

Is the 'Buyer' and an 'Allottee' the same thing under the Real Estate (Regulation and Development) Act, 2016**Allottee:**

- Oxford dictionary– “A person to whom something is allotted, especially land or shares.”
- Black Law’s Dictionary – “One to whom an allotment is made; a recipient of an allotment.”
- According to **Real Estate (Regulation and Development) Act, 2016** (for short “Act”) - Section 2(d) defines “allottee” as follows:

“in relation to a real estate project, means the person to whom a plot, apartment or building, as the case may be, has been allotted, sold (whether as freehold or leasehold) or otherwise transferred by the promoter, and includes the person who subsequently acquires the said allotment through sale, transfer or otherwise but does not include a person to whom such plot, apartment or building, as the case may be, is given on rent;”

Buyer:

- **Oxford dictionary**– “A person who makes a purchase.”
- **Black Law’s Dictionary** – “One who makes the purchase.”
- The **Act** doesn’t define the term “buyer” however the same has been used only in the definition of a real estate agent which provides that:

“real estate agent” means any person, who negotiates or acts on behalf of one person in a transaction of transfer of his plot, apartment or building and includes a person who introduces, through any medium, prospective buyers and sellers to each other for negotiation for sale or purchase of plot, apartment or building, ...”

- **Sales of Goods Act, 1930** defines “buyer” as “buyer means a person who buys or agrees to buy goods”

There is no comparison drawn anywhere between the two terms in the Act. In the leading case of **Pankaj Aggarwal and Ors. vs. DLF Gurgaon Home Developers Private Limited** (Case Nos. 13, 21 of 2010 and 55 of 2012) the terms “buyer” and “allottee” have been used synonymously who had booked an apartment with DLF.

A conclusion can be drawn by comparing the definitions as given above that:

- As per the Act, the “allottee” is a person to whom plot etc. has been allotted, sold, transferred or has been acquired by him.
- As per the definition of real estate agent given under the Act it can be inferred that the term “buyer” is used in its general sense to mean a person who is looking to buy a plot, apartment or building.
- If a plot is sold to a person, then he must have bought the same and hence must have been a “buyer” at the initial stage of purchase.
- At the time of purchase the person may be referred to as a “buyer”.
- However, once the transaction is complete and the title has passed, the receiver may be termed as “allottee” since he has been allotted something of value.
- The “buyer” becomes “allottee” once the transaction is successful irrespective of the fact that he has received possession or not.

- The “allottee” continues to be a “buyer” once the transaction has taken place.
- So, in essence there is only a thin line of difference pertaining to the stages of the transaction. The same person is the “buyer” and the “allottee”. The only difference is the point of transaction when the terms are used.