

**Gujarat Real Estate
Regulatory Authority**



**Rights and Duties/Responsibilities
of
Allottees under The Real Estate
(Regulation and Development)
Act, 2016**



Rights and Duties/Responsibilities of Allottees under The Real Estate (Regulation and Development) Act, 2016

The Real Estate (Regulation and Development) Act, 2016 deals with the activities of all stakeholders namely, the promoters, the agents and the allottees connected with the real estate projects. The allottee i.e. purchaser being one of the parties to the transaction is duty bound by the terms and conditions of the agreement of sale executed in terms of the Act which is stipulated as per the model draft provided in the Rules. The provisions contained in Chapter IV of the Act lays down the rights of the allottee i.e. purchaser which he has against the promoter and which are enforceable as per the remedy provided in the Act and Rules.

Some of the Rights of the Allottees:-

To obtain information

The purchaser is entitled to obtain information relating to the project mainly about the sanctioned plan/layout plans and the specifications as approved by the competent authority. Such information is required to be posted on the web page of the Authority's site and it is required to be updated regularly as per the provisions of sec. 11(1) of the Act. The right to obtain this information is very important since Section 14 obligates the promoter to adhere to the sanctioned plan and project specification, departure from which empowers the allottees to take actions against the promoter. Where the promoter intends to make any additional construction in sanctioned plan as disclosed to the allottees, he cannot do so unless he obtains prior written consent of at least 2/3rd number of allottees.

The allottee is also entitled to have information which are related to other matters provided in the Act, rules or regulations made thereunder. (Kindly see Section 11(1), 14 and 19(1))

Time schedule of completion

This is the most relevant information required to



be displayed on the web site. Besides the time scheduled for the completion, the allottee is also entitled to other information regarding the necessary facilities like water, sanitation, electricity and other amenities and services as per the agreement with the promoter. (See Section 19(2) and 11(1))

Physical possession

The allottee is entitled to claim physical possession of the building, apartment or plot as per the time schedule given by the promoter under sub-clause (C) of Clause (1) of sub-section (2) of Section 4, while making application for registration of the project. Possession of common area is also required to be handed over to the association of allottees. (See Section 19(3))

Refund in the case of non-completion

The allottees can claim the refund of the amount paid along with interest at the prescribed rates, and also compensation as may be determined by the adjudicating authority of the RERA Authority in case of failure by the promoter to give physical possession as per the terms of the agreement for sale. The allottee's right to claim such refund and other amount remains unaffected even if the developer discontinues his business as a developer or on account of suspension or revocation of his registration. (See section 19(4))

Right to obtain documents and plans

It is the right of allottee to enter into Agreement for sale if he is paying more than 10% of the cost of flat at the time of booking (Section 13(1)). It is the right of the allottee to have Agreement documents and plans including common area from the promoter. At the time of the booking and issue of allotment letter allottee is entitled to have the information's, like (a) sanctioned plans, layout plans, along with specifications approved by the competent authority, which is also to be displayed at the site or such other place as may be specified by the regulations made by the Authority; and (b) time schedule of completion of the project, including



the provisions for civic infrastructure and facilities like water, sanitation and electricity. (See Section 19(5) and 11(3))

Apart from the right, the allottee has some obligation, responsibilities and duties prescribed in the Act, Rules and Regulations made thereunder.

Responsibilities:-

To make timely payment

The allottee is responsible to make necessary payments in the manner and within the time as specified in the agreement for sale, the share of the registration charges, municipal taxes, water and electricity charges, maintenance charges, ground rent, and other charges, is payable as per the terms of the agreement. The obligation to make payment within specified time can be changed with mutual agreement agreed upon by both the parties. (See Section 19(6))

To pay interest at prescribed rate on delayed payment

It is the responsibility of the allottee to pay interest at the rate prescribed in the agreement for any delay in payment of any amount which is due from him. The liability towards interest can be reduced by the mutual agreement between the promoter and the allottee. (See Section 19(7) and 19(8))

Formation of society/association

The allottee is required to participate in the formation of an association or society or co-operative society of the allottees. (See Section 19(9))

Take physical possession

It is also responsibility of the allottee to take physical possession of the building, apartment or plot within a period of two months of the issue of building use certificate. (See Section 19(10))

Participation in registration of conveyance deed

Section 17(1) of the Act requires the promoter to execute a registered conveyance deed of the



building, apartment or plot in favour of the allottee and of the undivided proportionate title in the common area in favour of their association. It is mainly duty and responsibility of promoter but the allottee is also responsible to participate in the process and extend all co-operation in the matter. (See Section 19(11) and 17(1))

At the same time some penal provisions are also provided in the Act in case of failure by the promoter as well as by the allottee.

In case promoter provides false information or in case of contravention of the other provisions of the Act, the promoter is liable to a penalty up to 5% of the estimated cost of the Project. (See Section 60 & 61)

In case the allottee fails to comply with or contravene any order decision or direction of the RERA, is liable to a penalty up to 5% of the cost of the building, apartment or plot allotted to him as may be determined by the authority. (See Section 67)

THE ABOVE IS JUST FOR THE INFORMATION OF THE GENERAL PUBLIC. THE EXACT PROVISIONS OF THE ACT, RULES AND REGULATIONS MADE THEREUNDER MAY BE REFERRED IN CASE ANY DETAILED OR EXPLICIT INFORMATION IS REQUIRED AND THE SAME SHALL BE FINAL IN THIS REGARD.

Dt. : 18th May 2018

Dr. Manjula Subramaniam

Chairperson

Gujarat Real Estate Regulatory Authority

