# Maharashtra Ownership Flats Act, 1963 (MOFA) - Overview

## What is Maharashtra Ownership Flats Act, 1963?

MOFA is a Maharashtra state law enacted to regulate the promotion, construction, sale, management, and transfer of flats sold on an "ownership" basis. It was brought in to stop malpractices by builders during a period of acute housing shortage — particularly the practice of selling flats without clearly disclosing carpet area, leading to buyer confusion between carpet area, built-up area, and super built-up area.

It received presidential assent on 12 December 1963 and applies across the whole state of Maharashtra. It works alongside the Maharashtra Apartment Ownership Act, 1970 (MAOA) — MOFA governs the construction-and-sale stage, while MAOA governs individual apartment ownership and shared rights once the building exists.

Since RERA (2016) came into force, most pre-sale/booking protections have effectively shifted to RERA. But MOFA still matters a lot for older projects and especially for conveyance / deemed conveyance of land and building title to flat owners' societies.

# Key Provisions

### 1. Promoter's disclosure duties (Section 3)

Before advertising or selling, the promoter must disclose:

- Title to the land and any encumbrances on it
- Carpet area (including balconies), price with the installment payment schedule
- Nature and description of common areas/facilities, plus all relevant plans and specifications
- The promoter stays liable for outgoings (taxes, etc.) on the flats until the property is formally transferred

### 2. Written, registered agreement for sale (Section 4)

Every sale must be backed by a written agreement, registered under the Registration Act, 1908.

### 3. Possession only after completion certificate

A promoter cannot hand over possession of a flat until a completion certificate is issued by the local authority.

### 4. Conveyance of title (Sections 5, 5A & 11)

- The promoter must take all necessary steps to complete title and convey the land, building, and title documents to the co-operative society/company/association of flat buyers, per the sale agreement — within the agreed or prescribed timeline.
- The promoter must file a copy of the executed conveyance with the Competent Authority within the prescribed period.
- Under Section 11, conveyance to the society generally must happen within 4 months of the society's formation.

### 5. Deemed Conveyance (Section 11, post-2005 amendment)

If a promoter fails or refuses to convey title:

- Flat owners can apply to the Competent Authority (District Deputy Registrar), who verifies the claim and, after hearing the promoter, can certify the case for unilateral conveyance.
- The Sub-Registrar then issues a show-cause notice to the promoter and, if satisfied, registers the conveyance unilaterally as "deemed conveyance" bypassing the promoter's cooperation entirely.
- This was added specifically to unblock the huge backlog of societies stuck without title, which was hurting property tax records, redevelopment, and home loan processes.

### 6. Protection of essential services

Occupants are protected against arbitrary cutoff of water, electricity, lifts, common lighting, etc. by a manager or promoter. Courts can order restoration and impose continuing daily fines for non-compliance.

### 7. Penalties

Violating Sections 3, 4, 5, 10, or 11 can lead to imprisonment up to 3 years, a fine, or both, on conviction.

## 8. Rules under the Act

The Maharashtra Ownership Flats Rules, 1964 supplement the Act with prescribed forms e.g., for applications under Sections 5, 10, 11, and 13(4)/13(5), covering conveyance requests, society registration, and disclosure of collected funds/expenditure.

## 9. Key definitions

- **"Flat"**: any unit meant for residence, office, showroom, shop, godown, or business/industrial use (including garages) that forms part of a building MOFA isn't limited to residential units.
- **"Promoter"**: any person, firm, or association (registered or not) who constructs or arranges construction of a building of flats for sale, including their assignees. Where the builder and seller are different persons, both are covered.