



MAHARASHTRA REAL ESTATE REGULATORY AUTHORITY

6th & 7th Floor, Housefin Bhavan, Plot No. C - 21, E - Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051

MahaRERA Order No : - 14 /2020

No. MahaRERA / Secy /Order/ 26 /2020

Date- 18/05/2020

Subject: Invoking Force Majeure for Covid-19 Pandemic

Ref: Advisory regarding extension of registration of real estate projects and concurrently extending timelines of all Statutory Compliances, due to 'Force Majeure' under the provisions of Real Estate (Regulation and Development) Act, 2016 (RERA)- issued by Ministry of Housing and Urban Affairs (MoHUA) dated 13th May 2020

Whereas, in view of COVID-19 (Corona Virus) Pandemic and consequent nation-wide lockdown with effect from March, 2020, reverse migration of labourers to their native places and break in supply chain of construction material, the construction activities of real estate projects across the country have been severely impacted.

Whereas, an urgent meeting of Central Advisory Council (CAC) was held on 29th April, 2020, and as per its recommendations Ministry of Housing and Urban Affairs has issued Advisory regarding extension of registration of real estate projects and concurrently extending timelines of all statutory compliances due to 'Force Majeure' under the provisions of Real Estate (Regulation and Development) Act, 2016 (RERA), on 13th May 2020

Whereas, in order to safeguard the interest of all stakeholders including home buyers, CAC after detailed deliberations made unanimous recommendation to invoke the 'force majeure' clause by Real Estate Regulatory Authorities to extend the registration of projects registered under RERA. Accordingly, MoHUA has advised all state RERAs on the following points:

- Extend the registration automatically by 6 months due to outbreak of COVID-19 (Corona Virus), which is a calamity caused by nature and is adversely affecting regular development of real estate projects by invoking force majeure clause;
- Regulatory Authorities may, on their own discretion, consider to further extend the date of completion as per registration for another period up to 3 months, depending on the situation in their respective State or any part thereof,
- Regulatory Authorities may extend concurrently the timelines of all statutory compliances

Accordingly, in keeping with the advisory of Government of India and in exercise of the powers under section 37 read with Section 34(a), 34(f) and 34(g), a force majeure period of six months, from 15th March to 14th September, 2020 is being invoked and the following directions are issued with immediate effect:

- MahaRERA vide Order No. 13/2020 has already revised project validity by three months. The said validity is extended by a further period of 3 months suo-motu. MahaRERA shall accordingly issue project registration certificates, with revised timelines for such projects, at the earliest. The aforesaid extension will be in addition to the extension already granted or that may be granted to a project under the first proviso to Section 6 of the Act.
- For further extension beyond the aforesaid 6 months, for adversely affected projects, concerned promoters will have to apply in accordance with provisions of Section 6. MahaRERA may at its discretion waive the fee for such extension due to force majeure in accordance with rule 7 of Maharashtra Real Estate Registration Rules, 2017.
- The time limits for compliances under Section 11, which become due anytime during force majeure period, stand automatically extended for a period till the expiry of force majeure period.
- The Force Majeure period will be treated as a “moratorium period” for the purpose of calculating interest under section 12, 18 19(4) and 19(7) of the Act.
- The work of registration of sale documents has been adversely affected due to non-functioning of the offices of the Sub-Registrar. Therefore, any registration of agreement for sale, which becomes due during the force majeure period under Section 13 of the Act, can be registered in a period extending till the expiry of force majeure period.
- The dates of possession mentioned in already registered agreements for sale, shall be deemed to be extended by the Force Majeure period.
- Due to non-functioning of the concerned offices, the work of transfer of title and conveyance has been adversely affected. Therefore, any compliance under Section 17 that becomes due during the Force Majeure period is allowed to be completed in a period extending till the expiry of the force majeure period.
- In the Neel Kamal Realtors Suburban Pvt. Ltd. and anr. Vs Union of India and Others, the Hon’ble Bombay High Court division bench in para 115 of its order has observed that the object and purpose of the Real Estate (Regulation and Development) Act, 2016 is to complete the development work within the stipulated time. Keeping in view the spirit of this order and to ensure that the available liquidity in the designated RERA Accounts get utilized, on priority, for completion of the project, any refund, which under rule 19 of MahaRERA Rules becomes due during the Force Majeure period is allowed to be executed in a period extending up to one month after the expiry of the Force Majeure period.
- Similarly, any amount, which under Section 40 of the Act becomes payable during the Force Majeure period, shall be recovered after the expiry of the Force Majeure period.

As approved by Authority

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(Dr. Vasant Prabhu)
Secretary, MahaRERA