

Puducherry Real Estate Regulatory Authority

1. Government of India has enacted the Real Estate (Regulation and Development) Act, 2016 and all the sections of the Act have come into force with effect from May 1, 2017.
2. The key components of Real Estate (Regulation and Development) Act, 2016 are as follows:
 - a) Ensuring Disclosures of Real Estate Projects by Promoters
 - b) Real Estate Projects Registration
 - c) Real Estate Agents Registration
 - d) Complaints Redressal

RERA

Financial Discipline

Transparency

Accountability

Customer
Centricity

Compliance

Improve the perception of the sector among various stakeholders

Uniform regulatory environment

COMMERCIAL and
RESIDENTIAL projects including
PLOTTED DEVELOPMENT

Land under development
MORE THAN 500 SQ MTS /
NO. of UNITS exceeds 8

Projects which do not have
COMPLETION CERTIFICATE
before commencement of
ACT

RENOVATION or REPAIR or REDEVELOPMENT projects not involving Marketing, Advertising,
Selling & New Allotment NEED NOT BE REGISTERED

Accountability	What it entails			
	<p>Authenticated copy of all approvals, commencement certificate, sanctioned plan, layout plan of development work, proposed facilities, proforma allotment letter, agreement for sale & conveyance deed to be given when applying for project registration with RERA</p>	<p>Registrations of brokers/agents with RERA</p>	<p>Dispute resolution within 6 months at RERA and FERA appellate re-balance</p>	<p>Mandatory registration of new and existing projects with RERA before launch</p>
	<p>Timely updating of RERA website</p>	<p>Developers to share details of projects launched in last 5 years with status and reason for delay with RERA</p>	<p>Separate registration of different phases of a single projects</p>	
	<p>Maximum 1 year extension in case of delay due to no fault of developer</p>		<p>Construction and land title insurance</p>	
	<p>Annual audit of projects account by a CA</p>	<p>Conveyance deed for common area in favor of RWA</p>	<p>Project completion time period</p>	

Benefits of RERA

Industry

**Governance and
Transparency**

**Project efficiency and
robust project delivery**

**Standardization and
quality**

**Enhance confidence of
investor**

**Attract higher
investments and PE
funding**

**Regulated
environment**

Developer

**Common and best
practices**

Increase efficiency

**Consolidation of
sector**

Corporate branding

Higher investment

**Increase in
organization funding**

Buyer

**Significant buyers
protection
Quality products
and timely delivery**

**Balanced agreements
and treatment**

**Transparency - Sale
based on carpet area**

**Affordability will
become distant**

**Delayed launches and
thereby lesser projects**

**Safety of money and
transparency on
utilization**

Marketing and Advertisement

1. All Marketing Materials including website should have RERA registration No
2. Draft of Booking form and Allotment letter should be ready before commencing marketing
3. No launch of project without RERA Registration
4. No collection of advance money without RERA Registration
5. No deposit more than 10 % as advance / or application fee without entering into agreement.
6. In case of False information, entire investment of allottee along with interest and compensation



Real estate agent



Facilitate transaction of properties in **projects which are registered with RERA**



Facilitate possession of all the information and documents to the allottee at the time of booking
Unfair trade practices



Maintain and preserve books of accounts, records and documents as prescribed

Functions of an agent



Not indulge in **unfair trade practices**

Unfair trade practices

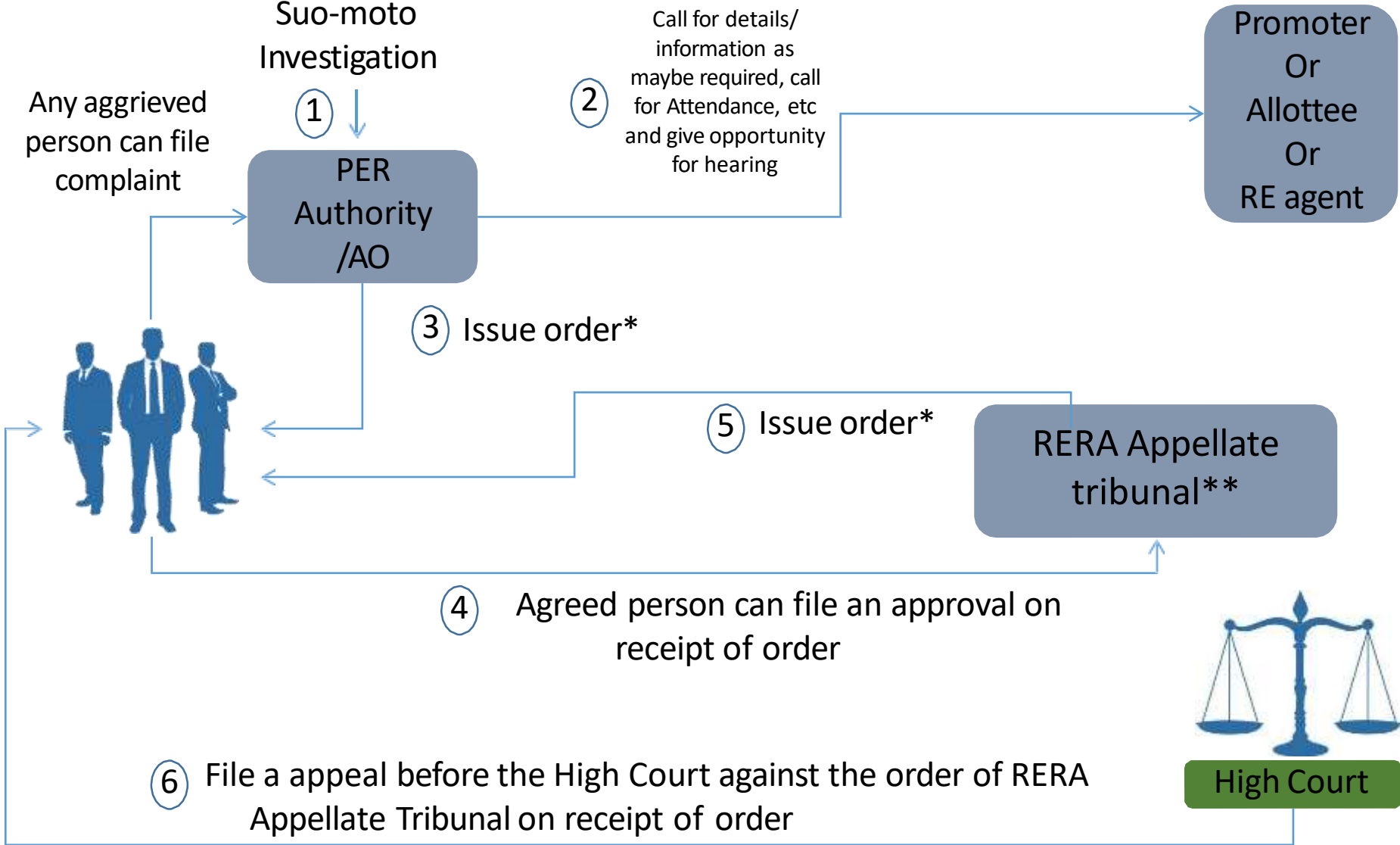
False or misleading statement, whether written or orally

Falsely represent that services are of particular grade

Falsely represent affiliation with a developer

Permitting publication of false advertisement

Redressal Mechanism



Offences and Penalty

Provision	Promoter	Agent	Allottee
Non-registration of project/agent with RERA and continue to do so	Up to 10% of project cost and imprisonment of 3 years for continuous default	Penalty of INR10,000 per day during default tenure up to 5% of property cost	
False information while making an application to REM	Up to 5% of the estimated project cost		
Non-compliance with any provision of the Act	Up to 5% of the estimated project cost	Up to 5% of the property cost	
Non-compliance with the aforesaid order of REM	Up to 5% of the estimated project cost	Up to 5% of cost property cost	Up to 5% of cost property cost
Non-compliance with the aforesaid order of the Appellate Tribunal	Up to 10% of cost and imprisonment of up to 3 years or both	Up to 10% of cost and imprisonment of up to 1 years or both	Up to 10% of cost and imprisonment of up to 3 years or both