

SCHEDULE II

(See section 12)

I. Promoter's responsibility regarding the account of sums taken from or on behalf of unit purchasers or flat purchasers.—

1. The promoter shall maintain building wise separate account in any Bank, of the sums taken by him, from or on behalf of, persons intending to take or who have taken flat in the phase developed by the promoter, as advance towards maintenance and outgoings including any sum so taken towards the share capital for the formation of a co-operative society or a company or association and including ground rent, if any, municipal or other local taxes, charges for water or electricity, security, maintenance of gardens, club house, swimming pool, insurance, equipments, revenue assessment, if any, stamp duty and registration fee for the agreement of sale and conveyance deed.

As regard to the outgoings payable by the apartment or flat or unit purchasers or organization, to the promoter for the maintenance of lay out land or project wise such as club house, swimming pool, internal access roads, gardens, electricity, water, equipments, insurance, municipal and other local taxes, and the like, the same shall be collectively maintained in a separate account.

2. The promoter shall hold the sums collected as per paragraph 1 for the purposes for which they were given and shall disburse the same for said purposes including the development of real estate project and shall on demand, in writing, by the Housing Regulatory Authority or the flat or unit purchaser, individually or collectively, make full and true disclosure of all transactions in respect of that account on payment of charges and shall not utilize these sums for any purpose other than the purpose for which they were so collected.

II. Responsibility of promoter for outgoings till transfer of management to the collective body of the allottees, flat or unit purchasers.—

1. The promoter, who has collected from the allottee or flat or unit purchasers, sums for the payment of outgoings, shall pay all charges, including ground rent, municipal or other local taxes, charges for water or electricity, interest on mortgages or other encumbrances, if any, security, maintenance of gardens, club house, swimming pool, insurance, equipments, till the amounts collected for the same are fully depleted or exhausted for the said purpose. If the handing over management or transfer of the physical possession of the building or property, as the case may be, to the organization of the flat or unit purchasers, whichever is later, takes place before the amounts are fully depleted or exhausted, then the balance amount, if any, with the promoter shall be refunded to the organization being collective body of the flat or unit purchasers or the Apex Body or Federation, as the case may be.

2. After the transfer of management of the building by the promoter to the organization, being collective body of the flat or unit purchasers, such payments and outgoings shall be made by the flat or unit purchasers or such collective body of flat or unit purchasers, as the case may be. The transfer of management of the building or the lay out land, as the case may be, shall be only after the promoter has received all outstanding dues from the flat or unit purchasers' organization and after the transfer of management of the building or the lay out land, as the case may be, by the promoter to the organization being collective body of flat or unit purchasers or Apex Body or Federation, it shall be the responsibility of such organization to maintain the said building or the lay out land, as the case may be, and to pay the outgoings thereof.

3. The promoter shall discharge liability in respect of the above till the sums and deposits collected by him shall remain balance in a separate account held by the promoter in the bank. On the amount being depleted, the promoter shall be entitled to raise the bill and collect the amounts for the outgoings from the flat or unit purchasers for the building or lay out land, as the case may be.

III. Refund of amount.—

1. If the promoter fails or is unable to give possession of a flat or an apartment,—

(a) in accordance with the terms of the agreement or, as the case may be, duly completed by the date specified therein or any further date agreed to by the parties ; or

(b) on account of cancellation of his registration under this Act,

he shall be liable on demand, without prejudice to other remedies to which he may be liable, to refund the amounts already received by him in respect of that flat, with interest at a rate of fifteen per cent. per annum as provided in this Act, including penalty at such rate as may be determined by the Housing Regulatory Authority.

2. The interest referred to in paragraph 1 above, shall be chargeable from the date the promoter received the amount or any part thereof till the date the amount or part thereof and interest thereon is refunded and such amount and interest shall be a charge on the allottee, flat or unit purchasers' respective flat or building, as the case may be.

IV. Inspection of accounts or records of sums taken for and on behalf of flat purchasers or unit holders.—

The Housing Regulatory Authority may, after giving three days' advance notice to the promoter, inspect or cause to be inspected, at any time during business hours, any accounts or records of a promoter relating to outgoings in respect of the allottee's complaint.