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WANT MAHA CM TO REVOKE DILUTED RERA RULES AND NOTIFY NEW ONES

# Homebuyers Reach Out to Fadnavis

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**Mumbai:** A pan-India homebuyers' pressure group, 'Fight for RERA', has reached out to the Maharashtra government over the issue of dilution in the state's rules under Real Estate Regulatory Act (RERA).

The group has sought Chief Minister Devendra Fadnavis' intervention to revoke the Maharashtra Real Estate Rules and notify fresh rules similar to the ones notified on October 31, 2016, by the Ministry of HUPA for Union Territories without legislatures.

The RERA rules notified for Union Territories are being viewed as undiluted version of central rules aimed at protecting homebuyers' interest as envisioned by the Act.

In its 11-page letter to the state government, Fight For RERA has highlighted dilution of rules, including terms and the fine payable for compounding of offence, the proposed lay-

out plan and floor space index consumption proposed in the project, and disclosures by the promoter of an ongoing project, withdrawal of amounts deposited in separate account, breaking up of the project into a piecemeal development, among others. The letter has also been marked to Prime Minister Narendra Modi and minister for housing and urban development M Venkaiah Naidu.



**Activists want state's RERA rules aligned to the Central rules notified for Union Territories**

"The rules, it appears have been framed keeping in mind developers' interest rather than homebuyers... Sir, I am also compelled to state that there appears to be an attempt to thwart the benefit of this Act and to ensure its failure," the letter quoted Abhay Upadhyay, National Convener of Fight For RERA, as saying.

The Maharashtra RERA rules allow the project developer to register the project with proposed FSI consumption, layout, number of floors and wings. The developer can revise or amend the plan in case of a difference in future. However, central Act does not allow any such flexibility as the project developer is expected to register the project only with the final sanctioned plan, the letter said.

Another dilution comes at the most important factor aimed at curtailing funds diversion from projects and ensure revival of stalled projects. As per central government rules, for ongoing projects, 70% of money collected from allottees after deduction of land and construction cost needs to be deposited in separate bank accounts. However, Maharashtra rules say the developer is expected to deposit 70% of the only future receivables from the projects and does not account for money already received from homebuyers.

## Hold Builders To Account

**ET VIEW**

Home buyers are right in wanting to

protect their interests, and that's the intent of the new legislation to be enacted in every state.

Robust regulatory oversight is needed to hold builders to account, but provisions such a jail term for failure to comply with the law are way too harsh. The reputational damage of a builder is enough deterrence for consumers to shun them, and the latter must see reason too.

