

Credai makes carpet area mention mandatory for builders

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New Delhi, Apr 13 (PTI) Credai, the apex realtors body, today said it has made mandatory for all members of the association to mention carpet area in their brochures and sale agreement, aiming to bring in transparency in the sector. Confederation of Real Estate Developers' Association of India (Credai), which has over 10,000 builders as member across the country, has decided that in the next six months all the members would individually sign a Code of Conduct.

The major highlight of Credai's Code of Conduct are -- mentioning the actual usage area to buyers (Carpet area), compensation in case of project delay and honouring of the agreement between the two parties. "We will ensure that all the Credai members sign the Code of Conduct within six months. In Code of Conduct, we have made mandatory for members to mention Carpet area along with super area," Credai Chairman Pradeep Jain told reporters. Generally in North India, developers sell on the basis of super area, which comprise the entire built up area and markup for common spaces like lifts and stairs.

Credai President Lalit Kumar Jain said the association would not compromise on transparency and discipline. The industry body also decided to set up consumer redressal forum across the country to resolve disputes. "If we find somebody engage in malpractices then we will terminate the membership of that particular builder," he said.

The industry body has planned to expand to smaller cities in Assam, Orissa, Jharkhand and Rajasthan in the next three months, he added. Jain said the Credai has sought time from Prime Minister Manmohan Singh to make a presentation on solution to issues of transparencies in the real estate sector.

Last month, Singh had said stamp duty needed to be reduced in order to check flow of black money into real estate sector, aiming to bring in more transparency. "There is no black money in primary transaction, it is basically there in the secondary transactions... To reduce usage of black money, single window clearance is important," Jain said.