposed to be signed with the allottees.
- j) NOC from Different Authorities,
- k) Number, type and carpet area of apartment and area of Garage/parking area
- l) Details of Contractors, Real Estate Agents, Architect, Structural Engineer etc.
- m) Declaration along with Affidavits to be signed and submitted as per Section 4(2)(I)-time for Completion of Project, deposit the funds in separate Account etc. –as per FORM 'B' (viz. Legal Title to the land proposed to be developed).

- n) Declaration to be given that promoter shall not discriminate on any grounds whatsoever –as part of Form ‘B’ (Parliament Assurance).
- o) Undertaking to obtain pending approvals.

Pay Application Fees:

Sl. No	Particulars of Projects	Area in Square Meter	Fees amount (Rs.) / Maximum Fees	Maximum Cap
1	Group Housing Project	Upto 1000 sq mtr.	Rs. 5/- per sq mtr.	
		Above 1000 sq mtr.	Rs.10/- per sq mtr.	Rs. 5 Lakh
2	Mixed Development (Residential & Commercial)	Upto 1000 sq mtr.	Rs. 10/- per sq mtr	
		Above 1000 sq mtr.	Rs. 15/- per sq mtr	Maximum Rs. 7 Lakh
3	Commercial Projects	Upto 1000 sq mtr.	Rs. 20/- per sq mtr.	
		Above 1000 sq mtr.	Rs. 25/- per sq mtr.	Rs. 10 Lakh
4	Plotted Development	Exceeding 500	Rs. 5/- per sq mtr.	Rs. 2 Lakh

- **Registration** – The Real Estate Act makes it mandatory for all commercial and residential real estate projects where the land is over 500 square metres, or eight apartments, to register with the Real Estate Regulatory Authority (RERA). On-going projects that have not received completion certificate on the date of commencement of the Act, will have to seek registration within 3 months. Application for registration must be either approved or rejected within a period of 30 days from the date of application by the RERA.

Note: Registration to be granted for specified period (Time period within which the developer expects to complete the project).

Extension possible upon application in reasonable circumstances (force Majeure Conditions) The period of extension in aggregate not to exceed 1 year.

- After successful registration, the promoter of the project will be provided with a registration number; a login id and password. The promoter shall create his web page on the website of the Regulatory Authority and enter all details of the proposed project.

Restriction on Usage of Funds:-

- Developer/ Developers are mandated to deposit the funds collected from the allottee in a separate Bank Account and any withdrawal from the separate Bank account would have to be certified by an Engineer, Architect and a Chartered Accountant that the withdrawal is in proportion to the percentage of completion (POC) of the project.
- Further, mandatory Audit of Accounts within 6 months from the end of Financial Year Auditor to verify and specifically certify usage of funds as per POC method.

Note: This discourages the developers from notoriously diverting funds. It will also prevents delay in completion of project and handover to the consumers. Further pre withdrawal certificates needs to be signed by 3 professionals, ALL Three professionals should indicate in the certificate the extent to which they have relied on each other. Further delays and disputes in withdrawal of amounts might lead to litigations jeopardizing the projects.

Real Estate Agents:-

Real estate agents facilitating sale or purchase of properties must take prior registration from RERA and will receive a single registration number for each State or Union Territory. The agent must quote this registration number in **every sale facilitated by him**.

Section 2 (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 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*.

Real Estate Agent Facilitate the possession of all the information and documents to the allottees.

Real Estate Regulatory Authority:

Real Estate Regulatory Authority is intended to perform the same role for property /Real Estate transactions as the SEBI does for security transactions in the capital markets.

The Act provides for Establishment of Regulatory Authority in each State/Union Territories or ONE Authority for Two or more States/ Union Territories, by the Appropriate Government for Implementation of Act.

- The Act provides for Appointment of one or more adjudicating Officer by Regulatory Authority, based upon need - to settle disputes and impose compensation and interest.
- The Act provides for Establishment of the Real Estate Regulatory Authority in all state to regulate projects being developed in that State, which shall have the powers of the Civil Court while trying the suit.
- Real Estate Regulatory Authority would act as the nodal agency to co-ordinate efforts regarding development of the RE sector and render necessary advice to the State Government to ensure the growth and promotion of a efficient, transparent and competitive Real Estate Sector.
- One of the functions of Real Estate Regulatory Authority is to recommend to the local authorities and State Government, the creation of a single window system for project approvals.
- Act provides for establishment of Appellate Tribunal to hear appeals from the orders of the Authority and adjudicating officer.
- Act provides for establishment of Central Advisory Council to Advice the Central Government on :
 - a) Implementation of Act
 - b) Major Questions of policy
 - c) Protection of consumer Interest
 - d) Growth and development of the Sector

Responsibilities of Appropriate Government under Act: -

- Establishment and Incorporation of Regulatory Authority will be designate an officer (preferably Housing Secretary) as interim Regulatory Authority.
- Appointment of Regulatory Authority based on recommendations of Selection Committee-Constitute Selection Committee.

- Appointment of Officers and other employees of Regulatory Authority in consultation with the Authority.
- Establishment of Central Advisory Council by Central Government
- Establishment of Appellate Tribunal : Designate an existing Tribunal under any other law as Interim Appellate Tribunal
- Appointment of Chairperson of Appellate Tribunal in consultation with Chief Justice of High Court.
- Appointment of members of Appellate Tribunal based on recommendation of Selection Committee.
- Constitute a Real Estate Regulatory Fund.

Important Responsibilities, Functions and Powers of Regulatory Authority under Act.

Section 34 of the Act deliberates Authority to maintain a website of records for public viewing of:-

- All projects registered with the authority including details of projects as specified in the Act and the rules and regulations – to be disclosed on the website
- Details of promoters with photographs of promoters.
- Details of projects in case of revocation of registration or where any projects penalised under the Act.
- Details of agents registered under the Act, along with his photograph and also of those agents whose registration has been revoked.
- Authority to appoint ‘adjudicating Officer’ in consultation with appropriate Government for dispute resolution between buyer and seller.
- Fixation of standard fees to be levied on the allottees, promoters or Real Estate Agents.
- Ensure compliance of its regulation and other obligations cast upon the promoters, allottees and Real Estate Agents.

Section 35 to Section 38 of the Act deliberates powers of Regulatory Authorities:

- Authority can issue Interim Orders during the pendency of proceedings.
- Powers to impose the Penalty or interest in regards to the contravention of the obligations cast upon Developers, Allottees, Real Estate Agent.

Functions and Duties of Promoters:

- Web –based system: details of registration granted by RERA and Quarterly updates on list of – number / types of apartment or plots booked, approvals granted, status of all the projects etc.
- Information to the allottees: Sanctioned plan, layout plan, stage wise schedule of completion of the project including the provisions for civic infrastructure like water, sanitation and electricity.
- Responsible to obtain leasehold certificate, completion / occupancy certificate.
- Providing and maintaining essential services until take-over of the maintenance by the associations of allottees.
- Execute for Registered conveyance deed of the apartment, plot or building within 3 months from the date of issue of occupancy certificate.
- After executing agreement for Sale, not to mortgage or create a charge on the apartment, plot or building.
- **Cancellation of allotment only in terms of the agreement for sale.**

Developers can sell units only on carpet area, which means the net usable floor area of an apartment. This excludes 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.

'Carpet area' would be the basis for Real Estate purchases, eliminating any scope for any malpractices in transactions. Buyers would now be paying only for the carpet area and not the 'super built-up area'.

It will be difficult for builders to sell units based on carpet area for buildings which are under construction and where some units have already been sold under super built up area. Therefore, an exemption to this effect may be inserted under section 4(h) of the Act to resolve the conflict. Further the word 'net usable floor area' must be defined in the Act for greater clarity.

- *Transfer/Assignment of majority rights and liabilities in respect of RE projects to third party would now require period written consent of Two/Third allottees and Real Estate Regulatory Authority.*
- *No extension of time to the intending promoter in order to comply with all the pending obligations of the erstwhile promoter.*

The Developer needs to accept payments from Allottees only by crossed account payee cheques or Demand Drafts or through internet banking such as RTGS/ NEFT/eCMS in view of Section 269SS of the Income tax Act, 1961. Similarly, refunds on cancellation of allotments, if any, should be made through the same channels to comply with Section 269T of the Income tax Act, 1961.

- *Obtain insurance as may be notified by the appropriate Government, including in respect of the title of land and construction of RE projects*
- *Claim of compensation due to defective title of land etc not subject to the law of limitation provided under any other law.*

The RERA provides for insurance of the land title which will ensure that claims made on the land can be satisfied by the insurance companies. The Developer will not be burdened to make payments in respect thereof. So far, insurance companies have not launched such schemes but it is prevalent in some European countries. The same shall ensure marketability of the apartment to be purchased by the homebuyer.

Many departments and processes will have to streamlined along with up-gradation of land records and bringing parity between circle rate and market rate. Since, most of documents in real estate sector are hand-written, it will be a prodigious task to capture all that on an online database which will also demand a lot of time. Moreover, understanding the ownership pattern would be critical for ensuring transparency under the Act.

The laws relating to rights over land, land improvement and colonization of land are under the state list. Therefore, laws in the states of Haryana and Maharashtra differ from the Central Act and there might be conflict between the two laws. Though the Maharashtra Housing (Regulation and Development) Act, 2012, has been repealed specifically under the Act, the one for the state of Haryana has not been which will be continuous source of confusion in the state though the Central Act will supersede the state Act.

Penal Provisions for Promoters:

- *For failure to register, a penalty of up to 10 percent of the project cost or three years' imprisonment may be imposed.*
- *There is a further penalty which may extend to 5% of the cost of project for providing false information to Regulatory Authority while registration under the Act.*
- *The miscellaneous penalty can be extended upto 5% of estimated cost of the project.*

Protection of Consumers:-

- Consumers are benefited by a major provision wherein builders will have to quote price based on carpet area and not super built-up area. Carpet area has been clearly defined to include usable spaces like kitchen and toilets.
- The advertisement or prospectus issued or published by the promoter should prominently mention the website address of the Regulatory Authority, where all details of the registered project have been entered, including the registration number.
- If any person who makes an advance or a deposit based on information in the notice, advertisement or prospectus sustains a loss or damage due to incorrect or falsified information, he shall be compensated by the promoter as provided in the Act. If such a person intends to withdraw from the proposed project his entire investment along with interest should be returned to him as provided in the Act.
- A promoter shall not accept a sum more than 10% percent of the cost of the apartment, plot, or building as an advance payment or an application fee without first entering into a written **agreement of sale** should be registered under any law for the time period in force. This is an aim towards curbing embezzlement of funds by notorious builders.
- The promoter cannot make any addition or alteration in the approved and sanctioned plans, structural designs, specifications and amenities of the apartment, plot or building without prior consent of at least-Two third of the allottees.
- In case any defect in structure, quality or services or other obligation of the promoter, is brought to the notice of the promoter by the allottee within five years from years from the date of possession, the promoter shall rectify such defect without any further charge, within thirty days. In case of default of the promoter during this time period, the aggrieved allottee is entitled to receive appropriate compensation as provided in the Act.
- The promoter shall not transfer or assign his majority rights and liabilities in respect of a project to a third party without obtaining prior written approval of the Regulatory Authority.
- In case the promoter is unable to hand over possession of the apartment, plot or building to the allottee due to any reason, the promoter is liable to return the amount received by him from the allottee with interest and compensation as provided under the Act.
- RERA, 2016 provides for establishment of state-level Real Estate Regulatory Authorities (RERAs) to regulate transactions related to both residential and commercial projects and ensure their timely completion and handover.
- RERA, 2016 provides for Appellate Tribunals to adjudicate cases in 60 days and requires Regulatory Authorities to dispose of complaints in 60 days.

Real estate Act provides no cover for home buyers' investments in stuck projects

Though the law warrants registration of all ongoing projects with the state real estate regulatory authority before the deadline, it gives the promoters the option to change the completion date of Project.

Outlay of the General Rules for Union Territories without legislature were notified by Ministry of Housing & Urban Poverty Alleviation Government of India on 31st October, 2016.

Chapter and Rules	Brief outline of the contents
Chapter-2 Additional Disclosures by promoters of ongoing projects – Rule 4	Disclosures in addition to those under Rule 3 (Parliament Assurance) <ol style="list-style-type: none"> 1. Original Sanctioned plan, layout plan etc. Including modifications and existing plans 2. Money collected – spent on project and balance lying with promoter. 3. Status of project –extent of development, original time to complete, time period required to complete etc. 4. Promoter discloses size of apartment based on carpet area- but shall not affect validity of agreement to that extent. 5. In case of plotted development disclose area of plot. 6. Deposit 70% of funds collected (minus the amount already spent on land and construction) in separate account.
Grant or rejection of registration of projects Rules 5	Provides for forms in which registration shall be granted or rejected- Form 'C' and 'D'
Extension of the project-Rule6	Extension of registration shall be granted on an application before 3 months of expiry of registration – Form 'E' and 'F' Extension Fees of half the registration fees Along with the explanatory note, however, where due to force majeure no extension fees.
Revocation of Registration of the Projects Rule -7	Provides for form in which revocation is to be communicated – Form 'D'
Application for registration for Real Estate Agent as per Rule 9	Apply with details such as – enterprise details, PAN, photographs, address for business etc. Form G Fees Rs. 10,000/- for individual, Rs. 50,000/- for other than individual. The Authority shall grant the approval upon satisfying itself of the fulfilment of such conditions, as may be prescribed grant a Single registration to the real estate agent for the entire State of Union Territory, as the Grant of Registration in Form – H with the validity for 5 Years.
Renewal of Registration as per Rule 10.	Submit fresh documents; pay fees, renewal for 5 years. Renewal will be applicable only if agent is in compliance with the Act. and rules along with Fees Rs. 5000/- for individual and Rs. 25,000/- for other than Individual.
Revocation of Registration –Rule -11	Provides for form for intimation –Form I
Maintenance of books of accounts - Rules-12	As provided under Income Tax Act.
Other functions –Rules -13	Provides assistance to promoter and buyer
Details to be published on the website of the Authority Rules-14	Provides all details to be captured on the website via-avis the project and the agent etc. Prepare a monthly back up of data
Rate of interest payable by promoter allottee –Rule-15	SBI Highest Marginal Cost of Lending Rate (MCLR) +2 percent.

Timelines for refund -Rule 16	Within 45 days of amount due (Parliament Assurance)
Real Estate Authority Rule 17 to Rule 23	Manner of selection, salary and allowances of members, administrative powers of chairpersons, salary of employees, functioning of authority, additional powers of authority, manner of recovery of interest/penalty etc.
Manner of giving effect to recommendations of Central Advisory Council -Rule 24 (CAC)	Under process -will make rules to give effect.
Real Estate Appellate Tribunal- Rule 25 to 32	Form 'L' for filing appeal with fees of Rs. 5,000/- manner of selection, salary and allowances to members, procedure of inquiry of charges, salary and allowances of employees, additional powers of tribunal, administrative powers of chairperson, functioning of Tribunal etc.
Offence and Penalties -Rule 33	Terms and conditions and the fine payable for compounding of offence. ⇒ Imprisonment for non-registration - compounding fee of 10% of project cost. ⇒ Imprisonment for non-compliance of order of Tribunal by promoter- compounding fees of 10% of project cost. ⇒ Imprisonment for non-compliance of order of Tribunal by agent-compounding fee of 10% of apartment cost for which sale facilitated. ⇒ Imprisonment for non-compliance of order of Tribunal by allottee-compounding fee 10% of apartment cost purchased. ⇒ Comply with reasons for punishment within 30 days of compounding. ⇒ Compounding deemed to be acquittal of accused.
Manner of filing compliant with authority and adjudicating officer provided - Rule 34 and 35	Form -'M' and Form -'N' fees payable Rs. 1000/-
Manner in which authority shall prepare Budget , maintain accounts and prepare annual statement provided - Rule 36	Form -'O'
Manner in which authority shall prepare annual report Rules -37	Form 'P'

Agreement for Sale Rules for Union Territories without Legislature- notified by Ministry of Housing & Urban Poverty Alleviation Government of India on 31st October, 2016.

Chapter	Brief outline of the contents
Chapter-1	Preliminary (short title and commencement, Definitions)
Chapter -2	Agreement for sale ⇒ Agreement to be in the form as per Annexure ⇒ Any application letter, allotment letter, or any other document etc. not to affect the Agreement for sale.
	⇒ Annexure -Agreement for sale provides for the following details :

	<ol style="list-style-type: none"> 1. Duties and responsibilities of the promoter and allottees 2. Details of cost of apartment/ plot 3. Details of cost of garage/ covered parking 4. Mode of payment 5. Matters relating to compliance of laws relating to remittances 6. Matter regarding adjustment /appropriate of payments made by allottees. 7. Time being of essence 8. Construction of the project as per plan etc. 9. Schedule of possession of apartment/ plot 10. Representation and warranties of the promoter 11. Events of defaults and consequences by promoter/allottee 12. Conveyance of apartment 13. Maintenance of building /apartment/ project 14. Defect liability 15. Right to enter the apartment for repairs 16. Usage of the basement and service areas 17. General compliance with respect to apartment 18. Compliance of laws, notifications etc. by parties 19. Additional Construction 20. Promoter not to mortgage or create a charge 21. Provisions applicable on allottee/ subsequent allottee 22. Issue of notice - Dispute Resolution 23. Promoter to provide description of apartment/plot and garage /covered parking; provide the floor plan and payment plan; provide specifications, amenities, facilities forming part of apartment/plot; and provide specification forming part of the project.
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Conclusion:

Similarly, buyers in each state have to dig deep into the rules to establish the extent of coverage of the Act, which practically a common home buyer will not be in a position to undergo this exercise. The states need to frame its rules in accordance with the Act in letter and spirit and not try to keep the buyers at a disadvantage.

The purpose of establishing a resale state Act will serve only if it is followed in its entirety by all the stakeholders. The Act is a positive change in terms of increasing transparency in the real-estate sector, increasing accountability of the promoters and developers and establishing efficient forums for grievance redress. This will consequently lead to lower litigation due to stringent rules and regulations in the highly corrupt sector. Time bound approvals and transparency will also lead to greater flow of investment both domestic and foreign leading to reduction in cost of borrowing in the real-estate sector.

Though it is a win-win situation for both the developers and the buyers and will help the sector grow in the long-run, the discrepancies in the Act needs to be urgently addressed.

Further, the Act cannot be implemented effectively till the political reluctance in implementing the Act is removed which is a major roadblock. Hence, the Act needs legislative amendments by consulting the stakeholders involved as there is a huge scope of improvement coupled with removing any conflict of interest that the political class might have in the implementation of the Act.