

MAHARERA

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I – Submission of Certificate to the scheduled bank operating the separate account and copies thereof to MahaRERA Authority

Circular No 39A/2022 dated 28.12.2021

Reference: Circular No 39/2021 dated 28.12.2021

Section 4(2)(l)(d) of RERA, 2016 provides that seventy per cent. of the amounts realised for the real estate project from the allottees, from time to time, shall be deposited in a separate account to be maintained in a scheduled bank to cover the cost of construction and the land cost and shall be used only for that purpose:

Provided that the promoter shall withdraw the amounts from the separate account, to cover the cost of the project, in proportion to the percentage of completion of the project:

Provided further that the amounts from the separate account shall be withdrawn by the promoter after it is certified by an engineer, an architect and a chartered accountant in practice that the withdrawal is in proportion to the percentage of completion of the project

The above provision of mandate to open a separate bank account for every project and the withdrawal from the bank account shall be after the certificate from the Engineer, Architect and Chartered Accountant. The above provision of does not require that all such certificate is to be submitted to the bank. However, MahaRERA has issued a circular no 39/2021 dated 28.12.2021 which mandated that

“promoter henceforth shall submit the said three certificates to the schedule bank operating the separate account at the time of every withdrawal from the separate account irrespective whether such real estate project is a new project or an ongoing project till the occupancy certificate/completion certificate as the case may be’ in respect of the said project is obtained and the copies thereof shall be submitted online by promoters to MahaRERA Authority”

The MahaRERA has issued an another circular No. 39A/2022 dated 17.03.2022 wherein some clarification is given by addition of some points in the circular no 39 dated 28.12.2021 and as per this circular the promoter will be entitled to withdraw the amount from the bank, in tranches, within the withdrawal limit certified in the above mentioned certificate(s) and promoter need not to submit the fresh/new certificates from the Architect, Engineer and Chartered Accountant for withdrawal the amount unless the withdrawal limit is not completed as certified by the professional(s).

Following are the additional points of the above circular:

“In the event , the said three certificate as submitted to the schedule bank operating the separate account entitles a promoter to withdraw a particular amount and if the promoter chooses to withdraw the said amount in tranches, then for every such withdrawal fresh certificates from project architect, project engineer and charted accountant in practice need not be submitted. The copy of same certificates that entitled the promoter to withdraw the amount up to the limit as stated in the said three certificates will have to be submitted for every withdrawal along with letter from promoter recording therein the dates of the said certificates and the details of the withdrawal made and copies thereof shall be submitted online by promoters to MahaRERA Authority.