

ORDER PASSED IN THE MAHARASHTRA REAL ESTATE REGULATORY AUTHORITY MEETING HELD ON FRIDAY 8TH SEPTEMBER 2017 IN REGARD TO ONLINE APPLICATIONS RECEIVED AFTER 16TH August 2017 FOR REGISTRATION OF ONGOING PROJECTS

ORDER CASE NO. 4 of 2017

Dated: 8th September 2017

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.

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, of ongoing project, received on 1st and 2nd August, 2017, after the midnight deadline of 31st July, the Authority had decided that the concerned promoters may be given an opportunity of paying a penalty of Rs. 50000, for the late submission. Thereafter, for applications received from 3rd August till 16th August MahaRERA decided that the penalty for applications shall be increased to Rs 100000 or amount equivalent to the registration fee of the said project, whichever is more. 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 of 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 on their own 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.

To discuss the issue of levying penalty in respect of applications received after 16th August 2017, a meeting of MahaRERA was held on Friday 8th September 2017 under the Chairmanship of Shri Gautam Chatterjee, Chairperson, MahaRERA. Members Dr. Vijay Satbir Singh, and Shri Bhalchandra Kapadnis, were also present

MahaRERA noted that over 2200 applications for registration of ongoing projects have been received till the end of August, of which about 800 are from 16th August to 31st August, 2017. After 1st September 54



applications of ongoing projects have been received. MahaRERA also noted 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. The Act has, in any case, prohibited the said ongoing projects from advertising and selling with effect from 1st August 2017. MahaRERA recognized the fact that delaying the registration of the ongoing projects will only jeopardize the interest of the allottees of the said projects, since the details of such projects will not be available in the public domain for scrutiny and further filing of complaints.

It was, therefore, decided that a similar procedure be adopted as was done for applications received up to 16th 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.

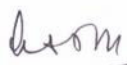
Therefore, it is hereby decided that the penalty for applications filed after 16th August till 31st August shall also be Rs 100000 or amount equivalent to the registration fee of the said project, whichever is more. This quantum of penalty for applications filed after 1st September till 30th September would be Rs 200000 or amount equivalent to double the registration fee, whichever is more, subject to a ceiling of Rs 10,00000

If any Promotor does not agree 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 30th September 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