



RERA Awareness

Awareness created by Real Estate (Regulation & Development) Act 2016 (RERA) amongst home buyers

- Central Government has enacted RERA in 2016 with clear intent as social legislation to protect interest of home buyers through transparent mechanism and regulation
- State Government are empowered to frame rules , establish authority and Tribunal for effective implementation
- Authority under RERA ensure regulation & development of Real Estate Activities and set up transparent mechanism for sale of apartment
- Prior to RERA , home buyers had no option but to completely rely upon the verbal assurances and promises given by developers without having any recourse to speedy resolution mechanism
- With implementation of RERA now home buyers have all access to information before booking apartment with legal remedy platform to seek relief in case of false promise and misdeed of the promoter developer





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The disclosure requirement on RERA portal by developer entails home buyers to study the following information before investing their hard earned life savings :-



1-Title Certificate in summarized form reflecting flow of title with litigation details and encumbrances if any



2-Commencement Certificate with declaration of stage of approval to enable home buyers to take informed decision. This also limits the possibility of sales being effected by developer without adequate approvals

3-Disclosure of Litigation, encumbrances including CERSAI Report will enable home buyers to evaluate financial performance of the promoter



4-Disclosure of Development Agreement will enable home buyers to study the rights and obligations of promoter and land owner



5-Model Agreement for Sales and Model Allotment letter prescribed by Authority can be of immense use for comparing the agreement and allotment letters issued by the developer. There is now requirement for disclosing deviation report for Agreement and Allotment letters issued by Developer in comparison to Model draft





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6-Sold /unsold inventory disclosure on quarterly basis will be informative for home buyers to ensure that there is no double sale of specific apartment by the developer

7-Authority are displaying information of lapsed project, project kept in abeyance, project under insolvency law etc and home buyers make use of this information before taking any investment decision

8-Disclosure of interest in other project by partners/directors are helpful in judging the performance of equity and management personnel

- The speedy dispute resolution mechanism with complaint and appeal measures are cost efficient and time saving for the home buyers to seek justice without knocking the door of courts involving heavy cost and time consuming exercise
- Authority had been issuing recovery warrant against defaulting promoters for refund of monies and interest to home buyers and this had immense pressure on the promoter to maintain better customer relationship. Authority have issued guidelines to developers to establish redressal cell having special officer from developer to promote public relation and avoid dispute emergence
- Now it is the responsibility of Home Buyers to take informed decision on the basis of data available on MahaRERA portal. This will reduce possibilities of stressed projects, dead investments and capital losses

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