

ORDER PASSED IN THE MAHARASHTRA REAL ESTATE REGULATORY AUTHORITY MEETING HELD ON THURSDAY 10TH AUGUST 2017 IN REGARD TO ONLINE APPLICATIONS RECEIVED AFTER 2ND AUGUST 2017 FOR REGISTRATION OF ONGOING PROJECTS

Order Case No. 03

Dated: 10th August 2017

1. Section 3 (1) of the Real Estate (Regulation and Development) Act, 2016, states that no promoter shall advertise, market, book, sell or offer for sale, or invite persons to purchase in any manner any plot, apartment or building, as the case may be, in any real estate project or part of it, in any planning area, without registering the real estate project with the Real Estate Regulatory Authority; provided that projects that are ongoing on 1st May 2017 and for which the completion certificate has not been issued, the promoter shall make an application to the Authority for registration of the said project within a period of three months from 1st May 2017.
2. Therefore, while it is mandatory on the part of the Promotor of an ongoing project to make application to MahaRERA for registration of his ongoing projects before 31st July, 2017, in accordance with the substantive provision of Section 3(1), for ongoing projects which have yet to get registration certificate, their promoters shall not advertise, market, book, sell or offer for sale, or invite persons to purchase in any manner any plot, apartment or building, as the case may be, in the said ongoing real estate project
3. In pursuance of the aforesaid provisions of the Act, 10852 applications were received online for registration of Projects till 31st July 2017 midnight. For applications received on 1st and 2nd August, 2017, after the midnight deadline of 31st July, the Authority had in its meeting held on 2nd August 2017, decided that though their applications are liable to be rejected under Section 5(1)(b) of the Act for late submission of application, the concerned promoters may be given an opportunity of paying a penalty of Rs. 50000, for the late submission. The Authority also decided that if they do not agree, within 7 days, to pay the penalty, Section 5(1)(b) shall be invoked.
4. In the Authority meeting held on 2nd August, it was also decided that MahaRERA would keep the process of registration of ongoing projects open. This was essentially done to ensure that maximum ongoing projects get registered with MahaRERA and promoters who on their own volition are coming forward to register their ongoing projects, should not be discouraged from doing so. This would also enable the allottees to access their ongoing project details in the MahaRERA website and file online complaints if they are aggrieved. Those who do not come forward to register and continue to advertise and/or sell their apartments in such non-registered ongoing projects should then, obviously, be dealt with severely under section 59 of the Real Estate (Regulation and Development) Act, 2016.



5. To discuss the issue of levying penalty in respect of applications received after 2nd August 2017, a meeting of MahaRERA was held on Thursday 10th August 2017 under the Chairmanship of Shri Gautam Chatterjee, Chairperson, MahaRERA. Members Dr. Vijay Satbir Singh, and Shri Bhalchandra Kapadnis, were also present

6. In the meeting it was suggested that if any penalty linked to percentage of project cost of each project has to be levied, every defaulting promoter will have to be given a chance to hear them individually before passing such an order. Keeping in view the fact that the said ongoing projects have already been refrained from advertising and selling and that large number of applications have been received from various parts of the State and the said process of decision making, by giving individual hearing to each promoter, will delay the registration of the ongoing projects thereby jeopardizing the interest of the allottees of the said projects, it was decided that a similar procedure be adopted as was done for applications received on 1st and 2nd August. However, it was agreed that instead of a flat rate of penalty, the quantum of penalty should be commensurate to the size of the project.

7. Therefore, it is hereby decided that the penalty for applications filed after 2nd August shall be Rs 100000 or amount equivalent to the registration fee of the said project, whichever is more. This quantum of penalty will be applicable to all applications received in the office of MahaRERA till 5 pm of 16th August 2017.

8. The concerned Promoters, who have already applied to MahaRERA after 2nd August or those who will apply till 5pm of 16th August, should be asked to pay the penalty amount, as decided above, online. If any Promotor does not agree, before 19th August, 2017, to pay the aforesaid penalty, his application shall be further processed as per the provisions of Section 5(1) (b) of the Real Estate (Regulation and Development) Act 2016. Similarly, all applications received in the office of MahaRERA after 5pm of 16th August 2017 shall also be processed as per the provisions of Section 5(1) (b) of the Real Estate (Regulation and Development) Act 2016.


(Bhalchandra Kapadnis)
Member


(Vijay Satbir Singh)
Member


(Gautam Chatterjee)
Chairperson