REAL ESTATE REGULATORY AUTHORITY (RERA)

National Capital Territory of Delhi 2nd Floor, Shivaji Stadium Annexe Building, Shaheed Bhagat Singh Marg, New Delhi-110001.

SUBJECT: REQUIREMENTS for REGISTRATION of REAL ESTATE PROJECTS with the REAL ESTATE REGULATORY AUTHORITY (RERA) for NCT of DELHI.

Coram:

Mr. Anand Kumar, Chairman Mr. Ramesh Chandra, Member Mr. Ajay Kumar Kuhar, Member

PUBLIC NOTICE

[Issued under Section 33 read with Section 34 of the Real Estate (Regulation and Development) Act, 2016] 28.04.2022

- 1. This Authority has been receiving complaints from various home, commercial space, plot buyers, and the general public that many promoters (which term includes builders and developers) are avoiding RERA registration of their projects in NCT of Delhi on various pretexts.
- 2. The nature of real estate projects in NCT of Delhi has involved development of plots by constructing flats, floors and shops, besides construction of high-rise or multi-story apartments by promoters, builders, developers, public authorities like Delhi Development Authority (DDA), NBCC (India) Limited and Cooperative Societies.
- 3. Various promoters including builders and developers have expressed doubt before the Authority whether they are required to register with the Authority if their plot area exceeds 500 sq. meter but the number of apartments proposed to be constructed remain below nine. Most of them appear to be under the impression that no registration is required with RERA if the plot size is either of 500 sq. meters or below or they are constructing less than nine units. These impressions are not correct.
- 4. The Authority, in the above context, would like to bring the following text of Section 3 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter called 'the Act') to the notice of all:

"REGISTRATION OF REAL ESTATE PROJECT AND REGISTRATION OF REAL ESTATE AGENTS

3. (1) No promoter shall advertise, market, book, sell or offer for sale, or invite persons to purchase in any manner any plot, apartment or building, as the case may be, in any real estate project or part of it, in any planning area, without registering the real estate project with the Real Estate Regulatory Authority established under this Act:

Provided that projects that are ongoing on the date of commencement of this Act and for which the completion certificate has not been issued, the promoter shall make an application

to the Authority for registration of the said project within a period of three months from the date of commencement of this Act:

Provided further that if the Authority thinks necessary, in the interest of allottees, for projects which are developed beyond the planning area but with the requisite permission of the local authority, it may, by order, direct the promoter of such project to register with the Authority, and the provisions of this Act or the rules and regulations made thereunder, shall apply to such projects from that stage of registration.

- (2) Notwithstanding anything contained in sub-section (1), no registration of the real estate project shall be required-
- (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:

Provided that, if the appropriate Government considers it necessary, it may, reduce the threshold below five hundred square meters or eight apartments, as the case may be, inclusive of all phases, for exemption from registration under this Act;

- (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.

Explanation - For the purpose of this section, where the real estate project is to be developed in phases, every such phase shall be considered a stand alone real estate project, and the promoter shall obtain registration under this Act for each phase separately."

- 5. In the Act as per Section 2(e), unless the context otherwise requires "apartment" has been defined as:
- (e) "apartment" whether called block, chamber, dwelling unit, flat, office, showroom, shop, godown, premises, suit, tenement, unit or by any other name, means a separate and self-contained part of any immovable property, including one or more rooms or enclosed spaces, located on one or more floors or any part thereof, in a building or on a plot of land, used or intended to be used for any residential or commercial use such as residence, office, shop, showroom or godown or for carrying on any business, occupation, profession or trade, or for any other type of use ancillary to the purpose specified.
- 6. In the Act as per Section 2(d) the term "allottee" has been defined as under:
- (d) "allottee" in relation to a real estate project, means the person to whom a plot, apartment or building, as the case may be, has been allotted, sold (whether as freehold or leasehold) or otherwise transferred by the promoter, and includes the person who subsequently acquires the said allotment through sale, transfer or otherwise but does not include a person to whom such plot, apartment or building, as the case may be, is given on rent.
- 7. As per Section 2 (zn) of the Act, term "Real Estate Project" means 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, as the case may

be, for the purpose of selling all or some of the said apartments or plots or building, as the case may be, and includes the common areas, the development works, all improvements and structure thereon, and all easement, rights and appurtenances belonging thereto.

- 8. The Authority, considering the intent and purpose of the Act and provision made under Section 3, would like to clarify in the interest of all allottees including home, commercial space, plot buyers and general public, that all Real Estate Projects being developed within Delhi Development Authority Master Plan 2021 area in NCT of Delhi and falling under following categories would require compulsory registration with RERA, NCT of Delhi.
- i. All Real Estate Projects, residential or commercial, being developed on the land area of more than 500 square meters in all phases.
- ii. All Real Estate Projects in which number of apartments whether called block, chamber, dwelling unit, flat, office, showroom, shop, godown, premises, suit, tenement, unit or by any other name, being developed exceed eight in all phases irrespective of the area of the plot.
- iii. All Real Estate Projects where plotting is being done on the land area of more than 500 square meters in all phases.
- 9. To amply clarify the matter, all Real Estate Projects are required to be registered under the Act with RERA, NCT of Delhi if;
- i. the area of land proposed to be developed either for building flats, floors, shops, commercial space or for plotting exceeds 500 square meters, in all phases. To illustrate even if six flats or two floors or four showrooms are being constructed as a Real Estate Project on a 501 square meter plot it would require registration with RERA, NCT of Delhi.

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ii. the number of apartments whether called block, chamber, dwelling unit, flat, office, showroom, shop, godown, premises, suit, tenement, unit or by any other name; proposed to be developed exceeds eight, in all phases, on any size of the plot. To illustrate if nine apartments are being constructed as a Real Estate Project on a 300 sq. meter plot it would require registration with RERA, NCT of Delhi.

OR

- iii If plotting is done as a Real Estate Project on the land area of more than 500 sq. meters in all phases.
- 10. Failure to register any Real Estate Project falling under any one of the categories detailed in para 4 above with RERA, NCT of Delhi, would make the promoter which term includes builder / developer of project liable for action as per Section 59 of the Act which reads as under:
- "Section 59. (1) If any promoter contravenes the provisions of Section 3, he shall be liable to a penalty which may extend up to ten per cent of the estimated cost of the real estate project as determined by the Authority.
- (2) If any promoter does not comply with the orders, decisions or directions issued under subsection (1) or continues to violate the provisions of Section 3, he shall be punishable with

imprisonment for a term which may extend up to three years or with fine which may extend up to a further ten per cent of the estimated cost of the real estate project, or with both."

- 11. This Authority, therefore, in the general public interest directs all promoters including builders and developers to register their Real Estate Projects with RERA, NCT of Delhi immediately if they fall under any one of the categories detailed in para 4 above in order to avoid action under Section 59 of the Act.
- 12. The Authority also advises general public not to make any investment by booking or purchasing any residential or commercial unit/space or plot in any Real Estate Project falling under any one of the categories detailed in para 4 above unless it is registered with RERA NCT of Delhi.
- 13. The Authority has noticed that some of the Societies registered under the Societies Registration Act, 1860 (which cannot undertake housing as an activity under Section 20 of said Act), Multi-state Cooperative Societies registered under the Multi-state Cooperative Societies Act, 2002, Companies registered under the Companies Act, 2013 and Trusts formed under the Indian Trust Act 1882, have collected money from home buyers and general public on the pretext of providing flats/apartments under the Land Pooling Policy of DDA as per MPD-2021 in various zones of Delhi.
- 14. The Authority would like to clarify that it has not registered any Real Estate Project under the Land Pooling Policy of DDA. The home buyers and general public are advised to be extremely careful and not be misled by the promoters, builders, developers, who in form of Societies, Companies, Trusts are collecting money on the pretext of providing flats or apartments under the Land Pooling Policy of DDA as per MPD-2021 in various zones of Delhi.
- 15. If anyone notices violation of any provision of the Real Estate (Regulation and Development) Act, 2016, it may be brought to our notice through a complaint (along with photographs or any other evidence) sent to email: gcdelhirera@gmail.com or above given address.