

**Tamil Nadu Real Estate Regulatory Authority,
Chennai – 600008.**

C I R C U L A R

Circular No.TNRERA/3867/2024

Dated:10.09.2025

Sub: TNRERA – Levy of penalty for Plot / Flat sold before registration with TNRERA – Revised – Order issued - Reg.

Ref: 1. Circular No.TNRERA/3867/2024 dated 13.11.2024
2. Minutes of the 35th Authority meeting held on 28.08.2025.

In supersession of the orders issued in the reference 1st cited, the penalty for sale of plots / flats / apartments in a real estate project in violation of Section 3 of the Real Estate (Regulation & Development) Act, 2016 shall be levied as follows:

1. The local bodies to be regrouped as given in the Table-1 below for the purpose of determining penalty.

Table-1

	Jurisdiction	Penalty (per plot / flat / apartment)
A	Greater Chennai Corporation (GCC)	Rs.15,000/-
B(1)	Chennai Metropolitan Area (except GCC) viz: Municipal Corporations of Tambaram and Avadi, all Municipalities, all Town Panchayats and all Village Panchayats.	Rs.10,000/-
B(2)	Municipal Corporations of Madurai, Coimbatore, Tirupur, Salem, Tiruchirapalli, Tirunelveli, Erode, Vellore and Thoothukudi; and Municipalities, Town Panchayats and Village Panchayats adjacent to these Municipal Corporations.	Rs.10,000/-
C	All other Municipal Corporations	Rs.8,000/-
D	All other Municipalities	Rs.6,000/-
E	All other Town Panchayats	Rs.4,000/-
F	All other Village Panchayats	Rs.3,000/-
	Note: With respect to B (2) above, the list of Municipalities, Town Panchayats and Village Panchayats adjacent to the Municipal Corporations mentioned therein will be notified separately. Till such time, the penalty for the projects in these local bodies will continue to be determined by taking into account the per plot/flat/apartment penalty prescribed in the Table in Circular No.TNRERA/3867/2024, dated 13.11.2024 subject to the provisions laid under para 2 and para 3 of this Circular.	

2. The penalty for contravening the provisions laid under Section 3 of the Real Estate (Regulation & Development) Act, 2016 shall be levied as the highest of the following:

As worked out based on the rates prescribed in the Table-1 above;

OR

2% of the proportionate project cost for the plots and 1% for the flats sold without registration with TNRERA;

OR

2% of the total sale value of the plots / flats sold without TNRERA registration as reflected in the EC.

3. In the cases where multiple plots / flats / apartments are sold in a project in violation of Section 3 of the Act, additional penalty shall be levied as prescribed in Table-2 below:

Table-2

Sl. No.	Plots/Flats sold in violation of Section 3(1) in a real estate project	Additional penalty
1.	10 to 50 plots/flats/apartments	50% of the penalty as prescribed above.
2.	More than 50 plots/flats/apartments	100% of the penalty as prescribed above.

4. This order shall come into force with immediate effect.

(sd)/-....10.09.2025

Chairperson

/ True copy forwarded /

S. S. S. S. S.
Additional Director-1

2/10/25

To

1. A.D.I
2. A.D.II
3. Secretary
4. Sr.Programmer
5. Law Officer
6. A3

Copy to:

1. P.S. to Chairperson
2. Member (LS)
3. Member (K)
4. Member (J)
5. Member (S)