# Real Estate Regulatory Authority (RERA), Bihar, Patna

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

### Case Nos. SM/297/2019

Authorised Representative of RERA.....Complainant Vs

M/s Sidhanta Estates Pvt Ltd.....Respondent

Present For the Authority :Mr Sumit Kumar, Advocate

Ms Shivi, Advocate

For the Respondent: Mr Durgesh Ranjan, AR

### 08/07/2019

### ORDER

- 1. The Real Estate Regulatory Authority, Bihar, Patna issued a suomotu show cause notice on 11<sup>th</sup> December 2018 to M/s Sidhanta Estates Pvt Ltd, Kankarbagh Main Road, Patna for non-compliance of the provisions of Section-3 of the Real Estate (Regulation & Development) Act, 2016 by non-registering their ongoing project "Raviraj Enclave" 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 31<sup>st</sup> 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 "Raviraj Enclave", Kankarbagh Main Road, 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.
- 6. The respondent company however, did not submit any reply to the notice issued by the Authority. Accordingly, they were directed to appear before the Bench for hearing on 25/03/2019.

# **Hearing:**

7. On the date of hearing (25/03/2019) the respondent company was represented by Mr Durgesh Ranjan, authorized representative of the company. He informed the Bench that application for the project "Raviraj Enclave" has already been submitted for registration with the Authority on 25/02/2019. In their application, the respondent company has admitted that the project was started

on 10/12/2015 and was likely to be completed on 20/04/2019. The company has estimated the cost of the project as Rs 2.80 crore. We are inclined to accept it.

#### 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. In view of the admission by the respondent company and submission of their application for registration with the Authority, the Bench feels that leniency be shown to them. Accordingly it is ordered that a token penalty of Rs 1.00 lakhs (Rupees one lakh) be levied on the respondent company. The penalty should be paid within sixty days of the issue of this order.

Sd Sd

(R. B. Sinha) (Dr S.K. Sinha)
Member Member