

Uttar Pradesh Real Estate Regulatory Authority

Naveen Bhavan, Rajya Niyojan Sansthan,
Kala Kankar House, Old Hyderabad, Lucknow-226007

No. 4801 /U.P. RERA /Admn/2025-26

Date: 08 May, 2025

Directions under Section-37 of Real Estate (Regulation & Development) Act, 2016 read with Section 11(4)(f), 13 and 17(1) and paragraphs-1.8(3), 7.1 and 9.1(1) of U.P. Real Estate (Regulation & Development) (Agreement for Sale/Lease) Rules, 2018, for Delivery of Ready-to-Move-in Apartments to Allottees by the Promoters

It has been stipulated under the Real Estate (Regulation & Development) Act, 2016 and U.P. Real Estate (Regulation & Development) (Agreement for Sale/Lease) Rules, 2018 made thereunder that the promoters of the projects registered with the Regulatory Authority, after receiving the completion certificate or the occupancy certificate, as the case may be from the concerned competent authorities, shall provide physical possession of ready-to-move-in apartments to the allottees after executing registered sale deeds/lease deeds/sub-lease deeds, as the case may be. It has come to the notice of the Regulatory Authority that some of the promoters, when executing the Agreement for Sale (BBA), are making the allottees to agree to the condition of accepting physical possession of canvas flats and are, infact, handing over possession of canvas flats to such allottees. Any such act by the promoters is contrary to the provisions of the Act and the Rules and defeats the object of protection extended to the allottees through the RERA Act. Therefore, it has become necessary to issue appropriate directions with a view to ensure that the promoters strictly adhere to the provisions of the Act and the Rules in this behalf and the interest of the allottees are not compromised in any manner, whatsoever.

Real Estate (Regulation & Development) Act, 2016 has been enacted, broadly with the following objects in view:

An Act to establish the Real Estate Regulatory Authority for regulation and promotion of the real estate sector and to ensure sale of plot,

apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector and to establish an adjudicating mechanism for speedy dispute redressal and also to establish the Appellate Tribunal to hear appeals from the decisions, directions or orders of the Real Estate Regulatory Authority and the adjudicating officer and for matters connected therewith or incidental thereto.

Section-11(4)(f) of the Act lays down the following provisions for execution of registered sale deeds of allotted units in favour of the allottees by the promoters:

(f) execute a registered conveyance deed of the apartment, plot or building, as the case may be, in favour of the allottee along with the undivided proportionate title in the common areas to the association of allottees or competent authority, as the case may be, as provided under section 17 of this Act;

Section-17(1) of the Act makes the following provisions for registered sale deeds and physical possession of the allotted plots, apartments or buildings to the allottees by the promoters:

17. (1) The promoter shall execute a registered conveyance deed in favour of the allottee along with the undivided proportionate title in the common areas to the association of the allottees or the competent authority, as the case may be, and hand over the physical possession of the plot, apartment or building, as the case may be, to the allottees and the common areas to the association of the allottees or the competent authority, as the case may be, in a real estate project, and the other title documents pertaining thereto within specified period as per sanctioned plans as provided under the local laws:

Provided that, in the absence of any local law, conveyance deed in favour of the allottee or the association of the allottees or the competent



authority, as the case may be, under this section shall be carried out by the promoter within three months from date of issue of occupancy certificate.

State Government, as provided under Section-13 of the Act, promulgated U.P. Real Estate (Regulation & Development) (Agreement for Sale/Lease) Rules, 2018 on 17th October, 2018. The provisions of these rules are binding on both the promoters and the allottees. Section-13 of the Act is as follows:

13. (1) A promoter shall not accept a sum more than ten per cent of the cost of the apartment, plot, or building as the case may be, as an advance payment or an application fee, from a person without first entering into a written agreement for sale with such person and register the said agreement for sale, under any law for the time being in force.

(2) The agreement for sale referred to in sub-section (1) shall be in such form as may be prescribed and shall specify the particulars of development of the project including the construction of building and apartments, along with specifications and internal development works and external development works, the dates and the manner by which payments towards the cost of the apartment, plot or building, as the case may be, are to be made by the allottees and the date on which the possession of the apartment, plot or building is to be handed over, the rates of interest payable by the promoter to the allottee and the allottee to the promoter in case of default, and such other particulars, as may be prescribed.

Any Agreement for Sale executed by the promoter with the allottees which provides for delivery of canvas flats to the allottees is in violation of the provisions of the RERA Act and Rules, 2018. The relevant paragraphs of the Rules, 2018, namely- 1.8(iii), 7.1 and 9.1(i) are as below:

1.8(iii) That the computation of the price of the [Apartment/Plot] includes recovery of price of land, construction of [not only the Apartment but also] the Common Areas, internal development charges, external development charges, taxes, cost of providing electric wiring, electrical



connectivity to the apartment, lift, water line and plumbing, finishing with paint, marbles, tiles, doors, windows, fire detection and firefighting equipment in the Common Areas, maintenance charges (as per Para 11 etc.) and includes cost for providing all other facilities, amenities and specifications to be provided within the [Apartment/Plot] and the Project;

7.1 Schedule for possession of the said [Apartment/Plot] - The Promoter agrees and understands that timely delivery of possession of the [Apartment/Plot] to the Allottee and the Common Areas to the association of Allottees or the competent authority, as the case may be, is the essence of the Agreement. The Promoter assures to hand over possession of the [Apartment/Plot] along with ready and complete Common Areas with all specifications, amenities and facilities of the Project in place on, unless there is delay or failure due to war, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature affecting the regular development of the real estate project ("Force Majeure").

9.1(i) Promoter fails to provide ready to move in possession of the [Apartment/Plot] to the Allottee within the time period specified in Para 7.1 or fails to complete the Project within the stipulated time disclosed at the time of registration of the Project with the Authority. For the purpose of this Para, 'ready to move in possession' shall mean that the apartment shall be in a habitable condition which is complete in all respects including the provision of all specifications, amenities and facilities, as agreed to between the parties, and for which occupation certificate and completion certificate, as the case may be, has been issued by the competent authority;

The provisions of the RERA Act and Rules, 2018, in this regard, are quite unambiguous and it is mandatory for the promoters to provide physical possession of ready-to-move-in apartments to allottees along with registered sale deed/lease deed/sub-lease deed, as the case may be, after obtaining completion or occupancy certificate from the concerned competent authority. Violation of these provisions is punishable as per Section-61 read with Section-38 of the RERA Act, 2016.

The Authority, therefore, using the powers conferred upon it under Section-37 of the Act, read with all other enabling provisions of the Act and the Rules, hereby issues following directions to the promoters with a view to ensuring delivery of ready-to-move-in apartments, complete with all specifications, amenities and facilities, along with registered sale deed/lease deed/sub-lease deed to the allottees:

All the promoters of the projects registered with the Authority shall execute the Agreement for Sale (BBA) with the allottees on the model format laid down under U.P. Real Estate (Regulation & Development) (Agreement for Sale/Lease) Rules, 2018 without altering any of the terms and conditions thereof, in any manner whatsoever. The promoters shall be responsible for obtaining the completion or occupancy certificate of the project, as the case may be, and ensure delivery of physical possession of ready-to-move-in apartments, complete with all specifications, amenities and facilities as provided under the sanctioned plan or/and prospectus and brochures. Violation of any of the provisions of the Rules 2018 shall be punishable under Section-38/61 of the Act 2016 with penalty which may extend up to 5 percent of the estimated cost of the project.

These directions issue with the approval of the Authority and come into force with immediate effect.

(Mahendra Verma)
Secretary

No. and date as above.

Copy to the following for the information and necessary action:-

1. Hon'ble Chairman, U.P. RERA for information please.
2. All Hon'ble Members, U.P. RERA.
3. Principal Secretary, Housing and Urban Planning, U.P.
4. Principal Secretary, Industrial and Infrastructure Development, U.P.
5. Chief Executive Officers, Noida, Greater Noida, YEIDA, UPSIDA.
6. All Vice Chairmen, Development Authorities, U.P.
7. All promoters through their dash boards and e-mails.
8. A.D. IT/System Analyst for uploading on the UPRERA portal and sending to all Promoters through their dashboards and emails.

(Mahendra Verma)
Secretary