The Pre-Purchase 7-Document Checklist: What to Verify Before You Pay a Single Rupee

Keyword: CHECK · For: Anyone in India about to book or buy a home, flat, or plot — first-time buyers, NRIs buying back home, and families putting down a token before the paperwork is checked.

> ***Seven documents and seven traps — check these before you pay, and you protect your money from the mistakes that take years and lakhs to undo.***

Read this before you pay the token

A token cheque feels small. It is not. The moment money changes hands, your leverage drops and the seller's grip tightens. Everything in this checklist must be verified BEFORE that first rupee — not after.

Here is the uncomfortable truth a 30-year veteran will tell you: in India, the paper you think proves ownership often does not. The Supreme Court said it twice in 2025 — in *Mahnoor Fatima Imran* and *K. Gopi v. Sub-Registrar* — 'registration is not the cause of ownership.' India runs on PRESUMPTIVE title, not guaranteed (Torrens) title. The sub-registrar verifies your identity and that stamp duty was paid — he does NOT check whether the seller actually owns the property. That is why the same plot gets sold twice.

So you have to do the checking yourself. Print this. Tick every box. If even one is missing, pause — do not pay.

[Source: Supreme Court, 7 May 2025 — Mahnoor Fatima Imran & K. Gopi v. Sub-Registrar.]

The 7 documents to verify — the master checklist

Use this as your tick-list. Each one is explained in detail below.

#	Document	What it proves	Red flag
1	Title deed + 30-year title chain	Seller has a clean, unbroken ownership history	Gaps in the chain; a single deed offered as 'proof'
2	Encumbrance Certificate (EC) + CERSAI search	No registered loans/charges on the property	'NIL EC' treated as full safety (it is not — see below)

3	RERA registration	Project is legally registered & trackable	No RERA number; 'pre-launch' booking
4	Approved layout / building plan (+ DC/NA order for plots)	Construction & land-use are legal	Plot on unconverted agricultural land
5	Latest tax-paid receipts + mutation record	Dues cleared & records reflect the seller	Tax arrears; mutation in someone else's name
6	Occupancy / Completion Certificate (OC/CC)	Building is legally fit to occupy; controls GST	Possession offered without an OC
7	The full cost sheet	The real all-in price, not the headline rate	Vague 'all-inclusive' with no line items

Disclaimer: this is general information to help you ask the right questions — it is not legal or tax advice. Always get an independent property lawyer and (for tax) a CA before you sign or pay.

1. Title deed + 30-year title chain

The title deed is the seller's claim to ownership. But ONE deed is not enough — you need the CHAIN.

Do this: - [ ] Get the current registered sale deed in the seller's name. - [ ] Trace the ownership backwards for at least 30 years — every transfer, every owner, no gaps. Banks and lawyers ask for 30 years for a reason. - [ ] Have an independent lawyer (not the builder's, not the seller's) do a title search at the sub-registrar.

Why it matters: a registered sale deed is NOT proof of ownership — the Supreme Court was explicit in 2025. Because the sub-registrar can't verify who truly owns the land, double-registration of the same plot is common. A clean 30-year chain is your best defence.

Watch out for GPA 'sales': a General Power of Attorney, an Agreement-to-Sell, or a Will do NOT transfer ownership. The Supreme Court settled this in *Suraj Lamp & Industries v. State of Haryana* (2011). Yet roughly 40 lakh people in Delhi's ~1,731 unauthorised colonies hold property on GPA — and banks won't lend against it.

[Sources: SC 2025 (Mahnoor Fatima Imran; K. Gopi); SC Suraj Lamp v. State of Haryana, 2011.]

2. Encumbrance Certificate + CERSAI search (a NIL EC is NOT a clean chit)

The EC, issued by the sub-registrar, lists registered charges — loans, mortgages — against the property. A 'NIL' EC feels like a green light. It is not.

Do this: - [ ] Pull the EC for the full 30-year period (matching your title chain). - [ ] Run a CERSAI search (Central Registry of Securitisation Asset Reconstruction and Security Interest of India) — this catches charges the EC misses. - [ ] Ask the lawyer to check for pending litigation, leases, and family claims separately.

Why a NIL EC fools people: the EC is BLIND to anything unregistered. An equitable mortgage — created simply by depositing the original title deeds with a bank — needs NO registration, so it never shows on the EC. The same goes for oral family settlements, unregistered wills, leases, and pending court cases. And mutation is not title either. This is exactly how a 'clean' property turns out to be mortgaged.

That is why CERSAI exists — it's the national registry built to capture equitable mortgages that the EC can't see. Search both.

[Source: VK Knowledge Bank, §G — the Encumbrance Certificate is blind to unregistered mortgages; mutation ≠ title.]

3. RERA registration (and the stalled-project check)

Since 2016, almost every project of meaningful size must be registered under RERA (Real Estate Regulation and Development Act). The RERA number is your tracking handle.

Do this: - [ ] Find the project's RERA registration number and look it up on your STATE's RERA portal. - [ ] Check the declared completion date, approved plans, and any complaints filed. - [ ] Confirm the 70% escrow rule is being followed — buyer money for a project must sit in a dedicated account and fund THAT project only.

Why it matters: RERA §3 bans any booking or advertising BEFORE registration. 'Pre-launch' offers are illegal — Telangana RERA fined a builder ■4.74 crore in 2026 for pre-launching a project where construction had not even started. If someone is taking your money before there's a RERA number, walk away.

The stalled / ghost project trap: builders historically diverted Project A's money to Project B — the #1 cause of stalls. The 70% escrow rule exists to stop exactly this. The scale is real: MahaRERA suspended 4,800+ projects in 2025. Before you book in an under-construction project, check its RERA status and complaint history — a ghost project is one with a registration but no real progress.

[Sources: RERA §3; Telangana RERA penalty ■4.74 cr, 2026; MahaRERA 4,800+ suspensions, 2025.]

4. Approved layout / building plan — and for PLOTS, the DC/NA conversion order

A sanctioned plan means the authority approved what's being built. For plots, there's a second, make-or-break document.

For a flat/house — do this: - [ ] Get the approved building plan / layout sanctioned by the local authority. - [ ] Match what's built (or being built) against the sanctioned plan — extra floors or coverage beyond approval are illegal and can be demolished.

For a PLOT — do this also: - [ ] Demand the DC conversion order (also called NA — Non-Agricultural — conversion). This is the order that legally changes land use from agricultural to residential/non-agricultural. - [ ] No conversion order = you may be buying farmland you cannot legally build on.

Why this is the biggest plot trap of all: Karnataka government data (Jan 2025) showed that of 72.11 lakh parcels in non-agricultural USE, only 4.69 lakh had a DC conversion order — meaning roughly 93% of non-agri land use was never legally converted. Building on unconverted agricultural land is illegal: demolition risk, and no bank will lend on it. In Bengaluru, a 'B-khata' is the city's own record that your property is irregular — most banks won't lend, and your resale pool shrinks to cash buyers only.

[Source: Karnataka Govt data, Jan 2025 — 72.11L non-agri-use parcels, only 4.69L with DC conversion orders (~93% unconverted); B-khata lending limits.]

5. Latest tax-paid receipts + mutation record

Unpaid dues and stale records become YOUR problem the day you buy.

Do this: - [ ] Collect the latest property-tax-paid receipts — confirm there are no arrears. - [ ] Check the mutation record (khata / records of rights) — it should reflect the current seller and be ready to transfer to you. - [ ] For plots/land, verify the revenue records (RoR / 7-12 extract / khasra-khatauni, depending on state) name the seller.

Why it matters: arrears attach to the property, not the previous owner — you inherit them. And mutation is an administrative record of who pays tax, NOT proof of title (see Document 1). Treat a clean mutation as necessary but not sufficient — it must sit on top of a clean title chain and EC, never replace them.

6. Occupancy / Completion Certificate (it controls your GST too)

The OC certifies the building is legally fit to occupy; the CC certifies construction is complete per approved plans. Taking possession without an OC is risky — and expensive.

Do this: - [ ] For a ready/completed property, demand the OC/CC before paying the balance or taking keys. - [ ] Time your purchase around the OC if you can — it directly changes your GST.

The GST lever — this can save real money: - Under-construction property: 5% GST (1% for affordable housing, no input tax credit). - Ready property where the OC has been received: 0% GST.

That means buying ONE DAY after the OC is issued, instead of before, can save 5% of the price. On a ■1 crore flat, that's ■5 lakh saved — for the same flat. (This is general info, not tax advice — confirm with your CA, because the rate hinges on OC timing and property type.)

[Source: GST — under-construction 5% / 1% affordable, no ITC; ready-with-OC 0%.]

7. The full cost sheet — where ~25% hides

The advertised 'base rate' is the smallest number you'll pay. The real price is buried in add-ons.

Demand a written, itemised cost sheet and tick off every line: - [ ] Base price (on which area? insist on CARPET area, per RERA) - [ ] PLC — Preferential Location Charges (■50–500/sq ft is common) - [ ] Floor-rise charges - [ ] Club / amenities charges - [ ] IFMS — Interest-Free Maintenance Security - [ ] Parking (be careful — see the warning below) - [ ] GST, stamp duty, registration

Why it matters: PLC, floor-rise, club, IFMS and parking can stack 25%+ on top of the headline rate — and each is often charged on inflated super-built-up area, with 18% GST on unbundled add-ons (versus 5% on the flat itself). The 'all-in' price is layered by design. Get every line in writing before you commit.

IFMS — get it in writing that you'll get it back: the 'Interest-Free Maintenance Security' is lakhs collected at possession, earns you zero interest, and by law must be handed to the Resident Welfare Association (RWA). It is frequently never returned. Confirm in writing that the IFMS deposit transfers to the RWA, and reclaim it FROM the RWA — not the builder — once the society is formed.

[Sources: VK Knowledge Bank §A — PLC ■50–500/sq ft; layered pricing stacks 25%+; 18% GST on unbundled add-ons vs 5% on flat; IFMS must go to the RWA.]

The 7 traps the documents won't warn you about

Even with clean papers, these are the moves that catch buyers. Read all seven.

> Register at the REAL value, never artificially low. 'Register low to save tax' is the BUYER's trap. The seller is taxed on circle rate (§50C). But under §56(2)(x), the BUYER is taxed on the gap between circle rate and declared price as 'income from other sources' — if it exceeds ■50,000 and the 10% band. You save nothing and inherit a tax bill. [Source: §50C; §56(2)(x).]

> Buying from an NRI seller? Deduct TDS under §195 — up to ~23%, NOT 1%. For a resident seller, TDS is 1% (§194-IA). For an NRI seller, it's §195 — and on a long-term-held property that runs to roughly 14.95%+ (and can reach the low-20s% with surcharge/cess). Deduct only 1% and YOU become the 'assessee-in-default' — liable for the entire shortfall plus interest and penalty. [Source: §195 vs §194-IA; assessee-in-default rule. Confirm exact rate with your CA.]

> '12% guaranteed return' = an illegal scheme. SEBI ruled in November 2018 that assured-return schemes are illegal deposit-taking (a Collective Investment Scheme / CIS). The payouts are funded by new buyers and collapse when inflows fall. A 'guaranteed' return is a warning, not a feature. [Source: SEBI, Nov 2018 — assured-return = illegal CIS.]

> A Power of Attorney is NOT ownership. Per *Suraj Lamp* (2011), a GPA conveys zero title. If a POA must be used at all, insist it is LIMITED in scope and REGISTERED — and treat it as a red flag, not a shortcut to ownership. [Source: SC Suraj Lamp, 2011.]

> Screen out stalled / ghost projects. Check the project on the state RERA portal AND confirm the 70% escrow account exists and is funding that project. Diversion of buyer money was the #1 cause of stalls; MahaRERA suspended 4,800+ projects in 2025. [Source: RERA 70% escrow; MahaRERA 2025.]

Beware 'no EMI till possession' (subvention). The loan is in YOUR name; the bank disburses most of it to the builder upfront. If the builder defaults on the pre-EMI, your CIBIL is destroyed. [Source: VK Knowledge Bank §D — subvention/credit risk.]

Reclaim your IFMS from the RWA. It's your money, parked interest-free. Once the society/RWA forms, claim it back from the RWA — not the builder. [Source: VK Knowledge Bank §A.]

Not legal or tax advice — these are issues to raise with your lawyer and CA before you pay.

Your one-page pre-payment checklist (screenshot this)

Before the token cheque, every box must be ticked:

- [ ] Title deed + unbroken 30-year title chain (lawyer-verified)
- [ ] Encumbrance Certificate (30 yrs) AND CERSAI search — NIL EC alone is not enough
- [ ] RERA number verified on the state portal; NOT a 'pre-launch'
- [ ] Approved layout/building plan — and DC/NA conversion order if it's a PLOT
- [ ] Latest tax-paid receipts + mutation/revenue record in the seller's name
- [ ] Occupancy/Completion Certificate (and GST timed around the OC)
- [ ] Full itemised cost sheet — every charge (PLC, floor-rise, club, IFMS, parking) in writing
- [ ] Registering at the REAL value (avoid §56(2)(x) on the buyer)
- [ ] If seller is an NRI: TDS under §195 (up to ~23%), not 1%
- [ ] No 'guaranteed return' / assured-return scheme
- [ ] POA, if any, is limited and registered — never accepted as ownership
- [ ] Independent lawyer engaged; independent CA for tax

If any box is empty, do not pay. A few weeks of checking is cheaper than years in court — remember, property and land disputes make up roughly two-thirds of all civil cases in India, and a land case can run ~20 years.

→ **Next step:** You now know the 12 things to check — but here's the hard part: you have to chase every one of them yourself, from a seller who'd rather you didn't, on a listing you found on a portal that has no obligation to be honest with you. The real problem isn't knowing the checklist — it's that the market hands buyers unverified listings and quietly sells their data to the highest bidder. That's exactly why villow.in exists: a buyer-first platform that lists ONLY verified properties (title, RERA, approvals checked up front) and never leaks your data to a wall of brokers. The checklist tells you what to demand. villow.in is where the answers are already on the table — so you can start from trust instead of suspicion.

Sources: - Loading/area & layered pricing (PLC ■50–500/sq ft; ~25%+ stack; 18% GST on unbundled add-ons vs 5% flat; IFMS must go to RWA): VK Knowledge Bank §A (ANAROCK Q1-2025 loading data; RERA carpet-area mandate). - Registered deed ≠ ownership; presumptive (not Torrens) title: Supreme Court, 7 May 2025 — Mahnoor Fatima Imran & K. Gopi v. Sub-Registrar. - GPA/Agreement-to-Sell/Will convey zero title; ~40 lakh on GPA in ~1,731 Delhi unauthorised colonies: SC Suraj Lamp & Industries v.

State of Haryana, 2011. - EC blind to unregistered/equitable mortgages; mutation ≠ title: VK Knowledge Bank §G. - RERA §3 bans pre-launch; Telangana RERA fined ■4.74 cr (2026); 70% escrow rule; MahaRERA suspended 4,800+ projects (2025): VK Knowledge Bank §C. - 93% of Karnataka non-agri-use land unconverted (72.11L parcels, only 4.69L DC orders, Jan 2025); B-khata lending limits: VK Knowledge Bank §G. - GST: under-construction 5% (1% affordable, no ITC) vs ready-with-OC 0% — ■5L saved on a ■1 cr flat: VK Knowledge Bank §F. - Register-low buyer trap — §50C (seller) & §56(2)(x) (buyer taxed on the gap): VK Knowledge Bank §B. - NRI seller TDS under §195 (~14.95%+, up to low-20s% with surcharge/cess), not §194-IA's 1%; buyer = assessee-in-default if under-deducted: VK Knowledge Bank §F. - '12% assured return' = illegal CIS/deposit-taking: SEBI, November 2018 (VK Knowledge Bank §D). - Subvention 'no EMI till possession' destroys buyer CIBIL: VK Knowledge Bank §D. - Property/land disputes ≈ two-thirds of civil cases; land case ~20 years: VK Knowledge Bank §J.

This guide is general information to help you ask better questions — it is not legal or tax advice. Property law, RERA rules, stamp duty, GST and TDS rates vary by state, property type and date. Always engage an independent property lawyer for title and a chartered accountant for tax before you pay any money or sign anything.