



# MAHARASHTRA REAL ESTATE REGULATORY AUTHORITY

## महाराष्ट्र स्थावर संपदा नियामक प्राधिकरण

Order No. 40 /2022

No. MahaRERA / Secy / File no.27 / 853/2022

Date: 27/12/2022

**Subject:** Extension of validity of the project registration under Section 7 (3) of the Real Estate (Regulation and Development) Act, 2016.

Whereas, Government of India has enacted the Real Estate (Regulation and Development) Act, 2016 (the Act) and all sections of the Act have come into force with effect from 01.05.2017.

And whereas, the Government of Maharashtra vide Notification No. 23 dated 03.03.2017 has established the Maharashtra Real Estate Regulatory Authority, hereinafter referred to as "MahaRERA" or as "the Authority".

And whereas, under Section 34 of the Act, one of the function of the Authority is to register and regulate real estate projects and real estate agents registered under the Act.

And whereas, the Government of Maharashtra has notified the Maharashtra Real Estate (Regulation and Development) (Registration of Real Estate Projects, Registration of Real Estate Agents, Rates of Interest and Disclosures on Website) Rules, 2017 (the Rules) for carrying out the provisions of the Act.

And whereas, Rule 7 (1) of the Rules states that an application for extension of registration of the real estate project shall be made to the Authority in Form 'E' along with an explanatory note setting out the grounds and reasons for delay in the completion of the real estate project and the need for extension, along with documents supporting such grounds and reasons.

And whereas, Rule 7 (3) of the Rules prescribes the fees payable by promoters for extension of registration of the real estate project.

And whereas, the Authority under Section 37 of the Act, and Regulation 38 of the Maharashtra Real Estate Regulatory Authority (General) Regulations, 2017 (the Regulations) is vested with the powers to issue directions to the promoters, real estate agents and allottees from time to time as it may consider necessary.

### **MAHARERA HEADQUARTERS**

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महारेरा मुख्यालय

हाउसफिन भवन, प्लॉट नं. सी-21, ई-ब्लॉक, वांद्रे-कुर्ला-कॉम्प्लेक्स, वांद्रे (पूर्व), मुंबई ४०००५१.

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And whereas, the Chairperson MahaRERA is vested with the powers of general superintendence and directions in the conduct of the affairs of MahaRERA under Section 25 of the Act.

And whereas, Section 7(3) of the Act mandates that the Authority may, instead of revoking the registration under Section 7 (1) of the Act, permit it to remain in force subject to such further terms and conditions as the Authority thinks fit to impose in the interest of the allottees, and any such terms and conditions so imposed shall be binding upon the promoter.

And whereas, the Authority in the matter of extension of the project registration under Section 7(3) of the Act vide Order No. 7 of 2019 dated 08.02.2019 had resolved as follows:

*"In cases, where the promoter of a MahaRERA registered project is unable to complete the project in the extended time of one year, granted under Section 6, further extension may be given only in those cases where the concerned association of allottees resolve that instead of revoking the registration, the existing promoter be permitted to complete the project in a specific time period and on payment of same fees as prescribed under the Rules for extension.*

*Provided, that Association of allottees shall be Association or society or co-operative society or a federation or any other body by whatever name called, consisting of a majority of allottees having booked their plot or apartment or building, as the case may be, in the project."*

And whereas, it has been noted with concern by the Authority that in matters regarding extension of project registration under Section 7 (3) of the Act when promoters are seeking consents from the concerned association of allottees consisting of a majority of allottees who have booked their plot or apartment or building in the real estate project, the consents are not being provided for the following reasons (not exhaustive):

- 1) If consent is granted, the complaint filed before the Authority would be dismissed.
- 2) Will not get any relief in the complaint filed before the Authority if consent is given.
- 3) Do not have confidence that the promoter shall complete the project.

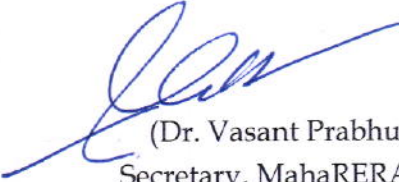
And whereas, considering the apprehension of the allottees resulting in not extending any support to the promoters in the matter of grant of consents for seeking extension of the validity of the project registration results in lapsing of the registration of the real estate project which is not in the interest of the allottees as the said real estate project then cannot be executed and completed by the promoter for want of project registration.

Therefore, in order to ensure completion of the real estate project is achieved so that interest of the allottees are protected, the following directions are issued in the matter of extension of validity of project registration under section 7 (3) of the Act:

- a) Extension of validity of project registration would be granted, on promoters complying with the directions issued under Order No. 7 of 2019 dated 08.02.2019.
- b) If promoters are unable to comply with (a) above, then promoters shall comply with the following procedure.
  - i) Promoters shall submit the consents as obtained from the allottees irrespective of the number of such consents along with reasons why the required percentage of consents from allottees could not be obtained and why the application for extension should be considered without the required 51% consent.
  - ii) Promoters shall submit an explanatory note setting out the grounds and reasons for delay in completion of the real estate project as well as setting out the need for grant of extension along with documents supporting such grounds and reasons. The promoter shall also state the steps that would be taken by him to complete the project within the extended period sought.
- c) Application for extension of validity shall be made in Form 'E' as provided in Rule 7(1) of the Rules.
- d) Application of extension of validity of the project registration shall be accompanied with the prescribed fees calculated in the manner as stated in Rule 7 (3) of the Rules.
- e) Consents of allottees shall be provided in Format 'B' as provided in Circular No. 28 of 2021 dated 08.03.2021.
- f) Promoters shall be bound by the further terms and conditions as may be imposed by the Authority in the interest of the allottees.
- g) The grant of extension of the project validity shall not affect /jeopardize the rights accrued in favour of the allottees who have booked their plot, or unit or apartment or building in the said real estate project as the case may be for which extension of project validity is sought.
- h) This Order shall be read along with Order No. 7 of 2019 dated 08.02.2019.

This Order shall come into force with immediate effect.

*(As approved by the Authority)*

  
(Dr. Vasant Prabhu)  
Secretary, MahaRERA