SUO MOTU ADVERTISEMENT CASE NO. 50 OF 2023

BEFORE THE MAHARASHTRA REAL ESTATE REGULATORY AUTHORITY,

MUMBAI

SUO MOTU ADVERTISEMENT CASE NO. 50 OF 2023

MahaRERA on its Own Motion

.... Complainant

Versus

Karnik Developers

.... Respondent/ Promoter

MahaRERA Project Registration No. – Unregistered with MahaRERA Coram: Dr Vasant Prabhu, Secretary, MahaRERA None appeared on behalf of the Respondent / Promoter.

ORDER

26th July 2023 (Through Video Conferencing)

- The MahaRERA Authority had issued a show cause notice dated 11/04/2023 to the Promoter above named for publishing an advertisement dated 08/04/2023 in Loksatta Newspaper without registering the said project with MahaRERA Authority, situated at Palghar.
- 2. During the previous hearing dated 30/06/2023, the Promoter had submitted that his project "Aaranyam" encompasses a plotted development comprising of 51 plots. The Promoter had stated that they acquire agricultural land and subsequently obtains non-agricultural permission from the Collector's Office. Subsequently, the aforementioned agricultural land is subdivided into non-agricultural plots. The Promoter had further submitted that he then undertakes developmental activities, including establishment of roads, demarcation etc. The Promoter then transfers the ownership of the plots to the intended purchasers through the execution of a sale deed (conveyance deed). As a part of the transfer, the 7/12 extract pertaining to the specific plot is duly transferred in the name of purchaser.
- 3. Accordingly, the Promoter was hereby directed to apply for MahaRERA registration within a period of one month.

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- 4. In this regard, a hearing was scheduled on 26/07/2023 through video conferencing as per the MahaRERA Circular No. 27/2020 and MahaRERA Order No. 593/2023, when the Promoter can appear through its representative and make its submissions.
- 5. During the aforementioned hearing, the Promoter failed to appear even though the notice of hearing and the link for the hearing was duly served upon the Promoter.
- 6. In this regard, it is necessary to peruse the provisions of Section 3 of the RERA which reads as under:

"3. 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 established under this Act."

- 7. An interpretation of Section 3 reveals that the Promoter is legally obligated to refrain from engaging in activities such as advertising, marketing, booking, selling, or inviting individuals to purchase any plot, apartment, or building unless the real estate project in question has been duly registered with MahaRERA.
- 8. In the present case, it has been established that the Promoter had released a smallsized advertisement in the Loksatta Newspaper without fulfilling the requisite registration process with MahaRERA for the advertised project.
- 9. Despite the directives issued in the preceding hearing, the Promoter neglected to submit an application for MahaRERA project registration.
- 10. Therefore, it is hereby directed that a written communication to be sent to the Planning Authority, for the purpose of ascertaining whether the Promoter has obtained any requisite authorisation for the aforementioned project, and no additional authorisation shall be granted for the said project until such time as the

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aforementioned project has been duly registered with MahaRERA. Moreover, it is directed that the Registration and Stamp Office shall be instructed to abstain from registering any sale agreements within the said project, until such time as the project is duly registered with MahaRERA Authority, in accordance with the stipulations outlined in the said Act.

11. With the above directions, the present case stands disposed of.

(Dr. Vasant Prabhu)

Secretary, MahaRERA