

Real Estate Regulatory Authority (RERA), Bihar, Patna

Before Mr R. B. Sinha & Mr S.K. Sinha, Members of the Authority

Case Nos. SM/328/2019

Authorised Representative of RERA.....Complainant

Vs

M/s Goal Infratech Pvt Ltd.....Respondent

**Present For the Authority :Mr Sumit Kumar, Advocate
Ms Shivi, Advocate
For the Respondent :Mr Ajit Kumar Singh, MD**

08/07/2019

O R D E R

1. The Real Estate Regulatory Authority, Bihar, Patna issued a suo-motu show cause notice on 14/01/2019 to M/s Goal Infratech Pvt Ltd, Patna for non-compliance of the provisions of Section-3 of the Real Estate (Regulation & Development) Act, 2016 by non-registering their ongoing project “Indraprastha City”, Naubatpur, Patna with the Authority.
2. In the notice it was stated that Section 3 of the Act provides that no promoter can advertise, market, book, sell or offer for sale or invite persons to purchase in any manner any plot, apartment or building, as the case may be, in any real estate project or part of it, in any planning area within the State without registering the real estate project with the Real Estate Regulatory Authority, Bihar. The promoter of ongoing real estate project in which all buildings as per sanctioned plan have not received Completion Certification, shall also be required to be registered for such phase of the project which consists of buildings not having Occupation or Completion Certificate.
3. In the first proviso of Section 3 of the Act, all ongoing commercial and residential real estate projects were required to be registered within

three months of the date of commencement of the Act i.e. by 31st July, 2017 with the Real Estate Regulatory Authority except in projects where area of the land proposed to be developed does not exceed 500 sq mtrs or number of apartments proposed to be developed does not exceed 8 (eight) inclusive of all phases.

4. It was stated in the notice that in spite of several extension of the deadlines given by the State Government, the respondent company have failed to register their project “Indraprastha City”, Naubatpur, Patna with the Authority though they have been advertising and taking advances against the booking made in the project since long ago.
5. Accordingly, the respondent company was directed to show cause as to why proceedings under Section 35 and 59 of the Real Estate (Regulation & Development) Act, 2016 be not initiated against them, their company, other Directors and officials of the company for non-compliance with the provisions of Section 3 of the Act.

Response of the Company:

6. In their response dated 14/01/2018 the Director of the respondent company stated that the real estate project namely “Indraprastha City” was launched and the company had hired the services of M/s Magic Bricks for selling of flats of aforesaid project. They claimed that despite such engagement of advertising agency/portal, they failed to get any buyer in the said project till date. Consequently they had not got any advance in the project from any willing purchaser. They claimed that they had also registered one of their project “Goal City” with the Authority. At the same time he claimed that due to lack of knowledge regarding RERA, they could not get their ongoing project registered at that time. The respondent also undertook that they would get this project registered with the Authority within a month.

Hearing:

7. As the response was not found satisfactory, the respondent company was called for hearing on 27/03/2019. In course of hearing, MrAjit Kumar Singh, MD of the respondent company was present. He informed the Bench that application for registration of the project

“Indraprastha City” was already submitted to the Authority on 28/02/2019 and hard copies of the application along with all documents were submitted on 05/03/2019.

Order:

8. Section-59 of the Real Estate (Regulation & Development) Act, 2016 provides that if any promoter contravenes the provision of Section-3, he shall be liable to a penalty, which may extend up to ten percent of the estimated cost of the real estate project as determined by the Authority.
9. As the respondent company has already admitted that they had ongoing project namely-Indraprastha City at Naubatpur, Patna and have applied for registration with the Authority, the Bench feels that leniency should be shown to them. The estimated cost of development of the project is stated to be Rs 1.45 crore. The Bench however feels that this amount is depressed as the application for registration reveals that the project was being constructed on the plot of land measuring 65 kathas. On a very conservative estimate the cost of the land would be around Rs 3.5 crore. Keeping in view the development cost as well, the estimated cost of the project would be at least Rs 4.0 crore. The Bench therefore orders that a token penalty of half percent of the estimated cost i.e. Rs two lakhs is levied on the respondent company to be paid within sixty days of the issue of this order.

Sd
(R.B. Sinha)
Member

Sd
(S.K. Sinha)
Member