



Gujarat Real Estate Regulatory Authority

4th Floor, Sahyog Sankul,
Sector – 11, Gandhinagar - 382010
Ph. No. (079)-232-58659

Website: www.gujrera.gujarat.gov.in

Order No: - 33/2020

Date: 13 - 04 - 2020

Subject :- Relief for mitigation of COVID 19 pandemic and Lockdown implications

The COVID 19 pandemic and country-wide lockdown has halted all activities in the Real Estate Sector. As evident, project sites are shut, site visits have stopped, and construction activity has come to a grinding halt, eventually impacting real estate sector.

At State level in Gujarat, GujaratRERA has registered more than 6900 projects, the second highest in India. More than 6.24 Lakh units are under construction, with an investment potential of more than INR two lakh crore. This includes a thriving affordable housing segment consisting of 1993 projects having 2.61 lakh units with an investment of around 40,000 crores.

At present, 2064 projects have been completed under GujaratRERA registration. There are nearly 5000 projects in the development phase. These projects are directly affected by the COVID-19 lockdown and resultant economic turmoil. The promoters of these projects are likely to face different challenges, for their projects, in the form of delays in construction completion, fund flows from lenders and the subdued demand resulting in increased financial stress.

The Enterprising promoters and the sector as a whole, are expected to endeavour to put their best foot forward with Government support to overcome these challenges to ensure continued employment and economic growth as well as timely delivery of real estate projects to the consumers.

Therefore, in order to supplement government efforts for mitigation of the damage of COVID-19 and to ensure that completion of GujaratRERA registered projects does not get adversely affected, it has been decided to issue this order.

Whereas, while granting registration/extension under Section 5, 6, 7(3) of the Act and Rule 6, 7 of Gujarat Real Estate (Regulation and Development)(General) Rules, 2017, Authority has the powers to take appropriate decision.

Under Rule 7(1) “where extension of registration is due to force majeure the Authority may at its discretion waive the fee for such extension granted to any real estate project”.

To support the Real Estate Sector in the State, in this hour of crisis for securing sustenance and future development, The Authority has decided to extend following Relief to GujaratRERA registered projects;

1. **Project End Date-Extension Application Fee Waiver :** Projects having their End Date after one year from today would be in position to realign their construction schedules to address the disturbance caused by COVID LOCKDOWN.

On the other hand, some of the projects having their End Date within 3, 6, 9 or 12 months from Today, i.e. within one year from today will find it very difficult to meet project completion by the promised date, and they may actually require additional time in excess of lockdown period for completion of their project, as the development work is affected by this natural calamity of pandemic COVID-19 disaster leading to economy wide lockdown.

For all the GujaratRERA registered projects having their project End Date on or between 1st April, 2020 and 31st March, 2021 (i.e. 1570 Projects - 32% of Ongoing: non completed projects), the **Promoters are allowed to apply for one time extension of their project End Date. The Application Fee for this Registration Extension applied as a result of delay due to COVID Lockdown is waived.** Promoters may opt for such relaxation by applying for extension before their project End Date, on GujRERA Portal along with necessary documentation demonstrating the latest progress status, on the basis of which, Gujarat RERA can grant extension within the provisions of the act.

2. **Project Registration Alteration Application Fee Waiver :** Provisions of RERA Act requires the promoter of the registered real estate project to hand over the possession of completed real estate by the promised date. Considering the expected demand contraction due to Covid-19 situation, it is likely that the financial planning of many projects ending in FY 2021-22 to FY 2023-24 will require fresh consideration and may lead to revising the project execution plan.

From amongst the projects registered with GujaratRERA, projects with multi block development plans would be in a position to revisit their development plan and may consider De-registration of Portion of their Inventory from the registered project through Alteration Application i.e. Bringing down the size of registered project by converting the registered project into a Phase of the approved layout plan. This should enable timely project development as per the revised schedule and improved financial viability of the projects (2303 Registered Projects being 48% of Ongoing: non completed projects are having multiple blocks).

To enable the promoters to perform their obligations with the consumers, One time Project Alteration Application Fee is also waived for promoters applying for De-registration of identifiable separate portion of Project Inventory from registered project.

Promoters opting for De-registration of identifiable separate portion of Project Inventory will have to make Project Alteration Application along with the consent of Allottees of Block considered for De-registration. Allottees belonging to Block/Blocks considered for De-registration may provide their consent by agreeing to revised allotment from amongst the continued project or by agreeing to accept cancellation of booking in compliance of AFS terms.

This should give breather for the industry to chalk out their own plan to fulfil their promises to the consumers by making them achievable within the provisions of the act.

With these measures, Gujarat RERA is granting relief to more than 80% of the ongoing projects which are likely to be completed in next 4 years, thus enabling the sector to overcome the impact of the current lockdown to contain the COVID-19 pandemic.

GujaratRERA is committed to protect the interests of the Consumers as well as the Real Estate Industry.

**Secretary
GujRERA**