

# **Maharashtra Amendment Act 2020 - Detailed Overview**

## **Full Title:**

The Maharashtra Housing (Regulation and Development) (Amendment) Act, 2020

## **Background:**

- The original Maharashtra Housing Act, 2012 was enacted to regulate housing projects and promote transparency and consumer protection in real estate.
- After the central RERA Act 2016 came into force, it became necessary for state laws to comply with its provisions.
- Maharashtra made several amendments to synchronize with RERA and also to include state-specific improvements.

## **Key Amendments and Provisions:**

### **1. Alignment with RERA (Real Estate Regulation and Development Act, 2016):**

- The amendment brought the Maharashtra Housing Act in line with RERA, ensuring there are no conflicting provisions.
- Developers and real estate agents must register with MahaRERA (Maharashtra Real Estate Regulatory Authority) before advertising or selling any project.

### **2. Stronger Regulatory Mechanisms:**

- Establishment and empowerment of MahaRERA as the primary authority to regulate and resolve real estate disputes.
- Provision for Real Estate Appellate Tribunal for appeals against MahaRERA decisions.

### **3. Protection for Homebuyers:**

- Mandatory disclosure of project details such as layout, carpet area, timelines, and approvals.
- Funds collected from buyers must be deposited in a separate bank account (70%) to be used only for project development.

### **4. Project Registration and Penalties:**

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- All ongoing and future real estate projects must be registered.
- Penalties imposed on developers for:
  - False advertisements.
  - Delay in possession.
  - Not registering a project.
  - Violation of terms.

### **5. Transparency Measures:**

- All project information to be publicly accessible on the MahaRERA website.
- Updates regarding project status must be submitted regularly by the developer.

### **6. Provisions for Delay Compensation:**

- Buyers can claim interest and compensation for delayed possession.

### **Purpose and Impact:**

- Consumer empowerment: Protects the interests of homebuyers and ensures they are not misled.
- Market discipline: Encourages ethical behavior among builders and developers.
- Legal clarity: Reduces conflict between central RERA and state housing laws.

### **Institutions Involved:**

- Maharashtra Real Estate Regulatory Authority (MahaRERA) - Regulatory body to monitor compliance and resolve disputes.
- Real Estate Appellate Tribunal (REAT) - Handles appeals from MahaRERA decisions.