

LEGISLATIVE FRAMEWORK

REGISTRATION (MAHARASHTRA AMENDMENT), ACT, 2010 EFFECTIVE AS ON APRIL 1, 2013

The Notification issued by Revenue and Forest Department on March 7, 2013 notified the Registration (Maharashtra Amendment), Act 2010 ('Act') and the same is effective from April 1, 2013. The Act has brought in key changes to the Registration Act, 1908 ('Principal Act') for the state of Maharashtra. The key highlights of the said Act are set below:

- **Compulsory Registration:** The Act has included the following documents to be compulsorily registered under section 17 of the Principal Act:
 - Agreement relating to the Deposit of title deeds, where such deposit has been made by way of security for repayment of a loan or an existing or future debt;
 - Sale certificate issued by any competent authority or officer under any recovery act;
 - Irrevocable power of attorney relating to transfer of immovable property in any way, executed on or before the commencement of the Act.

- In terms of the new section (i.e. section 89A) inserted by the Act to the Principal Act, every Court passing the orders/decrees relating to attachment, release, transferring, creating etc. any right or interest in the immovable property shall along with memorandum describing the property send the same to the registering officer within the local limits of whose jurisdiction the property is situated.

- In terms of the new section (i.e. section 89B) inserted by the Act to the Principal Act, every person who has mortgaged immovable property by way of mortgage by deposit of title deeds, shall within 30 days from the date of mortgage file notice of intimation with the registering officer giving the following details:
 - Mortgagor's and Mortgagee's name and address;
 - Date of mortgage;
 - Amount received under the mortgage;
 - Rate of interest payable;
 - List of documents deposited; and
 - Description of the immovable property.

If the person fails to file notice within 30 days of the mortgage of the immovable property and enters into a transaction for the same immovable property with the third party, such transaction shall be void. In such a case, the third party will have to (a) refund any amount paid by along with the interest at 12% from the date of payment, and (b) compensation for any damages.

- In terms of the new section (i.e. section 89C) inserted by the Act to the Principal Act, any person to fails to file notice under section 89B with the registering officer, shall be punished with imprisonment for a term not less than 1 year which may be extended to 3 years along with fine.