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**Ministry of Housing & Urban Affairs
Government of India**

FREQUENTLY ASKED QUESTIONS (FAQs) on The Real Estate (Regulation and Development) Act, 2016

July 2025





**RERA has strengthened the trust
between the customers and the
real estate developers”**

- Prime Minister, Narendra Modi
(13 February 2019)

Disclaimer:

The Frequently Asked Questions (FAQs) and the responses therein are for general information and guidance only. These questions and responses have been framed keeping in view possible doubts that may arise and are not based on individual cases; therefore, it is not to be taken as a final view of the Ministry of specific legal interpretation of the extant provisions of the Real Estate (Regulation and Development) Act, 2016.

OBJECTS AND REASONS:

1. What was the need for a regulatory law for the real estate sector?

The real estate sector has grown in the recent years however it has largely been unregulated from the perspective of consumer protection. Though consumer protection laws are available, the recourses available therein are only curative, but not preventive. This has affected the overall potential growth of the sector due to absence of professionalism and standardization.

2. What are the objects and reasons for which the Real Estate (Regulation and Development) Act, 2016 [RERA] has been framed?

The Real Estate Act is intended to achieve the following objectives:

- a) ensure accountability towards allottees and protect their interest;
- b) infuse transparency, ensure fair-play and reduce frauds & delays;
- c) introduce professionalism and standardization across the Country;
- d) establish symmetry of information between the promoter and allottee;
- e) impose certain responsibilities on both promoter and allottee;
- f) establish regulatory oversight mechanism to enforce contracts;
- g) establish fast- track dispute resolution mechanism;
- h) promote good governance in the sector which in turn would create investor confidence.

3. When did RERA come into force?

The Real Estate Bill was passed by the 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 to 39, sections 41 to 58, sections 71 to 78 and sections 81 to 92 were notified by the Central Government to come into effect from 1st May, 2016. Further, Sections 3 to 19, section 40, sections 59 to 70, sections 79 to 80 were notified for commencement with effect from 1st May, 2017.

CHAPTER I - PRELIMINARY

4. Who is the ‘Appropriate Government’ as per the Act?

Section 2(g) of the Act defines ‘appropriate Government’ to mean as follows:

- I. for the Union territory without Legislature, the Central Government;
- II. for the Union territory of Puducherry and Union territory of Jammu and Kashmir, the Union territory Government;
- III. for the Union territory of Delhi, the Central Ministry of Urban Development;
- IV. for the State, the State Government.

5. What are the important responsibilities of the Appropriate Government?

- a) As per section 84, the appropriate Government is required to notify Rules for the implementation of the Act, within six months of its commencement.
- b) As per section 20, the appropriate Government is required to establish the Regulatory Authority within 1 year from its commencement.
- c) As per section 20, the appropriate Government is required to designate an officer (preferably Housing Secretary) as interim Regulatory Authority, until the establishment of a full time Regulatory Authority.
- d) As per section 43, the appropriate Government is required to establish the Appellate Tribunal within 1 year from its commencement.
- e) As per section 43, the appropriate Government is required to designate an existing Appellate Tribunal (under any other law in force) to be the Appellate Tribunal, until the establishment of a full time Appellate Tribunal.
- f) The Chairperson and Members of the Regulatory Authority and the Members of the Appellate Tribunal are required to be appointed based on recommendations of a Selection Committee, thus the appropriate Government is required to constitute the Selection Committee.
- g) As per section 28 and section 51, the appropriate Government is required to appoint officers and other employees of Regulatory Authority and the Appellate Tribunal respectively.
- h) As per section 75, the appropriate Government is required to constitute a ‘Real Estate Regulatory Fund’.

6. Does the definition of ‘promoter’ include public bodies such as Development Authorities and Housing Boards?

The Act covers all bodies (private and public) which develop real estate projects for sale to the general public. Section 2(zk) defines the term ‘promoter’ which includes both private and public real estate promoters. Thus, both Development Authorities and the Housing Boards, when involved in sale are covered under the Act.

7. Does the definition of ‘promoter’ include all promoters in case of joint Development?

As per the Explanation to section 2(zk) ‘where 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 thereunder’.

8. What is the rate of interest payable in case of default by the ‘promoter’ or the ‘allottee’? Is the rate of interest payable by either party (promoter or allottee) the same?

As per the Explanation to section 2(za) the rate of interest payable by either the promoter or the allottee shall be the same. The rate of interest is required to be specified by the appropriate Government in the Rules.

9. Does advertisement include solicitation by email and SMS? Is issuance of prospectus considered to be a case of ‘advertisement’?

As per section 2(b), any medium adopted in soliciting for sale, including SMS and emails, is covered under the definition of ‘advertisement’.

10 Does the term ‘allottee’ include secondary sales?

As per section 2(d) an allottee includes a person who acquires the said ‘apartment / plot’ through transfer or sale, but does not include a person to whom such plot, apartment is given on rent.

11. Is 'open parking areas' a part of 'common areas'?

Section 2(n) defines 'common areas' to include 'open parking areas', thus open parking areas cannot be sold to the allottees.

12. Is 'community and commercial facilities' which are provided in a real estate project are part of 'common areas'?

Section 2(n) defines 'common areas' to include 'community and commercial facilities', thus they are an integral part of the project, to be handed over to the Association of Allottees.

13. What happens in case of jurisdictions (States/UTs) which do not provide for both the 'occupancy certificate' and the 'completion certificate'?

Section 2(zf) and section 2(q) define 'occupancy certificate' and 'completion certificate' respectively. The two definitions are very broad and use the term 'by whatever name called'. Thus, if in a State/UT only one certificate is issued which provides for both the aspects covered under the two definitions, it would suffice the requirements under the Act.

14. What is the difference between the term 'completion certificate' and 'occupancy certificate'?

Section 2(zf) and section 2(q) define 'occupancy certificate' and 'completion certificate' respectively. Occupancy certificate relates to the occupation of the apartment/building, which has provision for civic infrastructure such as water, sanitation and electricity and is habitable. Completion certificate relates to the completion of the entire project certifying that the project has been developed according to the sanctioned plan, layout plan and specifications, as approved by the competent authority.

15. The Act defines 'estimated cost of the real estate project', what is the significance of the definition?

Section 2(v) defines 'estimated cost of the real estate project', which means "the total cost involved in developing the real estate project and includes the land cost, taxes, cess, development and other charges". The

determination of the estimated cost of the real estate project is necessary due to Chapter VIII of the Act, which provides that penalties would be imposed on the promoter, for violations prescribed under the Act, based on the estimated cost of the real estate project.

16. What is the definition of ‘garage’ and can it be sold by the promoter independent of an ‘apartment’?

As per Section 2(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. Garage can be sold to the allottee independent of the ‘apartment’.

17. What is the definition of ‘real estate project’? Does the term ‘project’ connote a ‘real estate project’?

The term ‘real estate project’ has been defined under section 2(zn) and the term ‘project’ has been defined under section 2(zj), which have been interchangeably used under the Act.

18. Are real estate agents covered under the Act? Does the term ‘real estate agents’ include web-portals engaged in selling of apartments or plots?

Section 2(zm) defines the term ‘real estate agents’, which is a very broad and inclusive definition and covers all from of agencies involved in sale and purchase of projects, registered under the Act. Consequently, web-portals etc. engaged in selling plots or apartments are also covered under the Act and are required to comply with the duties and responsibilities as provided therein including under the Rules and regulations made thereunder.

19. Are Real Estate Agents or Web-Based Brokerage Firms operating across multiple States required to register in each State?

Yes, as per Section 9, the Real Estate Agents or Web-Based Brokerage Firms operating across multiple States, are required to register themselves with respective Real Estate Regulatory Authority in each

individual State/UT. The Regulatory Authority shall grant a single registration to real estate agent for the entire State/UT.

20. What happens in case a term is used under the Act but has not been defined?

Section 2(zr) is an omnibus definition which provides that terms which have not been defined under the Act or the Rules and Regulations made thereunder, would have the same meaning as respectively assigned to them under the relevant Municipal laws or under any law for the time being in force.

CHAPTER II - REGISTRATION OF PROJECT AND AGENTS

21. Does the Act cover both residential and commercial real estate?

The Act covers both residential and commercial real estate. Section 2(e) defines 'apartment' and Section 2(j) defines the building' which include both residential and commercial real estate.

22. What types of projects being developed by the promoter needs to be registered under RERA?

As per Section 3(1), the promoter is required to register its project with the respective Real Estate Regulatory Authority before any advertising, marketing, booking, selling, offering for sale, or inviting persons to purchase in the project.

23. Does the Act cover ongoing / incomplete projects?

Ongoing / incomplete projects are covered under the Act. First proviso of Section 3(1) provides that promoters of all ongoing projects which have not received completion certificate will need to register their project with the Regulator Authority, within 3 months of its commencement.

24. Is registration mandatory for such projects which have already been completed prior to commencement of RERA?

Section 3(2)(b) of RERA provides that registration of project is not required, where the promoter has received completion certificate for a real estate project prior to commencement of RERA. Therefore, the projects which have received completion certificate prior to commencement of RERA, are not required to be registered under RERA.

25. Does the Act cover all projects in urban areas and in rural areas?

Section 3(1) provides that all projects within a 'planning area' will require to be registered with the Regulatory Authority. 'Planning Area' has been defined under section 2(zh). However, second proviso of section 3(1) provides that, with the requisite permission of the local authority, the Real Estate Regulatory Authority may order / direct the promoter to register projects beyond the planning area, in the interest of allottees.

26. Whether the Development Authorities / Urban Local Bodies are required to register their entire Residential/ Planning Areas as 'Real Estate Project' under RERA?

Section 2 (zn) provides the definition of 'real estate project' which includes 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 apartment, for the purpose of selling all or some of the said apartments or plots or building and includes the common areas, the development works, all improvements and structures thereon, and all easement, rights and appurtenances belonging thereto.

However, entire 'planning area' which comes under the jurisdiction of Development Authorities/ Local Bodies cannot be treated as a 'real estate project' for the purpose of RERA. There may be multiple real estate projects in the entire 'planning area' under the Development Authorities / Urban Local Bodies.

27. Which projects are exempted from registration under the Act?

As per section 3(2) the following projects do not require to be registered under the Act:

- (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;
- (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.

28. Can Development Authorities / Urban Local Bodies issue the Completion Certificate, Occupancy Certificate etc. for their own projects?

‘Completion Certificate’ or ‘Occupancy Certificate’ are required to be issued by the ‘competent Authority’ as defined under Section 2 (q) and 2 (zf) of RERA respectively. In some cases, Development Authorities / Urban Local Bodies may be the ‘Promoter’ and ‘Competent Authority’ both. In such cases, the Development Authorities / Urban Local Bodies can issue the required certificates to their own projects as per the provisions of local laws.

29. At what stage can a promoter start to advertise his project for sale?

The promoter can advertise his project for sale after the project has been registered with the Regulatory Authority as provided in section 3(1).

30. What are the details to be furnished at the time of application for registration of real estate project with the Regulatory Authority?

Section 4 of the Act provides for details / information and undertaking to be provided by the promoter to the Authority for registration of the project. The mechanism for registration i.e. the requisite forms to be filled, the fees to be paid etc. are to be determined by the Rules made by the appropriate Government.

31. What is the process for the registration of a real estate project with the Regulatory Authority?

The promoter is required to make an application as per Form and fees prescribed under Rules made by the appropriate Government, along with the documents / information and undertaking as specified in section 4, to the Authority for registration of the project. In addition, the promoter is also required to append other / additional documents / information as

specified in the Rules.

32. In how many days is the Regulatory Authority required to register the real estate project?

The Regulatory Authority is required to register the project within 30 days of the application having been received by the Authority, if the same is in compliance with the Act and the Rules and Regulations.

33. Is there a provision for deemed registration of a real estate project in case the Regulatory Authority does not respond to the application?

Section 5 of the Act provides that the Authority has to decide on the application within 30 days of its receipt. It further provides that in case the Authority fails to take a decision within the said period of 30 days the project shall be deemed to be registered.

34. What if the application for registration of the real estate project is incomplete?

If the application for the registration of the project is not complete as required under the Act or the Rules and Regulations made there under, the Authority may grant an opportunity to the promoter to complete the application in all respects. However, in case of non-compliance the Authority has the power to reject the application, only after giving an opportunity to the promoter of being heard.

35. Is there any rebate or concession in the registration fee under RERA for Slum rehabilitation projects or such projects in which majority of dwelling units is to be allotted to Slum / Jhuggi Jhopri (JJ) dwellers?

As per Section 4 of RERA, the Appropriate Government / Real Estate Regulatory Authority is empowered to prescribe the project registration fees in its rules / regulations. The Regulatory Authorities of many States/UTs have prescribed varying project fees for different category of projects. The Regulatory Authorities may prescribe separate category of project for 'Slum Rehabilitation Projects or such projects in which majority of dwelling units is to be allotted to slum / Jhuggi Jhopri dwellers'. The Appropriate Government / Authority may also either waive

or prescribe nominal project registration fees for such projects as per rules / regulations.

- 36. Is the promoter required to maintain an 'escrow account' or a 'separate account'? Is a 'separate account' to be maintained for every project or it can be for one or more projects? What are the purposes for which the promoter can withdraw the money from the separate account?**

Section 4(2)(I)(D) provides that the promoter shall maintain a 'separate bank account' for every project undertaken by him wherein seventy percent of the money received from the allottees shall be deposited for the purposes of construction and land cost. The account has to be self maintained and is not an escrow account requiring the approval of the Authority for withdrawal. Section 4(2)(I)(D) clearly provides that the funds can only be used for construction and land cost.

- 37. If any Development Authority is developing / constructing the project from its own fund and not collecting any amount from the allottees / buyers, in such case, is the promoter required to maintain a separate bank account as per Section 4(2)(I)(D) of RERA?**

If the project is being constructed by Development Authority from its own fund and not taking any fund from the buyer, in such case the Real Estate Regulatory Authority may grant the exemption to open the separate bank account as required under Section 4(2)(I)(D) of RERA on a case-to-case basis.

- 38. On what basis is the promoter required to withdraw the money from the separate account?**

As per section 4(2)(I)(D) first and second proviso, the promoter is required to withdraw the amounts from the separate account, to cover the cost of the project, in proportion to the percentage of completion of the project. In addition, the promoter is permitted to withdraw from the separate account 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.

39. Is the promoter required to get his accounts audited?

As per section 4(2)(I)(D) third proviso, the promoter is required to 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. It shall be verified during the audit that the amounts collected for a particular project have been utilized for the project and the withdrawal has been in compliance with the proportion to the percentage of completion of the project.

40. Is the application for registration of a real estate project, proposed under the Act is manual or it can also be done online?

As per Section 4(3), Regulatory Authority has to operationalize a website for submitting applications for registration of projects and make the entire process online.

41. What is the period of validity of registration granted to a real estate project by the Regulatory Authority?

As per section 5(3), the validity of the registration granted to a project shall be the period declared by the promoter under section 4(2)(I)(C), at the time of making the application for registration, within which he would complete the project.

42. Can the period of registration granted to a real estate project by the Regulatory Authority be extended? What is the definition of force majeure?

Section 6 envisages two situations within which the registration granted to a project can be extended. Extension of registration can be granted in case of force majeure. In addition, it can also be granted under reasonable circumstances, without the fault of the promoter, which shall not be more than a maximum period of 1 year.

Explanation to section 6 has defined force majeure to 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'.

43. What are the terms and conditions for extension of registration?

The terms and conditions, the application form and the fees payable for extension of registration of project shall be in the manner as prescribed by the Authority in its regulations.

44. Can the registration of a project be revoked?

As per section 7, the Authority has the powers to revoke registration of a project, for violations specified under the said section. However, revocation of registration of a project is envisaged as a last resort and can only be done after providing a reasonable opportunity of being heard.

45. What are the next steps that can be taken for project completion in case of revocation of a project?

In case a project is revoked, section 8 provides that Authority in consultation with the appropriate Government may take action to carry out 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. However, in such a scenario, the association of allottees shall have the first right of refusal for carrying out the remaining development works.

46. Does the Act also cover real estate agents? What are the duties and responsibilities of the real estate agents?

Section 9 of the Act provides that real estate agent which engages in selling real estate project registered under the Act has to register themselves with the Authority. The mechanism for registration, the fees payable, the period of registration, subsequent renewal etc. are matters to be detailed vide the Rules. Section 10 of the Act provides for detailed functions and duties of real estate agents.

CHAPTER III - FUNCTIONS AND DUTIES OF PROMOTER

47. What are the important functions and responsibilities of the promoter after registration of the project with the Authority?

As per section 11 of the Act, the promoter is required to update all project information as furnished at the time of application (as provided under section 4) on the website of the Authority. In addition, section 11 also provides for certain information, which needs to be updated by the promoter on quarterly basis, in order to make an informed choice by the buyer.

In addition, the promoter is required to carry out all the responsibilities as envisaged under section 11 at various stages of development of the project and upon its completion.

48. What are the disclosures to be made on the website of the Regulatory Authority?

Section 4 and section 11 provide for a detailed list of disclosures on the website of the Authority by the promoter for public viewing. Also, the detailed list is required to be specified in the Rules.

49. What is the promoter's obligations regarding veracity of the advertisement or prospectus?

As per section 12 of RERA, the promoter is responsible for the veracity of all information contained in the advertisement and the prospectus. In case of any loss sustained by any person due to false information contained therein, the promoter is liable to make good the loss sustained due to the same.

50. Can the promoter collect any amount of money towards booking of the apartment/ plot?

Section 13 provides that the promoter cannot accept more than 10% of the apartment / plot cost as an advance payment / application fees without first executing an 'Agreement for Sale' with the allottee.

51. What is the 'Agreement for Sale' and is it binding on the 'promoter' and the 'allottee'?

As per section 13(2) of RERA, the Appropriate Government is required to specify through Rules the 'Agreement for Sale' to be entered into between the promoter and the allottee. This Agreement is binding on the parties, however, internal flexibility could be provided in the said Agreement for Sale, for determination / insertion of other provisions as decided between the parties. However, the terms of aforesaid 'Agreement for Sale' cannot be contrary to the provisions of Act and Rules thereto.

52. Can the promoter modify / amend the sanctioned plans or project specifications after having been approved by the competent authority and disclosed to the allottees?

As per section 14 of the Act the promoter can only modify / amend the sanctioned plans or project specifications, after the approval of the competent authority and its disclosure to the allottees, in case of minor additions or alterations.

However, in case of major modification / alteration, the promoter has to take the approval from two-third of the allottees before modifying the sanctioned plans or project specification. In addition, for arriving at the number of two-third allottees, the number of apartments held by the promoter will be excluded. Also, irrespective of the number of apartments held by an allottee he/she shall only be entitled to one vote.

53. What is the period for which the promoter is liable for any structural defects etc. in the project / apartment etc.?

As per section 14(2), the promoter shall be liable for 5 years from the date of handing over of possession to the allottee towards structural defect or any other defect as specified therein. It is the duty of the promoter to rectify such defects within 30 days and if promoter fails to do so, the aggrieved allottees shall be entitled to receive appropriate compensation as provided under the Act.

54. What is the obligation of the promoter as regard transfer of the project to a third party?

As per section 15, the promoter cannot transfer or assign his majority rights and liabilities in the project to a third party, without obtaining the prior written consent of two- third of allottees and the Regulatory Authority.

In addition, for arriving at the number of two-third allottees, the number of apartments held by the promoter will be excluded. Also, irrespective of the number of apartments held by an allottee he/she shall only be entitled to one vote.

55. What is the obligation of the promoter as regards insurance of real estate project?

As per section 16 the promoter is required to seek an insurance of the real estate project towards 'title of the land' and towards 'construction of the project'. However, the said section provides that this provision shall only come into effect after and in the manner as may be notified by the appropriate Government.

56. What is the obligation of the promoter as regards transfer of title of the apartment/ plot?

Section 17 of the Act provides for detailed provisions regarding transfer of title of the apartment to the allottee and the undivided proportionate title in the common areas of project to the association of the allottees. Also, it shall be the responsibility of the promoter to handover the necessary documents and plans to the association of the allottees or the competent authority, as the case may be.

57. What is obligation of the promoter towards return of amount and compensation to the allottee?

Section 18 of the Act provides for provisions as regards various situations in which promoter fails to handover the possession of booked unit to the allottee. In such case, the allottee has the right to withdraw

from the project and claim a full refund along with interest and compensation.

Alternatively, if the allottee chooses to stay with the project, he is entitled to interest for every month of delay until possession is handed over and also for compensation in certain circumstances as mentioned in the aforesaid section.

CHAPTER IV - RIGHTS AND DUTIES OF ALLOTTEES

58. What are the rights of the allottees under the Act?

Section 19 empowers the allottee to obtain information regarding sanctioned plans, layout plans, and schedule for project completion. They have the right to claim timely possession of booked unit as per the agreement. In case of any delay or breach by the promoter, the allottee has the right to either withdraw from the project and claim a full refund with interest and compensation, or continue with the project and receive monthly interest for the period of delay. Additionally, allottees are entitled to necessary documents and plans related to the property after taking possession.

59. What are the duties of the allottees under the Act?

Section 19 also provides for the various duties of the allottees such as payment regarding the apartment/ plot, liability towards interest for delay in payment, responsibility to take possession, participate in formation of association and registration of conveyance deed etc.

CHAPTER V - THE REAL ESTATE REGULATORY AUTHORITY

60. What is the timelines for establishment of the Regulatory Authority?

As per section 20 the Regulatory Authority is required to be established within 1 year of the commencement of the said section. However, for speedy implementation of the Act, section 20 empowers the 'appropriate Government' to appoint an interim Regulatory Authority, until the establishment of the full time Authority.

61. What is the composition of the Regulatory Authority?

As per section 21 of RERA, the Regulatory Authority shall consist of a Chairperson and not less than two whole time members to be appointed by the appropriate Government.

62. How are the Chairman and the Members of the Authority required to be appointed?

As per section 22 the Chairman and the Members of the Authority are required to be appointed by the appropriate Government on the recommendations of a Selection Committee comprising of the Chief Justice of the High Court (or his nominee), the Housing Secretary and the Law Secretary. The section also provides for the qualification etc. that are required for the appointment of the Chairman and the Members.

63. How can a complaint be filed with the Authority for any violations under the Act?

Section 31 of the Act provides for filing of complaint by an aggrieved with the Regulatory Authority or Adjudicating Officer, as the case may be. The form and manner and the fees payable for filing the complaint are to be specified by Rules to be made by the appropriate Government.

64. What is the time period within which the Authority is required to dispose of any matter that is brought to it for consideration?

Section 29 provides that the Authority should endeavour to dispose of the questions / complaints as expeditiously as possible but not later than sixty days from the date of filing the same. However, where it could not be disposed of during said period the Authority is required to record its reasons for the same.

65. What are the key functions of the Real Estate Regulatory Authority in promoting the real estate sector?

Section 32 of the RERA Act empowers the Real Estate Regulatory Authority to play a proactive role in the growth and development of the real estate sector. The Authority is mandated to facilitate a healthy, transparent, efficient, and competitive real estate market by making

recommendations to the appropriate government or competent authorities. These recommendations can include suggestions for regulatory reforms, policy improvements, or any other measures aimed at improving governance and protecting the interests of all the stakeholders.

66. What are the important responsibilities of the 'Regulatory Authority'?

Apart from the day to day implementation of the Act and the Rules and Regulations made thereunder the immediate responsibility of the Regulatory Authority are:

- a. Registration of the real estate project and the real estate agent;
- b. Extension of registration of the real estate project and its revocation;
- c. Renewal of registration of the real estate agent and its revocation;
- d. As per section 34 the Authority is responsible to maintain a website of records for public viewing of –
 - i. 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;
 - ii. details of promoters with photographs of promoters;
 - iii. details of projects in case of revocation of registration or where any project penalized under the Act;
 - iv. details of agents registered under the Act including his photograph and also of those agents whose registration has been revoked.
- e. As per section 71, the Authority is required to appoint one or more 'adjudicating officer in consultation with appropriate Government.
- f. As per section 85, the Regulatory Authority is required to notify Regulations within 3 months of establishment.
- g. As per section 32, the Regulatory Authority is also required to make recommendations on various matters for the growth and promotion of a healthy, transparent, efficient and competitive real estate sector.

67. What are key powers of Regulatory Authority?

Section 35 to 38 of RERA provides for the powers of Regulatory Authority to call for information, conduct investigations, issue interim orders/ directions, impose penalty or interest etc.

68. Is the Real Estate Regulatory Authority has power to regulate its own procedure?

The Regulatory Authority is required to be guided by the principles of natural justice, which means it must conduct hearings fairly and impartially, giving all parties a chance to be heard before making decisions. The Authority has the power to regulate its own procedures within the framework of the Act and relevant rules.

69. What happens if a practice or agreement in a real estate project restricts competition or creates a monopoly?

If an issue arises related to an agreement, action, or practice that significantly restricts competition or abuses a monopoly position in a way that harms the interests of allottees, the Regulatory Authority can, *suo motu* refer the matter to the Competition Commission of India.

70. Recovery of interest or penalty or compensation and enforcement of order, etc.

If a promoter, allottee, or real estate agent fails to pay any interest, penalty, or compensation imposed by the adjudicating officer, Regulatory Authority, or Appellate Authority under the RERA Act, the amount becomes recoverable as an arrear of land revenue. This means it can be collected through government mechanisms similar to recovering unpaid taxes or dues. Furthermore, if any order or direction issued by these authorities is not followed, it can be enforced through prescribed legal procedures to ensure compliance. This provision ensures that penalties and orders under RERA are strictly enforced and cannot be ignored.

CHAPTER VI - CENTRAL ADVISORY COUNCIL

71. What is the composition of the Central Advisory Council?

The Central Advisory Council, to be headed by the Union Minister for Housing, is a multi-member body comprising representatives of specified Central Ministries, five representatives of State Governments to be selected by rotation, five representatives of Regulatory Authorities to be selected by rotation and any other central government department as

notified.

The Central Advisory Council is also required to have representatives of consumers, real estate industry, real estate agents, construction labourers, NGOs, and academic / research institutions.

72. What is the role and responsibility of the Central Advisory Council?

The Central Advisory Council is required to advise the Central Government on matters relating to implementation of the Act, questions of policy, protection of consumer interest, foster growth and development of the real estate sector and other matters as may be assigned to it by the Central Government.

73. How can the Central Government give effect to the recommendation of the Central Advisory Council?

The Central Government may specify the rules to give effect to the recommendations of the Central Advisory Council on matters as provided under section 42(1).

CHAPTER VII - THE REAL ESTATE APPELLATE TRIBUNAL

74. What is the timelines for establishment of the Appellate Tribunal under the Act?

As per section 43 of the Act, the Appellate Tribunal is required to be established within 1 year of the commencement of section 43.

However, for speedy implementation of the Act, section 43 empowers the 'appropriate Government' to designate an existing Appellate Tribunal (under any other law in force) to function as an Appellate Tribunal under the Act.

75. What are the important responsibilities of the Appellate Tribunal?

The Appellate Tribunal is a quasi-judicial body, which is empowered to hear appeals from the orders / decisions / directions of the Regulatory Authority or the Adjudicating Officer, as the case may be.

76. Can an appeal be filed against the decision or the orders of the Appellate Tribunal?

Any person aggrieved by the decision or order of the Appellate Tribunal can file and appeal with the High Court.

77. What is the time period within which the Appellate Tribunal is required to dispose of the appeal?

Section 44 provides that the Appellate Tribunal should endeavour to dispose of the appeal as expeditiously as possible but not later than sixty days from filing the appeal. However, where the same could not be disposed of during said period the Appellate Tribunal is required to record its reasons for the same.

78. How are the Chairman and the Members of the Appellate Tribunal required to be appointed?

As per section 46 the Chairman of the Appellate Tribunal shall be a sitting or retired Judge of the High Court. Section 46 also provides that the Appellate Tribunal shall comprise of at-least two Members one of whom shall be a Judicial Member and the other shall be a Technical or Administrative Member.

As per section 46, the Members of the Appellate Tribunal are required to be appointed by the appropriate Government on the recommendations of a Selection Committee comprising of the Chief Justice of the High Court (or his nominee), the Housing Secretary and the Law Secretary. The section also provides for the qualification etc. that are required for the appointment of the Judicial / Administrative Members.

CHAPTER VIII - OFFENCES, PENALTIES AND ADJUDICATION

79. What is the punishment prescribed for non-registration of a project under the Act?

As per section 59, where under the Act, it is obligatory for the promoter to register a project with the Authority, and the promoter fails to do the same, he shall be liable to a penalty upto ten percent of the estimated cost of the real estate project.

However, in case the promoter consistently defaults or does not comply

with the directions / orders of the Authority as regards registration of the project with the Authority, he shall be liable to additional fine of ten percent of the estimated cost of the real estate project or imprisonment upto 3 years or both.

80. What is the punishment prescribed for violation of section 4 which provides for application for registration of the project?

As per section 60 if the promoter defaults as regards matters covered under section 4, he shall be liable to a penalty upto five percent of the estimated cost of the real estate project.

81. What is the punishment prescribed for violation of other provisions of the Act by the promoter?

As per section 61 if the promoter defaults any other provision of the Act or the Rules and Regulations made thereunder, he shall be liable to a penalty upto five percent of the estimated cost of the real estate project.

82. What is the punishment prescribed for non-compliance of the orders of the Authority by the promoter?

As per section 63 if the promoter fails to comply with the orders of the Authority, he shall be liable to a penalty for every day of default, which may cumulative extend upto five percent of the estimated cost of the real estate project.

83. What is the punishment prescribed for non-compliance of the orders of the Appellate Tribunal by the promoter?

As per section 64 if the promoter fails to comply with the orders of the Appellate Tribunal, he shall be liable to a penalty for every day of default, which may cumulative extend upto ten percent of the estimated cost of the real estate project or with imprisonment for a term which may extend upto three years or with both.

84. What is the punishment prescribed for non-registration of by a real estate agent under the Act?

As per section 62, where under the Act, it is obligatory for the real estate

agent to register himself with the Authority, and the real estate agent fails to do the same, he shall be liable to a penalty upto of rupees ten thousand per day of default, which may cumulative extend upto five percent of the cost of the plot / apartment, for which the sale has been facilitated by him.

85. What is the punishment prescribed for non-compliance of the orders of the Authority by the real estate agent?

As per section 65 if the real estate agent fails to comply with the orders of the Authority, he shall be liable to a penalty for every day of default, which may cumulative extend upto five percent of the cost of the plot / apartment, for which the sale has been facilitated by him.

86. What is the punishment prescribed for non-compliance of the orders of the Appellate Tribunal by the real estate agent?

As per section 66 if the real estate agent fails to comply with the orders of the Appellate Tribunal, he shall be liable to a penalty for every day of default, which may cumulative extend upto ten percent of the cost of the plot / apartment, for which the sale has been facilitated by him or with imprisonment for a term which may extend upto one year or with both.

87. What is the punishment prescribed for non-compliance of the orders of the Authority by the allottee?

As per section 67 if the allottee fails to comply with the orders of the Authority, he shall be liable to a penalty for every day of default, which may cumulative extend upto five percent of the cost of the plot / apartment.

88. What is the punishment prescribed for non-compliance of the orders of the Appellate Tribunal by the allottee?

As per section 68 if the allottee fails to comply with the orders of the Appellate Tribunal, he shall be liable to a penalty for every day of default, which may cumulative extend upto ten percent of the cost of the plot / apartment or with imprisonment for a term which may extend upto one year or with both.

- 89. Can an offence which provides for imprisonment be compounded?**
As per section 70 if any person is punishable with imprisonment under the Act, the same may be compounded on such terms and conditions which may be prescribed by Rules made by the appropriate Government. In addition, the fine payable in lieu of imprisonment needs to be specified by the said Rules, which cannot be more than the maximum fine payable for that offence.
- 90. What is the role of the Adjudicating Officer?**
The Adjudicating Officer is a quasi-judicial person who is mandated to adjudicate on disputes arising under section 12, 14, 18 and section 19. The Adjudicating Officer shall be a person who is or has been a District Judge.
- 91. What are the factors that need to be taken into account by the Adjudicating Officer while deciding a dispute under sections 12, 14, 18 and 19 of the Act?**
The Adjudicating Officer shall, while deciding the disputes under section 12, 14, 18 and 19 of the Act, have regard to – the amount of disproportionate gain or unfair advantage, the amount of loss, repetitive nature of the default and such other factors that the Adjudicating Officer may consider necessary in furtherance of justice.

CHAPTER IX - FINANCE, ACCOUNTS, AUDITS AND REPORTS

- 92. What is the mechanism to finance the functioning of the Authority?**
The Central Government or the State Government as the case may be, may through due appropriation make grants and loans to the Authority.
- 93. Who is required to constitute the Real Estate Regulatory Fund? What are the purposes for which the Fund is supposed to be used?**
The appropriate Government is required to constitute the Real Estate Regulatory Fund, which is to be administered by a committee of such Members of the Authority as may be determined by the Chairperson. The said Fund is required to be used towards payment of salary and

allowances to the Chairperson and the Members of the Authority and the Appellate Tribunal and such other expenses of the Authority in connection with the functions and purposes specified under the Act.

94. Can the penalties imposed under the Act be deposited in the Real Estate Regulatory Fund?

As per section 76 penalties recovered under the Act are to be deposited in the Consolidated Fund of India (in case of Authority established by the Central Government) and in the State Account (in case of Authority established by the State Government).

However, as per section 75, grants received by the Authority, fees received under the Act/ Rules and the interest accrued thereon shall be credited to the Real Estate Regulatory Fund.

95. Is the Authority required to prepare a budget and maintain proper accounts and other relevant records? Are the accounts of the Authority required to be audited?

As per section 77, the Authority is required to prepare a budget and maintain proper accounts and other relevant records and also prepare an annual statement of accounts in the manner as may be prescribed by Rules made by the appropriate Government.

In addition, section 77 provides that the accounts of the Authority are required to be audited by the Comptroller and Auditor General of India.

The accounts of the Authority as certified by the Comptroller and Auditor General of India (audit report) is required to be forwarded to the appropriate Government for it to be laid before the Parliament or the State Legislature, as the case may be.

96. Is the Authority required to prepare an Annual Report?

As per section 78 the Authority is required to prepare an Annual Report in the manner as may be prescribed by Rules made by the appropriate Government.

In addition, the said Annual Report is required to be forwarded to the appropriate Government for it to be laid before the Parliament or the State Legislature, as the case may be.

CHAPTER X - MISCELLANEOUS

97. Are the civil courts and consumer forums barred from entertaining disputes under the Act?

As per section 79 of the Act civil courts are barred from entertaining disputes (suits or proceedings) in respect of matters which the Authority or the adjudicating officer or the Appellate Tribunal is empowered under the Act to determine. However, the consumer forums (National, State or District) have not been barred from the ambit of the Act.

Section 71 proviso permits the complainant to withdraw his complaint as regards matters under section 12, 14, 18 and section 19, from the consumer forum and file it with the adjudicating officer appointed under the Act.

98. Can a complainant approach both the Regulatory Authority / adjudicating officer and the consumer forums for the same disputes?

The laws of the country do not permit forum shopping, thus, an aggrieved can only approach one of the two for disputes over the same matter.

99. Can the Authority delegate any of its functions under the Act?

As per section 81, the Authority is empowered to delegate such of its powers and functions under the Act to any Member, officer or any other person subject to conditions specified in the order issued for the same. However, the Authority cannot delegate the responsibility of making Regulations under section 85 under the Act.

100. What is the timeline for notification of the Rules by the appropriate Government under the Act?

As per section 84 of the Act, Rules are required to be prepared by the “appropriate Government” within 6 months of the commencement of the Act.

101. What is the timeline for notification of the Regulations by the Authority under the Act?

As per section 85 of the Act, Regulations are required to be notified by the Regulatory Authority within 3 months of its establishment.

102. Are the Rules, Regulations etc. notified required to be laid before the Parliament or the State Legislature?

As per section 86 every Rule, Regulation, notification issued by the appropriate Government or the Authority, is required to be laid before the Parliament or the State Legislature, as the case may be.

103. Does the Government have the power to issue Orders towards Removal of Difficulties while implementing the Act?

The Central Government, under section 91, has been empowered to notify Orders towards removal of difficulties while implementing the Act. However, such removal of difficulties Order cannot be issued after the expiry of a period of two years since its commencement.

104. Why was section 92 repealing the Maharashtra Housing (Regulation and Development) Act, 2012 provided under the Act?

The Maharashtra Housing Act, 2012 was received for seeking presidential assent under Article 254(2) of the Constitution of India, when the Real Estate Bill was not enacted. For the sake of uniform application across the country, the said State Act, was repealed under Article 254(2) proviso of the Constitution of India.

Joint Secretary (Housing)
Ministry of Housing & Urban Affairs,
Government of India,
Nirman Bhawan,
New Delhi - 110011
Tel: 011-23061419;
E-mail: jshfa-mohua@gov.in
Website: <https://mohua.gov.in/>