



Karnataka Real Estate Regulatory Authority

#1/4, 2nd Floor, Silver Jubilee Block, Unity Building, CSI compound,
3rd Cross, Mission Road, Bengaluru-560027



Ref:RERA/ADM/C.R.51/2019-20

Date: 27.11.2019

NOTIFICATION

Subject: Formation of Conciliation and Dispute Resolution Cell in K-RERA.

The Real Estate (Regulation and Development) Act, 2016 is an Act of the Parliament of India, which seeks to protect home-buyers as well as help boost investments in the real estate industry. The Karnataka Real Estate (Regulation and Development) Rules, 2017 came into force on 10th July 2017.

Whereas, the Chairperson, Karnataka Real Estate Regulatory Authority is vested with the powers of general superintendence and directions in the conduct of affairs of the Authority under section 25 of the Real Estate (Regulation and Development) Act, 2016.

Whereas, as per Section 32(g) of the Real Estate (Regulation and Development) Act, 2016, Karnataka Real Estate Regulatory Authority must take measures to facilitate amicable conciliation of disputes between promoters and allottees.

It has been observed in some complaints concerned parties are desirous of undertaking conciliation process so as to ensure participative decision making, preservation of ongoing relationships and mutually win-win solutions.

Whereas, section 38 (2) of Act provides for regulating its own procedures.

Therefore, Karnataka Real Estate Regulatory Authority finds it necessary to form a Conciliation and Dispute Resolution Cell to facilitate alternate dispute resolution. Hereinafter, called 'The CDR Cell'.

The objectives of the CDR Cell is as follows:

- a.) To constitute CDR Cell of a panel including representatives from Home-buyer Associations and Developers / Promoters Associations.
- b.) To popularise conciliation as an effective dispute redressal mechanism for the speedy settlement of complaints.

In this regard the following guidelines are issued with immediate effect.

1. The disputes between the promoters, agents and allottees which are under the purview of RERA Act, 2016.
2. While the complaints are being heard by the Authority or by the Adjudicating Officer, if the Authority concerned is satisfied that there is a possibility of settlement by way of conciliation, then with the consent of both the parties involved, it may refer the complaint to the CDR Cell.



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3. The party initiating the conciliation will file his / her online application and the same will be automatically emailed to the opposite party.
4. The opposite party has to convey his / her consent for conciliation within seven days.
5. On receipt of the consent of the opposite party, the first party shall make a payment of fees (Rupees Five Hundred).
6. Thereafter the matter will be referred to the appropriate CDR Cell and the parties will be intimated the date, time and venue of the hearing.
7. Both the parties are expected to be present in person or through their authorised representatives who can take decision.
8. The conciliators will facilitate resolution of dispute between the parties in an informal and amicable manner.
9. If the parties agreed to any settlement, the consent agreement will be drawn which will be signed by the parties concerned and the conciliators.
10. The consensus agreement of the parties shall be binding on both the parties by passing the award by the Adjudicating Officer / Authority as the case may be.
11. If compliance to the settlement order is not done, due cognisance of the non-compliance will be taken into account in the future proceedings of the Adjudicating Officer / Authority, if the aggrieved party approaches the K-RERA.
12. If the parties fail to reach an amicable settlement, the conciliation process will stand terminated and the disputes will be pursued as per the Act before K-RERA Dispute Redressal Mechanism or before any other court or forum.
13. There should be a time frame within which the CDR Cell has to make sincere effort and decide on the matter and submit its report for the approval of the Authority.

(As approved by the Authority)

K. S. Sathya Kumar
SECRETARY

Karnataka Real Estate Regulatory Authority