BEFORE THE MAHARASHTRA REAL ESTATE REGULATORY AUTHORITY, MUMBAI

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

REGULATORY CASE NO. 214 OF 2024

MANGALMURTI INFRA

... APPLICANT (PROMOTER)

MANGALMURTI

...PROJECT NAME

MAHARERA PROJECT REGISTRATION NO. P52000050858

Order

May 24, 2024 (Date of virtual hearing -21.05.2024, 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 Representative Dyandeep Divekar present for the Applicant (Promoter)

- The Applicant herein had registered the project namely "MANGALMURTI" under section 5 of the Real Estate (Regulation and Development) Act, 2016 ("said Act") of Real Estate Regulatory Authority ("RERA") bearing MAHARERA Registration No. P52000050858 (hereinafter referred to as the "said Project").
- 2. On 08.04.2024, 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 21.05.2024 wherein the following roznama was recorded by the Authority in the captioned matter:
 - "Promoter states that the area of plot is 312 sq. mtrs. which is less than 500 sq. mtrs. There are no allottees in the Project. The Promoter seeks deregistration.

 Matter is reserved for order."
- 3. The Applicant (Promoter) has stated the following for seeking deregistration of the said Project on the ground that the project area is 312 sq. mtrs which is less than 500 sq. mtrs as per the section 3 of the said Act. It is observed that vide order

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dated 03.04.2024 passed by the Chief Consultant, MahaRERA the said Project was kept in abeyance, bank accounts were freezed and the Registrar were directed to not register any agreements. Further a penalty of Rs. 50,000/- was imposed for contravention of the provision under the Act. The operative part of the said order dated 03.04.2024 is reproduced hereunder:

- "a) The project registration granted to the real estate project MANGALMURTI under project registration No. P52000050858 shall be kept in abeyance.
- b) Promoter, MANGALMURTI INFRA, shall not advertise, market, book, sell or offer for sale any units in the real estate project MANGALMURTI.
- c) The bank holding the project bank account is directed to freeze the said bank account until further notice from MahaRERA.
- d) The concerned Joint Registrar of Assurances having jurisdiction to register Agreement for Sale / Sale Deed is directed not to register any Agreement for Sale / Sale Deed in respect of the units in the real estate project MANGALMURTI until further notice from MahaRERA.
- e) Penalty of Rs. 50,000/- is imposed upon promoter MANGALMURTI INFRA under Section 61 of the Act for contravention of provisions of Section 11(1) of the Act and under section 63 of the Act for violation/contravention of the directions issued by the Authority under MahaRERA Order no. 33/2022 dated 05.07.2022.
- f) Liberty to the promoter MANGALMURTI INFRA to apply for restoration of the project registration number on compliance of the provisions of the Act."
- 4. Thus, from the submissions of the Applicant (Promoter) and notarized declaration-cum- undertaking dated 08.04.2024 it is clear that there are zero allottees in the said Project.
- 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

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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—

(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:

<u>Provided that,</u> 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."

- 6. On perusal of section 3 it is clear that a Project is not required to be registered 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 312 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 09.05.2023.
 - 7. Thus, it can be concluded that notwithstanding the exemption outlined in the 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

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said Project. Further the penalty levied by MahaRERA vide order dated 03.04.2024 is hereby waived as the registration of the said Project is not mandatory under RERA and the said order dated 03.04.2024 stands infructuous in view of the Project being de-registered.

(Ravindra Deshpande) Member-II, MahaRERA

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(Mahesh Pathak) Member-I, MahaRERA

(Ajoy) Mehta) Chairperson, MahaRERA