

Handholding for Promoter in becoming RERA Compliant

By - CA. (Dr.) Rajkumar Adukia

Mobile No.: 9820061049/9820061039

Email rajkumar@cadrrajkumaradukia.com

The article unfolds mandatorily reporting, disclosure on part of promoter provided by RERA 2016. Professionals may view this as yet another crucial service opportunity who can provide their handholding support to promoter and making them RERA compliant.

Introduction:

Compliance with RERA is crucial for real estate promoters to ensure legal adherence, financial transparency, and operational efficiency. The latest changes and requirements under RERA authority reflect a commitment to enhancing the integrity of the real estate sector and protecting the interests of homebuyers and other stakeholders.

Promoters must stay informed about regulatory updates and ensure full compliance with registration, financial management, project reporting, and dispute resolution requirements. By doing so, they contribute to a more transparent, accountable, and trustworthy real estate market.

This article provides a comprehensive overview of the compliance obligations for real estate promoters under MahaRERA, reflecting the latest changes and updates. These requirements cover registration, financial management, project reporting, dispute resolution, and adherence to legal standards.

Under MahaRERA, every real estate project must be registered with the authority before it can be marketed or sold. This requirement ensures that promoters adhere to

legal standards and provide necessary details about their projects.

But who is exempted from registering the project?

1. The real estate the project proposed to be built on land not exceeding 500 sq. mtr or where the number of apartments in the project does not exceed 8 inclusive of all phases
2. The completed real estate project in the sense such project that has to receive completion certificate prior to the commencement of the act
3. The real estate project was undertaken for the purpose of renovation, and redevelopment that does not involve selling or new allotment of apartments, plots or buildings.

Apart from the above-exempted category of the project, rest have to acquire registration through the Real Estate Regulatory Authority (hereinafter “Authority”) set up in concerned state/ UT in order to eligible for marketing the same.

The registration process is completely online, however the promoter has to acquire a certain document, and information that is to be submitted along with registration request on the online portal maintained by concerned authority.

Steps to register the project are given below

Following documents are required to be submitted by promoter at the time of registration of real estate project-

- **Form A Available online**
Create user account on MahaRERA Website and login into the account to provide details in Form A.
- **Form B-**
Declaration in form B ([See rule 3\(6\) of MahaRERA](#))
- **PAN card -**
Provide PAN Card of the promoter.
- **Legal title report -**
Upload legal title report in Format A as specified in the [circular no. 28/2021](#).
- **Details of legal and finance Encumbrance -**
Provide the details of both legal and financial encumbrances on letterhead of promoter with signature and stamp. ([See rule 3\(6\) of MahaRERA](#))
- **Copy of Layout Approval (in case of layout)-**
Provide a legible copy of sanctioned layout approval plan. ([See rule 3\(6\) of MahaRERA](#))
- **Building Plan Approval / NA Order for plotted development-**
Provide a scanned legible copy of sanctioned Building approval plan. ([See rule 3\(6\) of MahaRERA](#))
- **Commencement Certificates / NA Order for plotted development-**
Provide the Commencement Certificate issued by the competent Authority. ([See rule 3\(6\) of MahaRERA](#))
- **Declaration about Commencement Certificate-**
Provide declaration about commencement certificate in Format-D as specified. [circular no 32/2021](#).
- **CERSAI details-**
Provide the latest CERSAI report obtained from the CERSAI website. The CERSAI report should be generated within 10 days before the date of application. In case no security interest has been created then the Promoter shall give provide an undertaking confirming the same. Refer [order no. 26/2021](#)

- **CA Certificate on Project Cost & Fund withdrawal (Form 3)-** Upload CA Certificate Form 3 as specified in the standard format. Make sure the certificate is signed by CA and promoter both. [Click here to download the Form 3](#)
- **Proforma of the allotment letter** Upload model copy of allotment letter as specified in the [Order no. 35](#). In case promoter opts to execute allotment letter that is not in accordance with the specified format, then the Promoter shall highlight deviations/modifications in the allotment letter and upload the same along with the deviation sheet.
- **Proforma of agreement for sale-** Upload model copy of agreement for sale as specified in the annexure A of the Rule 10 and MahaRERA General (Amendment) Regulations 2017 of the Rules. In case promoter choose to execute Agreement for sale that is not in accordance with the specified format, then the Promoter shall highlight deviations/modifications in the agreement for sale and upload the same along with deviation sheet.[Rule 10 for sale of building/unit annexure A of the Rule 10 for sale of building/unit and Annexure III of MahaRERA General \(Amendment\) Regulations 2017 for plotted projects](#)
- **Deviation Report with respect to model copy of Agreement Allotment letter-** Upload deviation report with respect to the model copy of Allotment letter [Order no. 35](#).
- **Deviation Report with respect to agreement for sale-** Upload a deviation report with respect to the model copy of agreement for sale. [Order no. 35](#).
- **Separate Bank Account details including no encumbrances on the Bank Account or no escrow on the same-** Every promoter at the time of registration of a real estate project in addition to providing the bank details of the separate bank account in the application for registration shall also provide a Declaration about the separate bank account for the real estate project on the Letterhead of the promoter in the manner as prescribed detailed in Format 'A' as specified in [Order no. 34](#) of MahaRERA.

Create User Account on MahaRERA Portal

Key points to create promoter's account-

- Click the User Login button on the MahaRERA website's home page.
- Choose the "new registration" option
- Select user type as Promoter option and enter the details in the fields.
- Click on Create user button to submit the details.
- Verify the account through verification link sent to registered email id.

Adding project details

Key points to add project details-

- Login and Enter promoter's details under My account tab
- Add information about the project under Project Details tab in each section
- Make sure that all information filled is accurate and as per the rules, regulations, orders, and circulars of MahaRERA.
- Review the information entered in the form and accept the declaration.
- Go to the payment section by clicking the "Make Payment" button. Choose the preferred payment method.

Tracking project registration application –

By logging into the promoter's account, you can track the progress of the registration application's scrutiny on the dashboard.

Project registration application will be scrutinized by the legal, finance and technical department. In case of any discrepancies in the application, promoter will be informed through email/SMS and scrutiny remarks will also be displayed on promoter's dashboard.

To expedite the approval process, keep track of your application and adhere to the scrutiny comments.

On completion of scrutiny compliances, certificate for the project will be generated and project registration number will be issued.

Download Registration Certificate –

Promoter can download their project registration certificate by logging in into their user account.

Alternatively, promoter can also download the certificate from public domain using Search Registered Project tab.

Registration process in detail:

The promoter first has to create a login id and password on the registration icon maintained on the authority online portal, after successful login he may proceed with submission of the above-given documents and information. This will be followed by the last and final step of payment of fees that will be calculated on the area of the land proposed to be developed at the rate of, rupees ten per square meter.

Once the application is submitted the promoter, the concerned authority will initiate action within 30 days, they either grant registration or reject the application request.

If the registration is to be granted, the authority within 7 days of the expiry of 30 days will provide a 10 digit registration number along with login ID and password for accessing the website of the Authority and to create his web page and to fill therein the details of the proposed project. The authority will issue

registration certificate in Form 'C' under prescribed under Rule 6(a) of 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.

Whereas if the registration request gets rejected for want of non-confirming with the provision of the act, the same is to be intimated by issuing Form 'D' under Rule 6(b) of 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.

Duty after the grant of registration:

It should be noted mere seeking registration under RERA does not free the promoter from obligation conferred by the act as the true task starts after that.

Once the promoter is in the receipt of Login ID and Password he is required to create his webpage on the authority's website. **Subsequent to that for the purpose of public viewing the promoter has to specify the below-mentioned details on the webpage:**

1. Project registration details such as registration number, validity, etc

Quarterly updated of below-mentioned details

2. Details of apartment/plots such as number, types booked
3. List of number of garages booked
4. Approval taken that are pending subsequent to the commencement certificate
5. Status of the project pertaining to construction, grant of approvals, etc
6. Quarterly progress report

What is a quarterly progress report?

The MahaRERA vide order 18/2021 dated 30.07.2021 in order to implement the Financial Quarter Based Project Reporting System has now made mandatory for all the promoter to submit the quarterly progress report (hereinafter “QPR”) to be submitted within 7 days of every Quarter ends that is the 7th day of July, October, January, and April.

For the purpose of quarterly update of July, the QPR is to be submitted by 15.08.2021 for all registered projects.

Content of QPR:

- Increment changes in various building plans approvals
- Status of the project: Physical and Financial progress of the Project with Form 1, Form 2, Form 2A (Engineers certificate for Quality Assurance under Regulation 3 of MahaRERA General Amendment Regulations, 2017) and Form 3
- Form 5 submitted in concerned quarter (quarter II)
- Form 4 (Architect certificate to be issued on completion of each building/wing) if applicable
- Status of booking of plots/apartments/units
- Status of booking of garages, covered parking
- Changes in project professional such as Architect, Engineer, Chartered Accountant, Real Estate Agents etc.
- Changes in Encumbrances report
- Status of association of allottees
- Status of conveyance

- Changes in project details

As an effort of inculcating accountability and professionalism the authority has provided strict observance of QPR compliance, in the event of failure to the same stringent action is proposed to be taken with the following steps.

- If the promoter misses the online submission of QPR a web-generated notice to be sent within 10 days asking for compliance the same shall be made available for public view on authority's portal
- Subsequent to failure within 15 days, the chief planning officer of the authority calls upon the promoter giving opportunity reasoning the non-compliance on his part and will put the case before the authority for penal actions
- Until the quarterly update has been filled the said promoter be restricted from availing authority's service pertaining to the extension of registration, correction, etc.

Guidance on Quarterly update –

Promoters are advised to ensure that their project information is always up to date as per Section 11 of the Real Estate (Regulation and Development) Act, 2016.

Failure to make quarterly project update will violate Section 11 of the Real Estate (Regulation and Development) Act, 2016 and would make the concerned promoter liable for penal action.

How to update Project details

Login to Promoter's account and make payment of update fees. After payment is successful, fields of the project will be enabled for update.

The details of fields which shall be editable by the promoters themselves and those that can be requested to MahaRERA for revision/correction, are detailed in Annexure A under [MahaRERA circular no. 08/2017](#).

Updates are generally required in the following sections

- Project Cost (Actual Total Amount)
- Document Upload (Documents, Certificates, Details of encumbrances etc.)
- Building Details (Number of apartments Booked/Sold/Allotted)
- Task/Activity (Percentage of Work)

- Common Areas and Facilities (Units Booked, Work Completion Percentage)
- Project Professional Details (Real Estate Agent etc.)
- Promoter (Landowner)/Investor Details
- Building-wise Completion Date: -

Update the building-wise completion date (This date cannot be beyond the Revised Proposed date of Completion) in the Add building tab under Project details.

Other compliance:

Separate account under the Schedule Bank:

The act under section 4(2)(1)(D) requires the promoter to deposit in schedule bank, the 70% of the amount realized for the real estate project from allottees by maintaining a separate account in such a bank. The amount so deposited could be withdrawn only to cover the construction and land cost of the concerned real estate project and is to be certified by an engineer, architect, and chartered account in practice.

The required certificates from professionals are as below:

1. First, from the project Architect certifying the percentage of completion of construction work of each of the building/wing of the

project; (Form 1 under Regulation 3 of the MahaRERA General Regulations, 2017)

2. Second, a certificate from the Engineer for the actual cost incurred on the construction work of each of the building/wing of the project; (Form 2 under Regulation 3 of the MahaRERA General Regulations, 2017)
3. Third, a certificate from a practicing Chartered Accountant, for the cost incurred on construction cost and the land cost (Form 3 under Regulation 3 of the MahaRERA General Regulations, 2017)

He is required to get such designated separate account audited through practicing chartered accountant within six months of the end of every financial year (Form 5 under Regulation 4 of the MahaRERA General Regulations,2017).

Self-declaration to the Bank:

The promoter as additional compliance is required to submit quarterly a self-declaration to the bank wherein he is maintaining designated separate account. The format of self-declaration is as below:

SELF – DECLARATION

I, Mr./Mrs._____Promoter of the ongoing project having MahaRERA Registration No._____do hereby state and declare on solemn affirmation as under:

I say that 70% amount received from the allottee of the said project is deposited by me in a designated separate account and I am entitled to withdraw the said amount proportionate to the progress in the Real Estate Project.

I say that my withdrawals from my designated separate account No. _____in the quarter_____ (April-June, July-

September, October-December, January-March) of the year _____ are proportionate to the progress of Real Estate Project and for withdrawal of the amount. I have obtained requisite certificates from the Project Architect, Engineer, and Practising Chartered Accountant.

I undertake to produce these certificates for inspection if required by the Bank/MahaRERA Authority.

Your faithfully,

Place:

Date: _____ signed & seal of the promoter.

The MahaRERA circular pertaining to mandatory self declaration to the bank can be accessed at [https://maharera.mahaonline.gov.in/Upload/PDF/Self Declaration by Promoters to Bank.pdf](https://maharera.mahaonline.gov.in/Upload/PDF/Self_Declaration_by_Promoters_to_Bank.pdf)

Membership with the registered Self Regulatory Authority:

It now mandatory for the promoter seeking registration of the project with MahaRERA to acquire the membership of the MahaRERA registered self-regulatory authority who can be group/association/federation of promoters.

The list of registered SRO as below:

1. [NAREDCOWEST](#) Foundation
2. [CREDAI-MCHI](#) (Maharashtra Chamber of Housing Industry)

3. [CREDAI- Maharashtra](#)
4. [BuildersAssociation of India Maharashtra State](#)
5. [Marathi Bandhkam Vyavsayik Association](#)

6. [Brihan Mumbai Developers Association](#)

This registered SRO is assigned with below mentioned functions and powers and the member-promoter required to adhere to the same:

1. Ensuring and encouraging members for complying with Act and rules, regulations, orders, circulars made/issued thereunder
2. Carry out awareness and education activities among its members
3. Specify the standard of conduct for its members and implementing the same by its members.
4. Create governing norms which are not be in conflict with Rules, Regulations, Circulars and Orders of MahaRERA.

Statutory Obligations on part of promoter after registration:

Under section 11:

- Giving authority's website and project registration details while advertising the said project
- Making available to the allottees at the time of apartment booking all details of sanctioned plan, layout plans including specification as approved by the competent authority, a stage-wise detailed schedule of project completion and displaying the same at the site.
- Observing the obligation under the registered agreement for sale executed between him and allottees till the transfer of conveyance
- The promoter's responsibilities with structural defects shall continue even after the transfer of conveyance
- Obtaining the completion certificate, occupancy certificate and making them available to the allottees

- Obtaining lease certificate if the project is to be developed on leasehold land
- Essential service on reasonable charge till maintenance is taken over by association of allottees
- Forming the association of allottees, society, cooperative society as the case may be by applying local laws
- The association of allottees are to be formed within 3 months of the majority of allottees booked their plot/apartment (in case of absence of local laws)
- Execution of registered deed of conveyance of building/plot, apartments as the case may be containing the undivided proportionate title of association of allottees in the common areas.
- Paying the outgoing concerning the apartment/plot until the transfer of possession
- The obligation of payment of outgoing will continue if the promoter fails to pay the same before transferring the possession
- The promoter cannot mortgage or create a charge of plot/apartment/building once the agreement for sale is executed for the same
- To cancel the agreement for sale only in accordance with terms and conditions of the same
- Maintaining details prescribed by the authority under the act
- section 12 : Obligations of promoter regarding the veracity of the advertisement or prospectus.
- section 13: promoter cannot take any deposit or advance from the allottees without first entering into an agreement for sale, also the threshold of receiving the advance deposit is 10% of the cost of the plot, building, apartment as the case may be.

- section 14 : Adherence to sanctioned plans and project specifications
- Section 15: Not to transfer his majority rights and liabilities concerning the real estate project without first obtaining written consent from 2/3rd allottees and written approval from the authority
- Section 16: a promoter is obligated to obtain insurance of real estate project in respect of title, land, construction etc
- Section 17: Transferring the title by executing the registered conveyance deed in favor of the allottee hand over the physical possession of the plot, apartment of the building, as the case may be, to the allottees and the common areas to the association of the allottees or the competent authority, as the case may be, in a real estate project, Subsection (2) requires that After obtaining the occupancy certificate and handing over physical possession to the allottees in terms of sub-section(1), it shall be the responsibility of the promoter to handover the necessary documents and plans, including common areas, to the association of the allottees or the competent authority, as the case may be, as per the local laws:
- Section 18: it is the duty of promoter to return consideration amount and compensation if he fails to complete or is unable to give possession of an apartment, plot, or building

Under section 19:

- Informing the allottees of sanctioned, layout plans when asked for
- Providing details of stage-wise completion of project and details such as provisions for water, sanitation, electricity, and other amenities and service as agreed by him in pursuant to the registered agreement for sale
- Providing allottees with necessary documents, plan including common areas after handing over physical possession

Obligation pertaining to section 15 transferring real estate project to a third party:

Section 15 requires that obtainment of written consent from 2/3rd allottees and prior written approval of authority is necessary for promoter so as to transfer majority of his rights and liabilities concerning the real estate project to the third party.

Pursuant to the said provision the MahaRERA vide circular no. 24/2019 dated 04.06.2019 specified the detailed procedure to be observed by the promoter.

- a. The promoter seeking transfer have to apply before authority with the written consent of 2/3rd allottees of the real estate project
 - b. The application for a change of promoter (prescribed under aforementioned circular) has to be the email to the Secretary, MahaRERA at the secy@maharera.mahaonline.gov.in being aware of potential transfer accruing from enforcement of mortgage
 - c. Informing to all the allottees about the potential transfer
5. Within seven days once the transfer is effected, the financial institution, the creditor has to inform the allottees and Secretary, MahaRERA on secy@maharera.mahaonline.gov.in of enforcement of security resulting in transfer
 6. Such financial institution/creditor acting as new promoter has to apply for necessary correction in registration details
 7. The application for necessary up dation of information is accompanied with undertaking by the new promoter undertaking that he will comply with the obligation concerning the agreement for sale between erstwhile promoter and allottees

The strict compliance under RERA has ensured robust and trustworthy mechanisms that have certainly enhance the confidence of stakeholders.

Guidance for periodic compliance -

Promoters are advised to ensure that their project information is always up to date as per Section 11 of the Real Estate (Regulation and Development) Act, 2016. If the data has not been updated for more than 90 days, then necessary action, as deemed necessary, shall be taken by MahaRERA.

Once registration is granted then documents uploaded by the promoter at the time of registration, cannot be deleted. Subsequently for regular/quarterly/annually updates, promoters can add additional documents in respective Fields/tabs, these additional documents once uploaded cannot be withdrawn/deleted.

Guidance for updating Project details

As a first step towards updating the project details, the promoters will have to use their login ids that they have used for registering their respective projects and pay the annual update fees. Post successful payment, the project update facility shall become active.

Updates are generally required in the following sections:

- Document Upload (Documents, Certificates, Details of encumbrances etc.)
- Building Details (Number of apartments Booked/Sold/Allotted)
- Task/Activity (Percentage of Work)
- Project Cost (Actual Total Amount)
- Promoter (Landowner)/Investor Details
- Common Areas and Facilities (Units Booked, Work Completion Percentage)
- Project Professional Details (Real Estate Agent etc.)

Building-wise Completion Date: -Update the building-wise completion date (This date cannot be beyond the Revised Proposed date of Completion) in the Add building tab under Project details.

Guidance for corrected application –

Promoter can make correction in the fields of registered project where the approval of authority is required by applying under correction module.

<>For Correction in the digitally signed certificate of registration and for correcting fields which were not provided in Project Update, the promoter shall make a separate request for Correction through the MahaRERA portal by paying necessary fees. The details of fields

which can be edited by the promoters themselves and those that can be requested to MahaRERA for correction, are detailed in Annexure- A ([MahaRERA circular no. 08/2017.](#))

[\(MahaRERA circular no. 14/2017.\)](#)

Correction in project details -

Normal correction is allowed only if there is typographical error or manual mistake by obtaining the approval of the authority. The list of fields which are allowed to update and fields for which the approval of the authority is necessary are given in Annexure A under ([MahaRERA circular no. 08/2017.](#))

Changes under section 14 (2) -

Section 14 (2) of the Act mandates undertaking written consent of at least two-third of the allottees for any major alterations or additions in the sanctioned plans, layout plans and specifications of the buildings or the common areas.

Such changes/alterations/revision in the sanctioned plans which requires the consent of allottees is prescribed in Format C as specified in MahaRERA([MahaRERA circular no. 28/2021.](#))

Change in the Promoter

In accordance with Section 15 of the Real Estate (Regulation and Development) Act, 2016, the promoter shall not transfer or assign his majority rights and liabilities in respect of a real estate project to a third party without obtaining prior written consent from two-third allottees, except the promoter, and without the prior written approval of the Authority.

For correction applications for change in Promoter shall follow the procedure prescribed in the ([MahaRERA circular no 24A/2021.](#))

Correction under the Estimated cost of project

Promoter can change estimated cost by attaching supporting documents such as Form 1- Architect Certificate, Form 2- Engineer Certificate and Form 3- CA Certificate

How to apply for Correction Application

The correction module can be accessed in the project application by following the below key points

- Login into the account with username and password.
- Click on the “Application for Change” tab available under the Project Details dropdown and select project.
- Update required fields under the various section applicable and upload supporting documents. If the changes requested are for fields included in the certificate, select “Request for Generation of Revised Registration Certificate”.
- Click on “Preview Changes button” to preview changes after verifying requisite changes proceed to payment section by clicking Payment button and select suitable payment method to make payment of fees.
- After successful payment, correction application number will be generated which will be shown in the receipt under the Download Payment Receipts Section.
- Track scrutiny process on promoter’s dashboard.

Guidance for extension application -

The registration of project granted under Section 5 of the RERA Act, 2016 may be extended by the authority on an application made by the promoter due to force majeure, in such form and on payment of such fee as may be prescribed by specific state regulations made by the RERA Authority.

Project extension applications are of two types, Extension under section 6 and Extension under section 7(3) with the consent of allottees

Extension under section 6

Under this category promoter can apply for project extension for a maximum period of 1 year. Provided that the Authority may in reasonable circumstances, without default on the part of the promoter, based on the facts of each case, and for reasons to be recorded in writing, extend the registration granted to a project for such time as it considers necessary for period not exceeding 1 year.

Extension Application under 7(3)

A) With consent of allottees

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 granted if concerned association of allottees or society or cooperative society or a federation or any other body by whatever name called,

consisting of a majority 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.

Promoter shall submit Consent of allottees in Format B as specified in MahaRERA ([MahaRERA circular no. 28/2021.](#))

B) Without consent of allottees

Promoter may approach to authority for further extension with reasons of delay in completion of project in writing along with supporting documents and also state the steps that would be taken by him to complete the project within the extended period. ([Refer order no. 40/2022 dated 27/12/2022](#))

How to apply for Extension Application

The extension module can be accessed in the project application by following the below key points -

- Login into the account with username and password.
- Select “Project Extension” tab available on the left section of your login page.
- Select the project.
- Select the extended date and provide reasons. Choose extension under 7(3) option if applying for extension for period exceeding one year.
- Upload supporting documents.
- Submit the application and proceed to make payment of extension application fees.

RERA has fundamentally reshaped the real estate sector in India, enhancing transparency and accountability. By understanding and adhering to RERA’s requirements, promoters can not only ensure compliance but also build trust with buyers and other stakeholders.

Hoping you find this article informative and useful, to find out more of such information stay tuned to my next article.

Thank you!