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In terms of Section 4(2)(1)(D) of the Real Estate (Regulation and Development) Act, 2016 (“**Act**”), a promoter is required under law to deposit certain amounts, realized from allottees from time to time, in a separate bank account maintained with a scheduled bank to cover the cost of construction and the cost of land.

The Maharashtra Real Estate Regulatory Authority (“**MahaRERA**”) has by an order dated July 27, 2022, bearing order no. 34/2022 (“**Order**”) read with the correction order bearing no. MahaRERA/Secy/File No. 27/206/2022 dated July 29, 2022, provided for a proforma of “*declaration about separate bank account for real estate projects*”, in *Format A* annexed to the Order.

The Order read with the correction order inter-alia provides that:

- the separate bank account should be an exclusive, a no-lien bank account as per the provisions of Section 4(2)(1)(D) of the Act, read with the rules, regulations as well as the orders and circulars issued by MahaRERA.
- the promoter shall at the time of registration of the real estate project, in addition to providing the details of separate bank account, submit the declaration in Format A printed on the letterhead of the promoter.

The aforementioned Order of MahaRERA, and the correction order are available [here](#) and [here](#).

Promoter to provide declaration of separate bank account for real estate projects

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