CENTRE TOLD TO GO THROUGH STATE LAWS TO PROTECT HOMEBUYERS

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The Supreme Court on Monday asked the Centre to go through local laws of States with a finetoothed comb to detect clauses which may harm homebuyers' rights in rules framed under the Real Estate (Regulation and Development) Act.

A Bench led by Justice D.Y. Chandrachud asked the Housing Ministry to closely go through the State laws notified in pursuance of the Real Estate (Regulation and Development) General Rules and the Real Estate (Regulation and Development) Agreement for Sale Rules.

The court gave the government two months for the exercise and report back. The court appointed advocate Devashish Bharuka as its *amicus curiae* in the case.

"At the present stage, it is necessary for the court to be apprised of whether the rules which have been framed by the States contain the essential norms which have been adopted by the Union government in the rules of 2016 referred to above, or whether there are any deviations which would not subserve the interest of flat purchasers," the court explained.

The order came on a plea filed by advocate Ashwini Kumar Upadhyay seeking a direction to the government to frame a model builder-buyer agreement with uniform terms and conditions of sale and purchase of residential flats across the country.

The court has made it clear that builders cannot be allowed to fleece the middle class in need of a home.

"We are concerned about the middle-class homebuyers," Justice D.Y. Chandrachud had told the Centre.

The top court has repeatedly termed the issue of "model builder-buyer and agent-buyer" agreements "very important". It has been highlighting that their lack has been the main cause behind the fraud, lack of transparency, criminal conspiracies and unfair and arbitrary trade practices which plague the real estate sector.

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