

DEEMED CONVEYANCE AND ITS IMPORTANCE

A Promoter (Builder) is legally bound to form a Co-operative Society or other organization immediately after 10 flats are sold by him and for unsold flat the promoter has to join the Society. Within four months of Registration of Society or other organization the promoter has to perfect his title to the land and convey his right, title and interest in the land and the building to the Society or such organization. This provision is observed more in a breach than compliance by the promoter.

The promoters avoid transferring their right, title and interest in the land and the building to the Society so that they can reap the benefits of ownership of land and building. As far as the Societies are concerned, they are deprived of right to redevelop the property in absence of ownership of the land in their name.

Maharashtra Ownership Flats Act, 1963 has been amended to provide for the concept of the Deemed Conveyance when a Promoter fails to discharge his obligation to execute conveyance in favor of the Organization of the flat purchasers. A competent authority has been established to which the Society can make an application in writing along with other prescribed relevant documents for issuing a Certificate that such Society is entitled to have an unilateral Deemed Conveyance executed in its favor and to have it registered.

The competent authority may make such enquiry as deemed necessary. The competent authority after verifying the authenticity of documents submitted and also after giving the promoter an opportunity of hearing and on being satisfied that the case is fit for issuing the certificate as referred above shall issue a certificate to the Sub-Registrar or Registration Officer wherein the competent authority will certify that the case is fit for enforcing unilateral execution of conveyance for transfer of right, title and interest of the promoter in the land and building in favor of the applicant Society/ Organization.