

FAQs for TG RERA Website

The purpose and objects of the Real Estate (Regulation & Development) Act of 2016.

- To establish the regulation and promotion of Real Estate Sector
- To infuse transparency & efficiency in selling Real Estate and ensure fair play to restrict frauds and overcome delays.
- To protect the interest and ensure accountability towards allottees.
- To establish Fast –Track dispute resolution in Real Estate sector.
- To delineate responsibilities for both Promoter & Allottees.

Important Responsibilities of the 'Regulatory Authority'?

- 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 -all projects registered with the Authority including details of projects as specified in the Act and the rules and regulations; details of promoters with photographs of promoters; details of projects in case of revocation of registration or where any project is penalized under the Act; details of agents registered under the Act including his/her photograph and also of those agents whose registration has been revoked.
- e) 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.
- f) Such a case, every such phase or part development shall be considered stand-alone real estate project, and therefore the promoter shall obtain registration under this Act for each phase separately.

I. FAQs from Consumer's Perspective

1. Is it mandatory for the promoter to obtain permissions from Local Authority for the real estate project before applying registration to TG RERA?

Ans: Yes, It is mandatory for every promoter & Co Promoter to obtain registration approval for Buildings / Layout permissions from Competent Local Authority before applying for Registration. Under section (3).

2. What is the penalty prescribed for non-registration of a project under the Act?

Ans: If any promoter fails to register as per Act, he shall be liable to a penalty which may extend up to 10% of the estimated cost of the real estate project. On continued violation, he/she shall be punishable with imprisonment for a term which may extend

up to 3 years or with fine which may extend up to a further 10% of the estimated cost of the real estate project, or with both. Under section 59.

3. How will a flat/Plot buyer know, if the real estate project is duly registered under TG RERA?

Ans: The Flat/Plot Buyer should visit TG RERA website which would display all the registered projects.

It is mandatory that the advertisement for marketing of flats/Plots in the real estate project must carry the TG RERA registration number. Under section 11(2).

4. If a real estate project has land area more than 500 sqmts but containing less than 8 apartments. Does it still need to be registered?

Ans: Yes. Every real estate project which has land area more than 500 sqmts & has less than 8 apartments' needs to be registered.

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6. Is the promoter required to give any undertaking to TG RERA for completing his project within a specified period?

Ans: Yes, in accordance with the provisions of the Act, the promoter, while applying for registration to TG RERA, has to give a declaration, supported by an affidavit, indicating the time period within which he undertakes to complete the project or phase thereof, as the case may be. Under section 4.

7. If the registration of a real estate project is revoked for any reason, how will the interest of the buyer, in such project, be protected by TG RERA?

Ans: TG RERA will take action in accordance with section 8 of the Act, can take action as deemed fit carrying out of the remaining departmental works by competent authority, or by association of allottees decided by Authority.

8(i). In case of delay in getting possession from the promoter, will the buyer be entitled to get interest on the amount paid by him, for such delayed period?

Ans: Yes. if the Promoter fails to abide by the time schedule for completing the project and handing over the [Apartment/Plot] to the Allottee, the Promoter agrees to pay to the Allottee, who does not intend to withdraw from the project, interest as specified in the Rule, on all the amounts paid by the Allottee, for every month of delay, till the handing over of the possession. Under section 18.

(ii) Will such interest payment by the promoter to the buyer be automatic or the buyer will have to approach TG RERA?

Ans: The interest payment is in accordance with the agreement and hence should be automatically paid. The buyer may have to file a complaint to TG RERA if there is a grievance/ fail to comply.

9. Is there a ceiling on the interest to be levied by the promoter in case of default in payment of any installments by the allottee/ buyer?

Ans: The Allottee has to pay to the Promoter, a rate of interest equal to the State Bank of India highest Marginal Cost of Lending Rate plus 2%, on all the amounts which become due and payable by the Allottee to the Promoter under the terms of the Agreement from the date the said amount is payable by the allottee(s) to the Promoter. Under Rule 15.

10.Can a promoter or a real estate agent also file complaint against a buyer?

Ans: Yes. An aggrieved person having any interest in the registered real estate project can file complaint. Under section 31.

11.Is there any provision for interim relief to be granted, pending the final adjudication of the complaint?

Ans: The procedure to be followed by TG RERA while adjudicating a complaint is detailed in section 36 of the Act.

12.If the buyer wants to file a complaint in Consumer Court, is there any bar under TG RERA the Act?

Ans: No. As per section 79 of the Act, civil courts are barred from entertaining disputes (suits or proceedings) in respect of matters which Real Estate Regulatory Authority or the Appellate Tribunal is empowered under the Act to determine. Section 71, provision 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 in the Authority appointed under the Act.

13.Is there appeal provided against the orders given by TG RERA? Is there a timelimit? What are the fees?

Ans: Any person aggrieved by any direction or decision or order made by TG RERA or by an adjudicating officer may file an appeal before the Appellate Tribunal within a period of sixty days under Section 43(5).

14.Is there any time limit prescribed for the promoter for formation of society or any other legal entity of home buyers?

Ans: Promoter has to enable formation of Legal Entity like Association, Federation etc. within three months from the date on which fifty one per cent of the total number of Purchasers, in such a building or a wing, have booked their apartment.

15.Is there a time limit prescribed for the promoter to execute conveyance in favour of the association of buyers?

Ans: Promoter shall execute a registered conveyance deed in favour of the allottee within three months from date of issue of occupancy certificate or fifty one per cent of the total number of Purchasers, in such a building or a wing, have paid the full consideration to the promoter, whichever is earlier. Under section 17.

16.How does the promoter make an application for registration?

Ans: All promoters shall make their applications online through this IT solution, filling the details in the requisite forms, uploading the required documents and paying the necessary fees under section 4.

17. Is it compulsory for the promoter to register the project immediately after he gets sanctioned approvals?

Ans: Promoter has to register the project before he starts any form of advertising, marketing, booking, selling, offer for selling or inviting people to purchase plots, apartment or buildings.

18. Will ongoing Project have to stop sales or construction till receiving the Registration?

Ans: At the end of ninety days from the date of notification of Section 3 of the Act, the promoter of an ongoing project shall not advertise, market, book, sell or offer for sale or invite persons to purchase in any manner any plot, apartment or building, unless he registers the project.

19. Can promoter change the completion date for ongoing projects while registering?

Ans: Yes, while registering project, promoter needs to give revised date of completion which should be commensurate with the amount of development completed. Subject to the validity of Competent Authority.

20. Can an allottee who has executed agreement with the promoter prior to the on-going project getting registered with the Authority, be a complainant before TG RERA?

Ans: TG RERA empowers any aggrieved person to file a complaint with respect to a registered real estate project. This will include an allottee who has an agreement executed before the project is registered with TG RERA. However, TG RERA will have authority to adjudicate for violations and contravention of provisions of the Real Estate (Regulation and Development) Act or rules and regulations made there under.

21. Can the promoter change the plans of subsequent phases after registration of the 1st phase?

Ans: The Act puts an obligation on a promoter to obtain consent of 2/3rd allottee, if he wants to change the building plans for the phase that is registered. If a subsequent phase has not been registered, the promoter can change the plans of the subsequent phases without obtaining consent of the allottees from current / ongoing phases. However, if the subsequent phases are also registered, consent of 2/3rd allottees and of the concerned phases, would be needed and also approval from Authority as mentioned in section 14 of the Act

22. If the promoter needs to change the plans of an on-going project post RERA registration, will he need the consent of the pre-RERA registration purchasers?

Ans: TG RERA protects the interest of all the Allottees. Hence, if the promoter wants to change the plans post registration, then consent of all pre registration allottees shall be required as well.

23. The promoter can hand over the common amenities only after completing subsequent phases. What should he commit to the customer for the registered phase?

Ans: A promoter should meticulously plan the buildings of the registered phase &

common areas and then declare the individual date of handing over possession of the building & common areas. Each phase along with the development works shall have to be completed and handed over to the allottee within the time frame as declared by the promoter, during registration, for that phase of the project.

24. In case of joint development with land owner on revenue share basis or area share basis, whether land owner's component could be withdrawn from designated account of 70%?

Ans: The Act makes both the Promoters and the land owner or any such parties which are beneficiary of a sale of a project and *receive* payments from allottees, as Co- Promoters and hence liable to adhere to the provisions of the Act and Rules and Regulations made there under. The withdrawal of money would be subject to provisions of Section 4 of the Act TG RERA.

25. When does the promoter need to form society, association etc.?

Ans: The Promoter has to ensure that an association of allottees is formed within 3 months if 51% of allottees have booked their apartment in the project under section 11(4)(e).

26. How will the Act, Rules and Regulations affect advertisement of projects with many phases?

Ans: A promoter would be allowed to advertise, market, book, sell or offer to sell or invite persons to purchase plot, apartment or building in a phase of a real estate project, only if the said phase is registered. A promoter cannot advertise, commit or sell amenities or facilities that are in a subsequent phase which is still not registered.

27. What if an adjoining land is purchased by the promoter? Can he continue with same registration?

Ans: No, it has to be separately registered if the said adjoining land was not a part of the project which has been registered.

28. What if promoter gives false information or documents to real estate agent and agent acts upon such information, will he be liable?

Ans: Under Section 12 of the Act, it is the obligation of the promoter regarding veracity of advertisement and prospectus. The agent is liable if he makes a false or misleading representation concerning the services that he intends to offer.

29. Will listing websites / newspapers/ exhibitions promoting real estate needs to take agents' license?

Ans: Yes, if they intend to facilitate the sale or purchase of or act on behalf of any person to facilitate the sale or purchase of any plot, apartment or building, as the case may be, in a registered real estate project being sold by the promoter in any planning area under section 9.

30. Will real estate agents putting advertisement on builders' behalf need to get approved his print / radio/ TV/ other media promotions content?

Ans: No, however no advertisement should be put out for a project unless the concerned promoter has registered the project with TG RERA under section 3. The agent should not advertise for services that are not intended to be offered.

31. If registration is not given within 30 days, will it be deemed registration?

Ans: Yes, if the Authority fails to issue any communication about deficiencies, within 30 days of the receipt of the application for registration under section 5(2).

32. Is Agent authorized to sign on behalf of his promoter / builder?

Ans: No.