

**FEW CHECKS/ PRECAUTIONS WHICH A PURCHASER/ DEVELOPER MUST TAKE / ASCERTAIN BEFORE PURCHASING/ ACQUIRING ANY RIGHTS IN IMMOVABLE PROPERTY:**

*Note: The below mentioned checks are non-comprehensive in nature and there are numerous other factors which are required to be checked, verified and studied while acquiring any immovable property from title, ownership, possession, land record verification, future construction and other points of view also.*

| <b>S.No.</b> | <b>PARTICULARS</b>   | <b>REMARKS</b>  |
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| <b>1.</b>    | <b><u>OWNERSHIP AND TITLE:</u></b>   |   |
| 1.1          | Verification of all Original documents of the Property agreed to be purchased / acquired/ developed.   | This is the most important aspect of due diligence, which must be performed before entering into any transaction related to immovable property;   |
| 1.2          | Checking of ownership and title of Seller/Owner.   | To check the ownership and title, one must engage a professional preferably an Advocate, who specifically deals in real estate due diligence and is well versed with the complex matters related to immovable properties;   |
| 1.3          | Enquire from Seller/Owner about any charge/lien/ Bank Loan or other encumbrance on Property ?  | This must be verified from the Seller/Owner. Verification of original title deeds and the possession thereof with owner/seller is an effective [not 100%] tool to determine any Bank Loan against any property.   |
| 1.4          | Enquire from seller/ First Party whether he/they had entered into any agreement /transaction [either orally or in writing] prior to the date of present transaction ? If yes, particulars thereof and documents of cancellation thereof; | Covenant as regards whether or not there being any prior agreement/ transaction must also be included in transaction/ transfer document(s). Further, Public Notice also helps in determining any prior pending transaction/ claims/disputes, if any, relating to any property, though it may not be 100% but it is an effective tool. |
| 1.5          | a)   | Enquire whether the property is vacant or tenanted ?  |
|              | b)   | If tenanted/ occupied, the supply details of tenant/ occupant along with copy of documents signed with tenant /occupant and also copy of rent/occupancy charges, receipts if any, issued to tenant/ occupant.   |
|              | c)   | Is tenant / occupant in breach of any covenant/ terms of lease ?  |

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|           | d) Is there any notice litigation/ notices for non compliance etc. issued to tenant /occupant ?  |  |
| 1.6       | Enquire about any notice(s) /litigation with any court/ tribunal/ arbitral tribunal etc. regarding the property or any part thereof [whether pending and/or settled] ? | This must be verified from the Seller/Owner and a covenant to such effect must also be incorporated in transfer documents.   |
| 1.7       | Enquire about present usage of Property i.e. residential/ commercial etc.  |  |
| 1.8       | Check Municipal Authority For un-authorized construction if existing in property required to be transacted ?   | This is one of the most important aspect to be checked, since in some cases, event the Sub-Registrars in Delhi are directed not to register properties wherein there is un-authorized construction.  |
| 1.9       | Check for enemy property ?   | <p>The <b>Custodian of Enemy Property for India</b> is an <u>Indian</u> government department that is empowered to appropriate property in India owned by <u>Pakistani</u> nationals. After the <u>Indo-Pakistani War of 1965</u>, the Enemy Property Act was promulgated in 1968 . The act authorised the <u>Central Government of India</u> to appoint a custodian for enemy property for India and one or more deputy/assistant custodians as assistances. There is also a provision which validates the appointments made under the Defence of India Rules 1962 and 1971 . The Pakistani nationals in question were citizens of undivided India before the Partition of India in 1947 took place, and left India to settle down in Pakistan.</p> <p>Under the notification issued on 10 September and 11 September 1965, the Central Government vested the following property in India belonging to, held by, or managed on behalf of Pakistani nationals; entrusting the property and its appurtenances in the hands of the custodian with immediate effect. This includes all immovable property, all lockers and safe deposits; and all negotiable instruments such as promissory notes, shares, debentures and other Commerce.</p> <p>Citizens of India are banned from entering any transactions by way of granting development rights, sale/transfer/<u>mortgage</u> of a property in India declared as "enemy" Property. The office of the Custodian are located in <u>Bombay</u> with a branch in <u>Calcutta</u>.</p> |
| <b>2.</b> | <b>TAXES:</b>  |  |
| 2.1       | Enquire whether the property is assessed in the name of the same person, who stand owner as per title deeds or in any other name viz. HUF etc. ?                       |  |
| 2.2       | Check what dues/outgoings are payable in respect of Property viz. House Tax, Water, Electricity, vacant land tax, land revenue, lease money, ground rent etc.          |  |
| 2.3       | Ask for upto date payment receipts of all dues till the date of final payment and takeover of possession   |  |
| 2.4       | Enquire about any notice(s)/litigation with any Municipal Authority and/or any other department relating to payment of taxes [whether pending and/or settled] ?        |  |
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