Successful implementation of Maharashtra's RERA act

Why in news?

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Maharashtra Real Estate Regulatory Authority (MahaRERA) came into effect recently.

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What are the underlying provisions?

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- Real Estate (Regulations and Development) Act 2016 mandates all States to establish a regulatory authority to deal with the issues arising from transactions in real estate market.
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- On these lines Maharashtra established MahaRERA and the entire State is covered under it.
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- MahaRERA makes it mandatory for all ongoing commercial and residential projects to be registered with it.
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- Only registered developers or promoters in the State are allowed to sell, book or advertise their projects.
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- Without a registered sales agreement, no developer can accept more than 10% of the cost as advance payment from a buyer.
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- In case of delay, the promoters are mandated to pay interest to the buyers for every month of delay over the advance payment.
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- Also, all the registered projects across the State will be uploaded on an online map so that buyers can view and scrutinise the projects under construction before visiting the site.
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How it serves as a model for other states to follow?

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- **Accountability -** An individual can view projects online to know the status of their development and their expected date of completion.
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- **Transparency in transactions -** With online fee payment and registration, number of registered projects, granted permissions and the registered and resolved complaints can be viewed easily.
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- **Usage of GIS -** Through this, buyers can look at projects available in their area of interest, its details as well as social amenities (schools, transportation facilities, hospitals) in the vicinity.
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- **Rehabilitation -** With the discussion on bringing the rehabilitation component of redevelopment projects under its ambit, truly affordable houses for urban poor or slum dwellers can be ensured in the city.
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- **Establishment of judicial benches -**
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1. MahaRera has given a time frame of 60 days to dispose of cases.
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2. Around 90% of the complaints relate to delayed possession, which attracts very stringent fines (up to a jail term) under the MahaRera Act.
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- All these measures prove that a regulated real estate market can be a win-win for all, which can be emulated by other states in their respective jurisdictions.
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Source: Business Line, Indian Express

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