

RAPID EXAM PREPARATION

1. RERA – Real Estate (Regulation and Development) **Act** 2016
2. RERA Bill introduced by **Dr. Girija Vyas (HUPA) on 14th August 2013** in Rajyasabha.
3. RERA received the **Presidential Assent on 25th March 2016.**
4. **(enacted)**
5. The RERA Act comprises 10 chapters & 92 sections.
6. **59 sections** of the RERA Act were enforced on **1st May 2016.**
7. RERA Act **commenced/fully enforced** on 1ST MAY 2017 (came into force, started, implemented, become fully operational) (remaining sections enforced)
8. MahaRERA - Maharashtra Real Estate Regulatory Authority **Authority**
Establishment Date: **8th March 2017**
9. MahaREAT - Maharashtra Real Estate Regulatory APPELLATE **TRIBUNAL**

MahaRERA WEBSITE: <https://maharera.maharashtra.gov.in>

FEES STRUCTURE for Registration:

1. Real Estate Agent Registration Fees:

- Individual: Rs 10,000
- Non-Individual: Rs 1,00,000
(Except Proprietor: **Rs 10,000**)

(Non-Individual: Proprietor, Partnership firm, LLP, Pvt Ltd etc)

- ### 2. For Promoter: 10Rs per square meter of land area. (Minimum 10,000Rs)

FEES STRUCTURE For Complaints:

- Conciliation: Rs **1000 (Mutually)**
Conciliation (**ADR Alternate Dispute Resolution**)
- Complaints fees: Rs **5000 to MahaRERA**
- MahaREAT: **Appeal fee: Rs 5000** (Appeal to Maharashtra Real Estate Appellate Tribunal) – **Appeal in 60 days**
- High Court: An appeal can be filed in the High Court within 60 days if dissatisfied with the decision of MahaREAT (Appellate Tribunal).

Important Points

1. Who are stakeholders of the Real Estate Sector?

Ans – Promotor, Real Estate Agent and Allotee

2. Structural **defect** liability: 5 years from date of possession.

3. Agent registration certificate validity: **5 years**

4. MahaRERA Competency certificate validity: **5 years**

5. Training Certificate Validity: **5 years**

6. Real Estate Agent shall renew before **60 days** before the expiry date.

7. An appeal to the Appellate Tribunal (MahaREAT) must be filed within **60 days** of the MahaRERA decision.

8. Promotor can't accept more than **10% amount** of the unit before agreement for sale.

9. Agreement for sale shall be executed within **60 days** from the date of issue of allotment letter.

10. **70% amount** must be deposited in separate bank account (account must be in scheduled bank of RBI, **Schedule 2 of Reserve Bank of India Act, 1934**)

11. An association of allottees (Society, company, federation etc) must be formed within **3 months** from the date on which more than **50%** booking completed.

12. Conveyance Deed must be executed within **3 months** from the date of **Occupancy Certificate** issued.

13. Allottee must take Physical Possession within **2 months** from the date of **Occupancy Certificate** issued.
14. To make changes in Sanctioned Plan, Promotor must take permission of **2/3rd Allottees**.
15. The Promotor is eligible for an **extension of up to 1 year** in the event of **force majeure**, such as drought, war, or natural calamity. (Promotor shall apply for the extension **before 30 days** of expiry.)
16. The promoter has to file QPR – Quarterly Progress report every three months.
17. Real Estate Agent has to file HPR half yearly progress report every six-month called (Form 6)

Garage™

Garage means a place within a project having a roof and walls on three sides for parking any vehicle but does not include an unenclosed or uncovered parking space such as open parking areas.



Garage

Real Estate Calculation

TDS: TAX DEDUCTION AT SOURCE

(INCOME TAX ACT 1961 – Finance Act 2013)

Who is responsible for TDS DEDUCTION?

ANSWER: - BUYER

If the seller is Indian Resident: Section 194 IA

For Indian Resident Seller:

- If the Agreement Value or Unit Cost exceeds ₹50 Lakhs.
- File Form 26QB (TDS on Property)
- Deposit 1% TDS of the total transaction value (Agreement Value/Unit Cost) within 30 days from the end of the month in which TDS is deducted.
- Issue Form 16B (TDS Certificate) to the seller within 15 days of filing Form 26QB.
- TAN is not required.

If the seller is Non Resident - Section 195

- TDS will be 30% for short term Capital Gain.
(Holding period of the property less than 2 years)
- TDS will be 20% for long term capital gain.
(Holding period of the property more than 2 years)

For Non-Resident Seller:

- File Form 27Q (Quarterly TDS Return).
- Deposit TDS within 7 days of the next month.
- Filing Deadlines:
Q1 (Apr-Jun): 31st July Q2 (Jul-Sep): 31st October
Q3 (Oct-Dec): 31st January Q4 (Jan-Mar): 31st May
- Issue Form 16A within 15 days of filing Form 27Q.

Real Estate Calculation

GST

- GST for Affordable Housing without **1% ITC**
- GST for Non-Affordable Housing **5% without ITC**
- GST for Commercial **12% without ITC**

STAMP DUTY

- RURAL NON-METRO 4-5 %
- URBAN METRO 5-7%
- WOMEN BUYER 1% CONCESSION

REGISTRATION FEES: 1% up to 30,000Rs

RERA CARPET AREA

According to the Act, Carpet Area means **net usable floor area** of an apartment, **excluding the area covered by the external walls**, area under services shaft, exclusive balcony, or verandah area and exclusive open terrace area, but **including the area covered by internal partition walls** of the apartment.

CARPET AREA:

Includes: Internal Walls

Excludes:

- External Walls,
- exclusive balcony,
- verandah,
- exclusive open terrace area etc.

PENAL PROVISIONS

1. Penalties for Promotor

1. Project Non Registration:
2. Penalty for failure to comply
with **orders** of
Appellate Tribunal (MahaREAT)

1st Time

Up to **10%** of the
cost of the **project**

Or

up to **3 years**
imprisonment

or

both.

3. For other violations

Up to **5%** of the cost
of the project

2. Penalties for Real Estate Agent

Non-Registration and
contravention of
section 9 and 10

10,000Rs for Every
day up to **5%** of the
cost of the
Unit/Flat/Plot

For other violations

Up to **5%** of the cost
of the unit

Penalty for failure to comply
with **orders** of
Appellate Tribunal
(MahaREAT)

Up to **10%** of the
cost of the unit

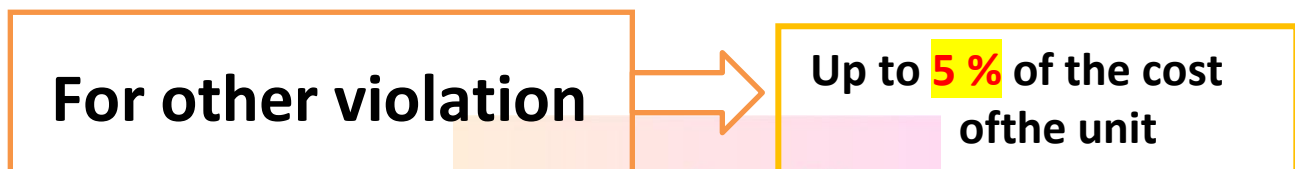
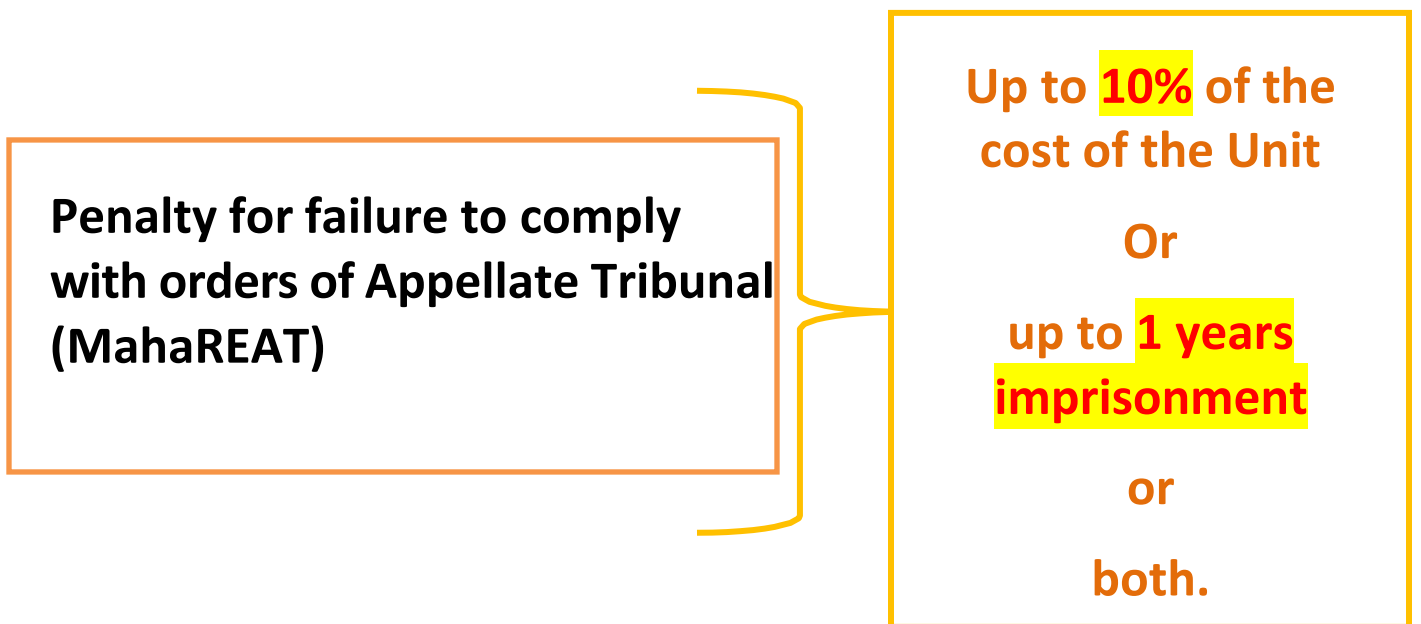
Or

up to **1 years**
imprisonment

or

both.

3. Penalties for Allottees



Home Loan

ReraGuruji

- Home loan is a secured loan and can be used only for purchasing a home, construction, or renovation of a residential property.
- Home loan cannot be used for business or commercial purposes.
- Fixed – remains same for entire period of loan
- Floating – changes as per market rate

Importance Acts:

- For Agreement - Indian Contract Act, 1872
- For Registration – Indian Registration Act, 1908
- Maharashtra Stamp Act 1958 (Bombay Stamp Act 1958)
- MOFA - Maharashtra Ownership Flats Act 1963
- MRTTP - Maharashtra Regional and Town Planning Act, 1966
- MAHARASHTRA LAND REVENUE CODE, 1966
- GST – Goods and Service Tax 2017

FORMS

1. Architect **(Form 1)** - For Money Withdrawal
2. Engineer **(Form 2)** - For Money Withdrawal
3. Chartered Accountant (CA) **(Form 3)** - For Money Withdrawal
4. Architect's Certificate **(Form 4)** of Completion for Registered Project
5. Chartered Accountant (CA) **(Form 5)** - Annual Audit
6. Real Estate Agent Half-Yearly Returns **(Form 6)**
7. Engineer **(Form 2A)** - For Quality Assurance (Annually)

FORMS FOR DEVELOPER:

- FORM A – APPLICATION for RERA Registration
- FORM B – DECLARATION by promoter
- FORM C – CERTIFICATE By MahaRERA
- FORM D – REJECTION / Revocation by MahaRERA
- FORM E – APPLICATION FOR EXTENSION (60 days before) by Promotor
- FORM F – CERTIFICATION OF EXTENSION by MahaRERA

FORMS FOR REAL ESTATE AGENT:

- FORM G - APPLICATION
- FORM H - CERTIFICATE
- FORM I - REJECTION
- FORM J - APPLICATION FOR RENEWAL
- FORM K – CERTIFICATE OF RENEWAL

Sections for The Real Estate (Regulation and Development) Act, 2016

CHAPTER I: PRELIMINARY

1. Short title, extent, and commencement.
 2. Definitions.
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CHAPTER II: REGISTRATION OF REAL ESTATE PROJECT AND AGENTS

3. Prior registration of real estate project with RERA.
 4. Application for real estate projects.
 5. Grant of registration.
 6. Extension of registration.
 7. Revocation of registration.
 8. Obligations after lapse or revocation of registration.
 9. Registration of real estate agents.
 10. Functions of real estate agents.
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CHAPTER III: FUNCTIONS AND DUTIES OF PROMOTER

11. Functions and duties of promoter.
 12. Obligations regarding advertisements or prospectus.
 13. No deposit or advance without a sale agreement.
 14. Adherence to sanctioned plans.
 15. Obligations in case of project transfer.
 16. Insurance of real estate projects.
 17. Transfer of title.
 18. Refund and compensation.
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CHAPTER IV: RIGHTS AND DUTIES OF ALLOTTEES

19. Rights and duties of allottees.
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CHAPTER V: REAL ESTATE REGULATORY AUTHORITY

20. Establishment of RERA.
21. Composition of Authority.
22. Qualifications of Chairperson and Members.
23. Term of office.
24. Salary and allowances.
25. Administrative powers of Chairperson.
26. Removal of Chairperson and Members.
27. Post-employment restrictions.
28. Officers and employees.
29. Meetings.
30. Validity of Authority's proceedings.
31. Filing of complaints.
32. Promotion of the real estate sector.
33. Advocacy and awareness.
34. Functions of RERA.
35. Powers to investigate.
36. Power to issue interim orders.
37. Power to issue directions.
38. Powers of RERA.
39. Rectification of orders.
40. Recovery of penalties or compensation.



CHAPTER VI: CENTRAL ADVISORY COUNCIL

41. Establishment of Council.
 42. Functions of the Council.
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CHAPTER VII: REAL ESTATE APPELLATE TRIBUNAL

43. Establishment of Tribunal.
44. Appeals and dispute settlement.
45. Composition of Tribunal.
46. Qualifications for appointment.
47. Term of office.
48. Salary and allowances.
49. Removal of Members.
50. Post-employment restrictions.
51. Officers and employees of the Tribunal.
52. Vacancies.
53. Powers of Tribunal.
54. Administrative powers of Chairperson.

55. Validity of proceedings.
 56. Right to legal representation.
 57. Orders enforceable as a decree.
 58. Appeal to High Court.
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CHAPTER VIII: OFFENCES, PENALTIES, AND ADJUDICATION

59. Punishment for non-registration.
 60. Penalty for contravention of registration provisions.
 61. Penalty for other violations.
 62. Penalty for agent-related contraventions.
 63. Penalty for promoter's non-compliance.
 64. Penalty for promoter's non-compliance with Tribunal.
 65. Penalty for agent's non-compliance.
 66. Penalty for agent's non-compliance with Tribunal.
 67. Penalty for allottee's non-compliance.
 68. Penalty for allottee's non-compliance with Tribunal.
 69. Offences by companies.
 70. Compounding of offences.
 71. Power to adjudicate.
 72. Factors for adjudication.
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CHAPTER IX: FINANCE, ACCOUNTS, AND AUDITS

73. Grants and loans by Central Government.
 74. Grants and loans by State Government.
 75. Constitution of Fund.
 76. Credit to Consolidated Fund.
 77. Budget, accounts, and audit.
 78. Annual report.
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CHAPTER X: MISCELLANEOUS

79. Bar of jurisdiction.
80. Cognizance of offences.
81. Delegation of powers.
82. Supersession of Authority.
83. Directions to Authority.
84. Rule-making power.
85. Regulations by Authority.
86. Laying of rules.
87. Members as public servants.
88. Application of other laws not barred.
89. Act to have overriding effect.
90. Protection of actions in good faith.
91. Power to remove difficulties.
92. Repeal.

