

## Recent Developments In RERA

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Date: Friday 03 May 2019



# THANK YOU



# **CIRCULARS AND ORDERS**



# **IMPORTANT CIRCULARS & ORDERS**

Sr No	Particulars	Circular/Order
1	Revocation of Registration of Project	Order No. 8/19, Dtd- 28-03-2019
2	Approval of Association of Allottees for order under Section 7(3) of the Act	Order No. 7/19, Dtd- 08-02-2019
3	Disclosure of Information regarding Project Professionals	Circular No. 21/2018 Dtd- 26-11- 2018
4	SOP for Handling Complaints on Non Registered Projects	Circular No. 22/2018 Dtd- 26-11-2018 Circular No. 23/2018 Dtd- 26-11-2018
5	Procedure for referring complaints to MahaRERA Conciliation and Dispute Resolution Forum by MahaRERA or Adjudicating Officer of MahaRERA	Order No. 6/18, Dtd- 29-11-2018



# **IMPORTANT CIRCULARS & ORDERS**

Sr No	Particulars	Circular/Order
6	Quality Assurance Certificate Form 2A	Order No. 8/18, Dtd- 26-11-2018
7	Circular on Display of sanctioned plan layout plan at Project Site	Circular No. 20/2018 Dtd- 15-10- 2018
8	MahaRERA Divisional Office Address of Nagpur	Circular No. 16/2018 Dtd- 09-04- 2018
9	Land Owners/Investors having Area/Revenue Share in Real Estate Project to be treated as Promoter (landowner/investor)	Circular No. 12/2017 Dtd- 04-12- 2017



# REVOCATION OF REGISTRATION OF PROJECT ORDER NO. 8/19, DTD- 28-03-2019

# DIRECTION TO BE FOLLOWED FOR REVOCATION OF PROJECT REGISTRATION

MahaRERA shall only consider those complaints for revocation of project, when Association of Allottees is involved.

The association to provide :-

- 1. Declaration that no complaint is pending in any other forum
- 2. List of all stake holders- Promoter, Landowner, investor, Architects, CA certifying Form-3 and Form-5, Banks etc.



# REVOCATION OF REGISTRATION OF PROJECT ORDER NO. 8/19, DTD- 28-03-2019 (contd..)

# DIRECTION TO BE FOLLOWED FOR REVOCATION OF PROJECT REGISTRATION

- 3. MahaRERA to constitute Designated Resolution Panel (DRP)
- 4. DRP to Shall prepare a Blueprint to complete the project.
- 5. Detailed Blueprint to consists of Financial Blueprint, Construction Blueprint
- 6. The existing project professionals namely Architect, Engineer, Chartered Accountant **SHALL** assist the Panel.
- 7. Blueprint to be completed in 4 months.



# APPROVAL OF ASSOCIATION OF ALLOTTEES FOR ORDER UNDER SECTION 7(3) OF THE ACT ORDER NO. 7/19, DTD- 08-02-2019

**Section 7** Deals with Revocation of Registration on account of violation of thr RERA.

Promoter due to genuine reasons is unable to comply with the provisions with the act, and desires to complete the project.

The Association of Allottees can resolve and request MahaRERA to grant additional extension period for completion of the project.



# DISCLOSURE OF INFORMATION REGARDING PROJECT PROFESSIONALS CIRCULAR NO. 21/2018 DTD- 26-11-2018

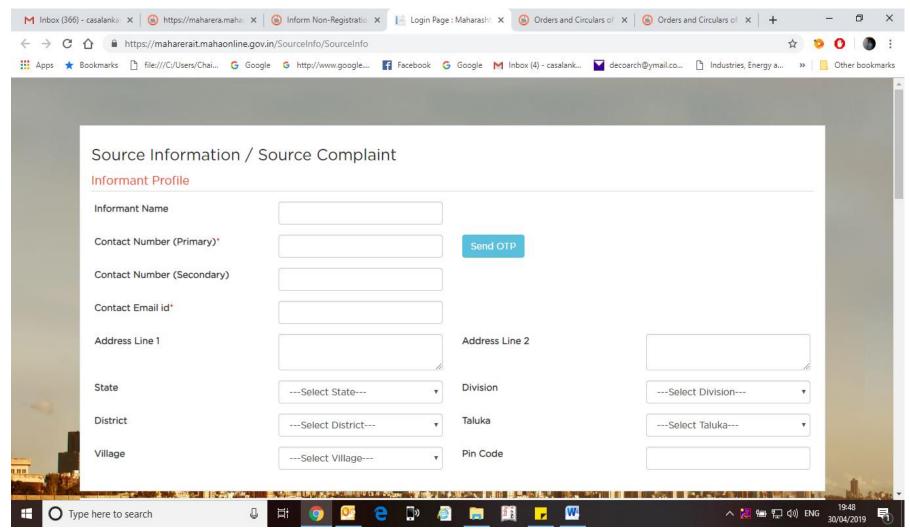
To increase <u>transparency</u>, <u>accountability</u> and ease of information:- Contact Details of Project Professionals is to be captured in the portal-<u>Name</u>, <u>Mobile</u>, <u>Email</u>, <u>Address</u>, <u>Rera Registration(for Agents)</u>

Project Professionals :- Real Estate Agent, Contractors (Various), Architects (Form 1 and Form -4), Structural Engineer, <u>Chartered Accountants (Form-3 and Form-5)</u>

Effective from 01/12/2018

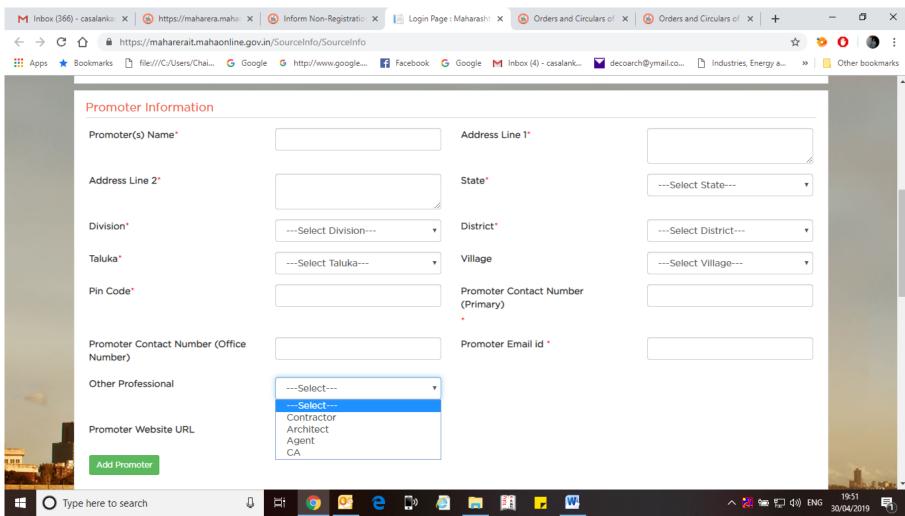


# SOP FOR HANDLING COMPLAINTS ON NON REGISTERED PROJECTS CIRCULAR NO. 22/2018 DTD- 26-11-2018



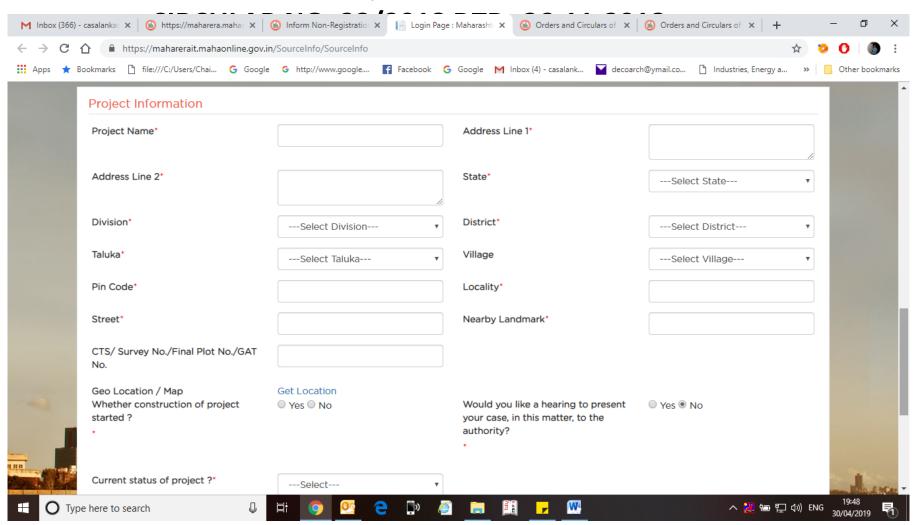


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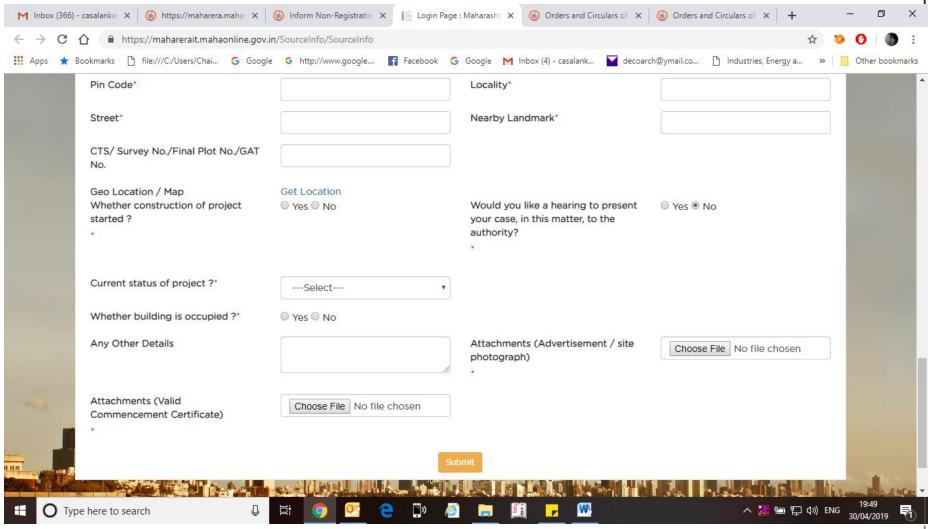


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# SOP FOR HANDLING COMPLAINTS ON NON REGISTEREDPROJECTS CIRCULAR NO. 22/2018 DTD- 26-11-2018





# PROCEDURE FOR REFERRING COMPLAINTS TO MAHARERA CONCILIATION AND DISPUTE RESOLUTION FORUM BY MAHARERA OR ADJUDICATING OFFICER OF MAHARERA (ORDER NO. 6/18, DTD- 29-11-2018)

To facilitate alternate dispute resolution, where both parties agree.

MahaRERA can send the complaint to Conciliation and Dispute Resolution Forum

The website for the application is:-

https://mahareraconciliation.mahaonline.gov.in



# QUALITY ASSURANCE CERTIFICATE FORM 2A ORDER NO. 8/18, DTD- 26-11-2018

New Certificate- Form 2A- From Engineer who supervises the work.

Applicable from new registration from 1.12.2018

To be submitted quarterly



# QUALITY ASSURANCE CERTIFICATE FORM 2A ORDER NO. 8/18, DTD- 26-11-2018

		-2	

[ See MahaRERA order no. \_\_\_ 5\_\_ of 2018]

### ENGINEER'S CERTIFICATE FOR QUALITY ASSURANCE

(site supervisor's certificate)

(To be uploaded quarterly)

To,	
The	(Name & address of Promoter),

### Quality Assurance Certificate

(Certificate	no for th	ne quarter endi	ng	)
for the Wor Phase of the	or quality of materials used a k of No. of Building project situated on the plot demarcated by its bou	g(s)/ bearing C. S. No./I	_Wings(s) of th C.T.S. No./ Sur	vey No./Final
	to the North			
East	to the West of Division	village	taluka	District
PIN	admeasuring	sq.mtrs. area be	sing develope	d by
[Promoter's N	amel			
Reference: MahaRERA	A Registration Number- P			
Sir,				
1 / We	have undertak	en an assignment	of supervision	n of this real
estate project				

### 1. Our Responsibility: -

To carry out the work in accordance with the development permission and as per the approved plan and submit certificate of supervision of work and to carry out material testing in-situ or in the authorized laboratory and to ensure quality of work and workmanship as per prescribed specifications, and as per NBC and or other relevant code of practice.



# QUALITY ASSURANCE CERTIFICATE FORM 2A ORDER NO. 8/18, DTD- 26-11-2018

### 1. Material Testing :-

I/we, have applied following mandatory checks on the basic materials, used in the construction.

#### i. Cement-

It has been tested for its fineness, soundness, setting time, compressive strength etc. as per IS code 3535:1986 or as per other relevant IS/BS/NBC code, or as per industry standards and its results are within the permissible limits.

#### ii. Coarse aggregate -

It has been tested, for deleterious materials, clay lumps, crushing value, impact value as per iS 2430:1986 or as per other relevant IS/BS/NBC code or as per industry standards and its results are within the permissible limits.

#### iii. Bricks/ blocks -

They have been tested for water absorption, crushing strength etc. as per IS 5454:1978 or as per other relevant IS/BS/NBC code or as per industry standards and its results are within permissible limits.

### iv. Concrete / Ready-mix Concrete-

It has been tested for compressive strength for various periods as per IS 456:2000 and IS 1199 or as per other relevant IS/BS/NBC codes, as per industry standards and its results are within permissible limits.

#### v. Steel for concrete-

It has been tested as per IS 2062:2011 or as per other relevant IS/BIS/NBC code or as per industry standards for tensile strength, elongation and gauge length etc. and its results are within permissible limits.

#### vi. Testing of Other materials -

Other materials like sand, crushed sand, floor tiles, fixtures and fittings, pipes and sanitary fittings etc. (List out all items) used in this project conform to relevant IS/BS/NBC code or as per standards laid down by the industry for a particular material.

#### 2. Workmanship:-

I / we hereby certify that work has been carried out under our supervision. We further certify that workmanship and quality is satisfactory and up to the mark and the work has been acceptable within the permissible limits of deviations as per relevant code of practice.

### 3. Electrical Materials and workmanship: -

works of all the electrical wiring/ connections / lift installation / other electrical installations have been carried out under authorized /registered electrical engineer and its records has been maintained. The materials used conform to the relevant I.S/ B.S/ National Building codes or as per industry standards.

4	Str	uct	ural	eng	ineer:	

Promoters	has	engaged	structural	engineer	Mrhaving
Licenses no	h	aving office	e no	cell	no

The structural design of buildings in this project has been done under his supervision. He has checked the soil report before laying PCC for foundation in consultation with soil consultant. The formwork and concrete mix design has been done as per IS 10262:2009 or as per other relevant codes as applicable. His periodic checks and certificates for STABILITY and SAFETY have been kept on record.

### 5. Preservation of records: -

Record of all test results of this project have been properly kept in the prescribed formats and will be preserved at least up to the defect liability period or for the period as required by any other provision of law.

Please specify materials or any other item of work which were not conforming to the standard specifications and which were not rejected.

. ......

Yours Faithfully,

Signature of Engineer (Site Supervisor) Name:

License no.(if any)\_\_\_\_\_\_ Phone no.

Place:



# CIRCULAR ON DISPLAY OF SANCTIONED PLAN LAYOUT PLAN AT PROJECT SITE CIRCULAR NO. 20/2018 DTD- 15-10-2018

The Title of circular is self explanatory. RERA already mandated display of Sanctioned Maps

But the circular was introduced on an observation made by Supreme Court in Ferani Hotels Pvt. Ltd. V / s State Information Commissioner Greater Mumbai & others

Therefore a non compliance to this is viewed seriously and action may be initiated accordingly without any leniency.



# MAHARERA DIVISIONAL OFFICE ADDRESS OF NAGPUR (CIRCULAR NO. 16/2018 DTD- 09-04-2018)

## **NAGPUR DIVISION OFFICE**

Deputy Secretary cum Head MahaRERA Nagpur

Administrative Building No.1, 1st Floor, Adjacent to Udyog Bhavan, Civil Lines Nagpur - 440001.

Tel. No.: 0712 2551400, 2558300



# LAND OWNERS/INVESTORS HAVING AREA/REVENUE SHARE IN REAL ESTATE PROJECT TO BE TREATED AS PROMOTER (LANDOWNER/INVESTOR) CIRCULAR NO. 12/2017 DTD- 04-12-2017

For the benefit of the consumers it is necessary to distinguish and / or identify whether such Promoter is the <u>land owner</u>, <u>investor</u> or is actually <u>obtaining the building permissions</u> for carrying out the construction and is in <u>fact carrying out construction</u>.

Such individual/organisations who are interested in project as Land Owner/Investors having Area/Revenue Share to be treated as **Promoter** (landowner/investor)



# LAND OWNERS/INVESTORS HAVING AREA/REVENUE SHARE IN REAL ESTATE PROJECT TO BE TREATED AS PROMOTER (LANDOWNER/INVESTOR) CIRCULAR NO. 12/2017 DTD- 04-12-2017

Liabilities of such land owner Promoter or investor Promoter shall be as co-terminus with the written agreement / arrangement governing their rights in the real estate project, **But** 

For the purpose of withdrawal from the designated bank account of a real estate project, the obligations and liabilities of all such Promoters shall be at par with each other.

A copy of agreement to be uploaded for public viewing



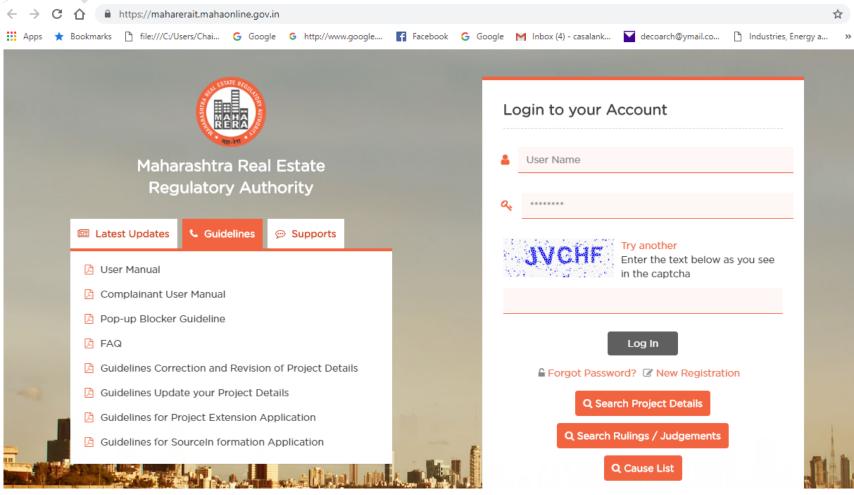
# LAND OWNERS/INVESTORS HAVING AREA/REVENUE SHARE IN REAL ESTATE PROJECT TO BE TREATED AS PROMOTER (LANDOWNER/INVESTOR) CIRCULAR NO. 12/2017 DTD- 04-12-2017

Such land owner promoter and investor promoter to submit declaration in Form B (Affidavit)

Such promoter who is entitled to share of total area developed, should open a separate bank account for deposit of 70 % of the sale proceeds.



## MAHARERA GUIDELINES





# **SOME CASES**



## SIMMI SIKKA V/S EMMAR MGF LAND LIMITED

## **Authority**

Haryana Rera

### Question

If Advertisement of Project is made after completion certificate, would the project would be liable for registration under Rera

### Held

The Project where the promoter intends to advertise, market, book, sale or offer to sale or invite persons to purchase in manner any plot, apartment or building after completion of the project shall be in violation of section 3(1) and section 4(1) of the act. The new project is to be registered by the promoter irrespective of the fact whether it is to be advertised, marketed etc. before completion of project or post completion of project



# PRASAD BHATLAWANDE V/S RAJMUDRA AGRO DEVELOPERS PVT LTD

## **Authority**

MahaRera

### **Brief Facts**

- The complainant entered into agreement to purchase the Row Houses from the Developer
- 2 Agreements were entered. 1<sup>st</sup> for sale of plot and 2<sup>nd</sup> for construction on agricultural plot and there exists forest on site.

### Held

The subject plots are the agricultural land and till date there is no permissions granted by the Competent Authority for development of the said land, such NA order and therefore the MahaRERA is of the view that it is not o project as defined u/s 2 (zn) of the RERA ACT. Hence same cannot be registered u/s 3 of the RERA ACT



# AVINASH SARAF, NEHA DUGGAR SARAF VS RUNWAL HOMES PVT. LTD.

### Authority MahaRERA

### **Brief Facts**

The present complaint was filed seeking refund of the sale consideration along with interest and compensation for the delay in project completion. This case decides many contentious issues, faced commonly by other home buyers.

### Held

Firstly, it was decided that in case of delay there is a recurring cause of action and buyer can file the case anytime during the continuation of delay. Secondly, the Authority held that Section 79 of RER Act bars jurisdiction of all civil courts, therefore the Authority has jurisdiction of deciding agreement under MOFA as well. Thirdly, Section 71(1) makes it clear that Section 12, 14, 18 & 19 applies retroactively. Fourth, for calculating delay, promised date of delivery as provided in the agreement has to be seen and not the date unilaterally decided by the builder at the time of RERA registration. Fifth, if the transaction is cancelled due to builder's default, then no charges can be deducted out of the amount advanced by the buyer. Sixth, interest awarded under the Act cannot go beyond those prescribed under the Act and respective rules.

# SECRETARY, MAHARERA VERSUS PIRAMAL GROUP- GLIDER BUILDCON REALTORS.

## Authority MahaRERA

### **Brief Facts**

The promoter published a 2 page advertisement in a newspaper.

On the 1<sup>st</sup> page there was no MahaRERA registration No at all. The registration number is mentioned on the second page in very small font/ print. Further the MahaRERA registration No is not accompanied by the website of MahaRERA

### Held

Provisions of RERA were violated and promoter shall be liable to a penalty which may extend upto five per cent of the estimated cost of the project. Promoter accepted the mistake and since the mistake was unintentional promoter directed to pay fine of Rs 50.00 Lacs



## IMPORTANT RULINGS BY MAHARERA

### Construction of additional floors without the consent of 2/3rd of the allottees.

- The developer has launched project with 7 floors and sold more than 50% of the apartments up till 7th floor. The information which developer uploaded shows that the developer was going to construct 10 floors. Subsequently, the developer started to construct additional 2 floors above the 7th floor without taking the consent of the 2/3rd of the allottees. It was evident that due to developer's intention to construct the additional the project was getting delayed.
- The developer argued that the allottee has signed the agreement which has a clause that the developer can make alterations and additions and such addition of 2 floors falls under the category of addition. The authority opined that the clauses of the agreement cannot override the provisions of section 14 (2) of the act, which requires the developer to take the previous written consent of 2/3rd of allottees before making any alternations in the sanctioned plans, layout, specifications of the building and common areas. Thus, the developer is restrained from construction of the additional 2 floors. The allottees will be compensated with an amount of INR 25000 each



## IMPORTANT RULINGS BY MAHARERA

## Repercussions on failure to form a society.

- The developer had failed to form a cooperative society after 7 months of receiving occupation certificate and handing over the possession of the premises to the allottees.
- The developer argued by saying that he has not received any names for initiating the process of formation of the society.
- The authority has ordered that since sufficient time has elapsed since the receipt of Occupation certificate and handing over the possession developer to form a society without granting any additional time and the allottees are also directed to cooperate peacefully to enable the developer to complete the procedure of formation of the society at the earliest.



## IMPORTANT RULINGS BY MAHARERA

# Whether the developer is entitled to refund booking amount in case of unilateral cancellation by complainant in absence of agreement to sale

- The Authority inspected the Developers online registration and found all permissions, draft agreement in place. Thus they held that the developer is not in violation of section 7,12, and 13 of RERA Act.
- Also, as the amount paid was less than 10%, developer was not required to execute agreement to sale
- As a result, the complainant's plea for refund of booking amount with interest was dismissed..



## MAHARERA – PUBLIC AWARENESS

- 1. Poor Execution of Orders by Collectors
- 2. Title Insurance
- 3. Landmark Case of Nagpur-
- Fine of 6.4 Cr levied
- Cost of Project 300 Cr
- Non obtaining of OC and some additional work
- 4. Updated Email and Phone No
- 5. Sanction of Plans by Gram Panchayat
- 6. Criminal case can also be filed financial matter relating to cheating
- 7. Training of Trainers



## WHERE TO GET HELP

1. MAHARERA WEBSITE

2.MAHARERA OFFICE

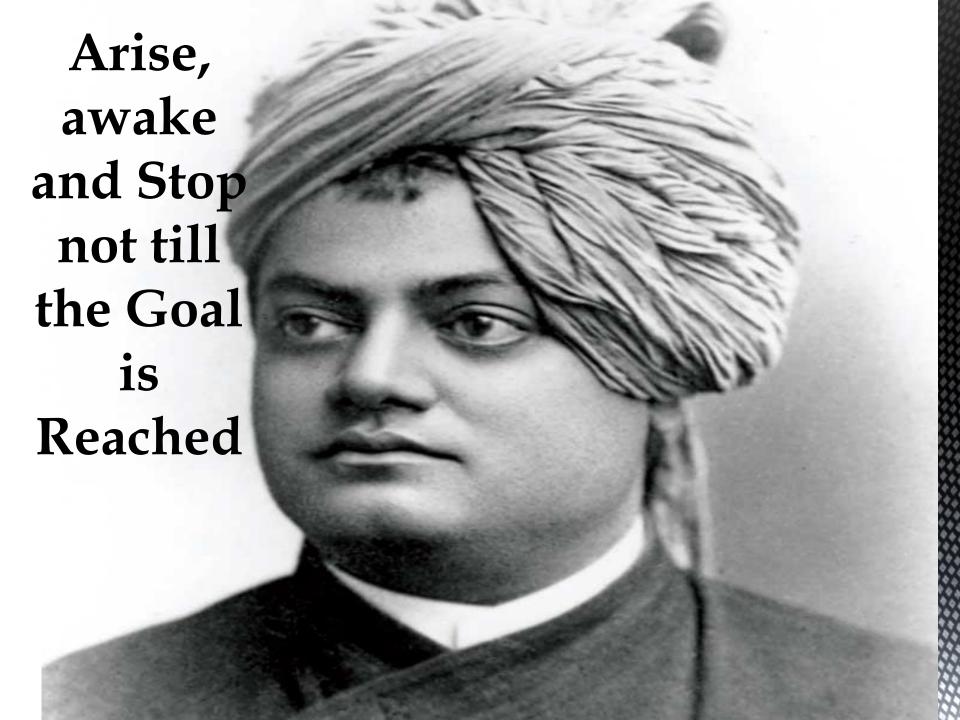
3.CA CHAITRA SALANKAR

C A SALANKAR AND ASSOCIATES

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# THANK YOU ONCE AGAIN