## BEFORE THE MAHARASHTRA REAL ESTATE REGULATORY AUTHORITY, MUMBAI

Virtual Hearing held through video conference as per MahaRERA Circular No.: 27/2020

## **REGULATORY CASE NO. 140 OF 2024**

PARAG PRAKASH PATIL

... APPLICANT (PROMOTER)

NIRMAL KUNJ

...PROJECT NAME

## MAHARERA PROJECT REGISTRATION NO. P51600049764

## Order

February 22, 2024 (Date of virtual hearing – 13.02.2024, matter reserved for order)

Coram: Shri. Ajoy Mehta, Chairperson, MahaRERA Shri Mahesh Pathak, Hon'ble Member-I, MahaRERA Shri Ravindra Deshpande, Hon'ble Member-II, MahaRERA Applicant (Promoter) present in person.

- The Applicant herein had registered the project namely "NIRMAL KUNJ" under section 5 of the Real Estate (Regulation and Development) Act, 2016 ("said Act") of Real Estate Regulatory Authority ("RERA") bearing MAHARERA Registration No. P51600049764 (hereinafter referred to as the "said Project").
- 2. On 09.10.2023, an application was made by the Applicant (Promoter) for seeking deregistration of the said Project as per circular 25A/2023. In this regard the captioned case was heard on 13.02.2024 wherein the following roznama was recorded by the Authority in the captioned matter:

"The Promoter avers that his project area is below 500 sq. mtrs. and also finding the Project unviable he seeks deregistration. Further, the Promoter avers that there are no allottees in the Project.

The Promoter avers that he had applied for deregistration on 09.10.2023 and he received a notice for penalty on 01.11.2023. The Promoter states that while his application for deregistration was pending, a penalty has been imposed on him. The Promoter therefore seeks that the Penalty should also be waived while deregistering his project. Matter is reserved for order."

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- 3. The Applicant (Promoter) has stated the following for seeking deregistration of the said Project:
  - a. That the Applicant (Promoter) in its deregistration application stated that the Applicant (Promoter) was not required to register as Project area is 466 sq. mtrs which is less than 500 sq. mtrs as per the section 3 of the RER Act. That the Project is unviable and seeks deregistration.
  - b. That there are no bookings made in the Project.
  - c. Further, a penalty has been levied by MahaRERA for non-compliance of the required compliances under the said Act. The Promoter seeks waiver of the penalty levied as the said Project is not required to be registered with MahaRERA.
- 4. Thus, from the submissions of the Applicant (Promoter) it is clear that there are no Allottees in the said Project. It is observed that the Project consists of only one (1) building.
- 5. Before the Authority decides on the order on deregistration, the section that provides conditions prior to the registration of the Project with the Authority needs to be examined. Section 3 of the said Act is hereinbelow reproduced for ease of reference:

"3. Prior registration of real estate project with Real Estate Regulatory Authority. —

(1) 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:

<u>Provided that</u> projects that are ongoing on the date of commencement of this Act 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 the date of commencement of this Act:

<u>Provided further that</u> if the Authority thinks necessary, in the interest of allottees, for projects which are developed beyond the planning area but with the requisite permission of the local authority, it may, by order, direct the promoter of such project to register with the Authority, and the provisions of this Act or the rules and regulations made thereunder, shall apply to such projects from that stage of registration.

(2) Notwithstanding anything contained in sub-section (1), no registration of the real estate project shall be required—

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(a) where the area of land proposed to be developed does not exceed five hundred square meters or the number of apartments proposed to be developed does not exceed eight inclusive of all phases:

Provided that, if the appropriate Government considers it necessary, it may, reduce the threshold below five hundred square meters or eight apartments, as the case may be, inclusive of all phases, for exemption from registration under this Act;

(b) where the promoter has received completion certificate for a real estate project prior

to commencement of this Act;

(c) for the purpose of renovation or repair or re-development which does not involve marketing, advertising selling or new allotment of any apartment, plot or building, as the case may be, under the real estate project.

<u>Explanation.</u> – For the purpose of this section, where the real estate project is to be developed in phases, every such phase shall be considered a stand alone real estate project, and the promoter shall obtain registration under this Act for each phase separately."

- On perusal of section 3 it is clear that a Project is not required to be registered 6. where the area of land proposed to be developed does not exceed five hundred (500) square meters. In the captioned case the project area is 466 sq. mtrs which is less than 500 sq. mtrs. Hence the said Project is not mandated to be registered with MahaRERA. However, the Applicant (Promoter) had registered the said Project with the MahaRERA on 24.02.2024.
- Thus, it can be concluded that notwithstanding the exemption outlined in the 7. aforementioned Act, it is evident that the Applicant (Promoter) voluntarily opted to register the said Project with the Authority. Nevertheless, in accordance with the provision stipulating that registration is not compulsory for the Applicant (Promoter), the Applicant (Promoter) retains the prerogative to deregister the said Project at its discretion. In the present instance, the Applicant (Promoter) has applied for deregistration. Consequently, the Authority hereby allows the de-registration application and de-registers the said Project. The penalty levied by MahaRERA is hereby waived as the registration of the said Project is not mandatory under RERA.

Remano (Ravindra Deshpande) Member-II, MahaRERA

(Mahesh Pathak) Member-I, MahaRERA Chairperson, MahaRERA