RERA TIMES

REAL ESTATE (REGULATION AND DEVELOPMENT) ACT, 2016

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RERA TIMES

REAL ESTATE

(REGULATION AND DEVELOPMENT) ACT, 2016

(A Journal on Real Estate Bye Laws)

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FROM THE EDITOR'S DESK…

Dear Readers,

I wish my heart fill with the warmest and most heartfelt wishes for all readers of this publication. We are living in a momentous time in the history of India, and it gives me great joy to reflect on the confluence of religious, cultural, and economic milestones that are shaping our nation. In particular, the grand Mahakumbh of 2025, currently unfolding in Prayagraj, is a powerful testament to the enduring spiritual strength and unity of millions of people, as well as the unparalleled growth that India is experiencing on multiple fronts.

Maha Kumbh is not just an event; it is an expression of faith, a gathering of devotees drawn by the shared belief in the divine power of Lord Shiva. After decades, devotees from every corner of India and beyond have come together to witness and partake in this sacred occasion. This year's event, set to attract an extraordinary 450 million people, promises to be a monumental affair, both spiritually and logistically. The Uttar Pradesh government's preparations for the Mahakumbh 2025 have been exhaustive and thorough.

While the Mahakumbh 2025 is a spiritual gathering, it also holds significant economic value. The economic impact of such an event cannot be underestimated. Uttar Pradesh's GDP with the state's economy set to benefit from the influx of millions of devotees, tourists, and pilgrims.

On the other side we reflect on India's ongoing growth, the year 2024 has been an extraordinary one for the financial markets, with a record Rs. 1.6 lakh crore raised through Initial Public Offerings (IPOs). This vibrant activity signals the growing confidence of investors in India's future. The IPO market has seen remarkable growth, with companies across all market capitalizations—large, mid, and small—tapping into the IPO route. The average issue size has more than doubled from Rs. 867 crore in 2023 to over Rs. 1,700 crore in 2024.
Hyundai Motor India's historic IPO, which raised Rs. 27,870 crore, was one of the standout moments of the year. The IPO market's continued dynamism is a reflection of the confidence that both issuers and investors have in India's economic trajectory. As the country's corporate landscape evolves, the IPO boom will undoubtedly play a key role in driving further economic development.

While the economic picture is bright, India's political landscape remains dynamic. The recent Haryana election results have sent ripples through the political system, particularly within the Congress party, which is struggling to maintain its influence in key states. The

results from Haryana, along with underwhelming performances in Maharashtra and Jammu and Kashmir, have raised questions about Congress's leadership and electoral strategy.

The Tax collection also has showed emerged growth during 2024. Gross direct tax collection in 2024-25 saw a 20.32% year-on-year jump to ₹19.21 lakh crore, but net collection during this period saw a 16.45% increase to ₹15.82 lakh crore due to higher refunds of ₹3.39 lakh crore, particularly on account of corporates, government data said.

Gross corporate tax (CT) collection in the current financial year posted 16.92% annualised growth to ₹9,24,693 crore, but the net collection saw only an 8.57% year-on-year increase on account of higher refunds. Refunds to corporates jumped 70.32% to ₹1,82,086 crore as compared to ₹1,06,904 crore in FY24. Comparative data showed the growth rate for direct tax was stronger as compared to indirect tax.

According to data released on December 1, GST revenue in November saw a single-digit growth. Gross GST revenue collection in November increased by 8.5% to ₹1,82,269 crore compared to ₹1,67,929 crore collected in the same month last year, while the net collection after refunds saw an 11.1% jump at ₹1,63,010 crore as against ₹1,46,786 crore.

As a nation, India stands poised to lead on both the spiritual and economic front, charting a path forward that balances tradition and modernity in a seamless blend.

While the political landscape shifts, it is clear that India's future remains bright, with ongoing social, economic, and cultural progress. As we look to the future, the Mahakumbh 2025 serves as a reminder of the power of unity and spirituality, while India's growing economic strength showcases its capacity to lead in a rapidly changing global landscape. The event represents the very essence of India—diverse, spiritual, forward-thinking, and resilient. It encapsulates the nation's history, its present challenges, and its bright future, offering a glimpse into what lies ahead as India continues to evolve as a global leader in both spiritual and economic spheres.

स्वस्तिप्रजाभ्यः परिपालयन्तां न्यायेन मार्गेण महीं महीशाः।
गोब्राह्मणेभ्यः शुभमस्तु नित्यं लोकाः समस्ताः सुखिनो भवन्तु॥

(May the well-being of all people be protected by the powerful and mighty leaders be with law and justice.
May the success be with all divinity and scholars, May all the worlds become happy)

With Regards
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Place: - Jaipur
Date: 29/01/2025

PART-I

SUPREME COURT JUDGEMENT

Order dated: 29th AUGUST , 2024

AKSHAY & ANR. ……..APPELLANT

VERSUS

ADITYA & ORS. ……..RESPONDANT

CORAM: HON'BLE MS. JUSTICE BELA M. TRIVEDI
HON'BLE MR. JUSTICE SATISH CHANDRA SHARMA

Appellant Representative: Mr. Kailash Vasdev,
Sr. Adv. Mr. R. Mohan,
Adv. Mr. V. Balaji,
Adv. Mr. Asaithambi MSM,
Adv. Mr. B. Dhananjay,
Adv. Mr. S. Devendran,
Adv. Mr. Limrao Singh Rawat,
Adv. Mr. Rakesh K. Sharma, AOR

Respondent Representative: Mr. Piyush Singhal,
Adv. Mr. Bijnender Singh,
Adv. Mr. Praveen Swarup, AOR
Mr. Siddhartha Dave,
Sr. Adv. Alekhya Shastry,
Adv. Ms. Arundati Mukherjee,
Adv. Ms. Amita Singh Kalkal, AOR
Mr. Abhinav Ramkrishna, AOR

Gist: The Supreme Court of India dismissed appeals by landowners (Akshay & Anr.) in a case involving joint liability with a builder (Respondent No. 2) under a Joint Venture Agreement (JVA) and Irrevocable Power of Attorney (IPA) for a housing project. Consumers filed complaints alleging unfair trade practices and deficiency in service, seeking possession and compensation. The Court held the JVA valid, despite a later revocation of the IPA, and emphasized that the landowners were jointly responsible for obligations arising from agreements executed before the revocation. The judgment protects consumer rights and enforces accountability in joint property ventures. It reaffirms that contractual commitments under such arrangements are binding.

The case under review arises from a dispute between Akshay & Anr. (appellants) and Aditya & Ors. (respondents), decided by the Supreme Court of India on August 29, 2024. The matter concerns consumer grievances tied to a property development agreement. The appellants, as landowners, entered into a Joint Venture Agreement (JVA) with Glandstone Mahaveer Infrastructure Pvt. Ltd. (Respondent No. 2) for the development of their land into residential flats. To facilitate this arrangement, an Irrevocable Power of Attorney (IPA) was executed in favor of Respondent No. 2, empowering them to sell the developed units and execute agreements on behalf of the appellants.

The respondents, who were complainants in the original matter, had entered into agreements with Respondent No. 2 to purchase units in the proposed project. However, these complainants alleged that the commitments made in the agreements were not honored. They approached the Maharashtra State Consumer Disputes Redressal Commission under Section 17 of the Consumer Protection Act, 1986, alleging unfair trade practices and deficiency in service. The complainants sought possession of their units, completion of the project, execution of sale deeds, and compensation for physical and mental harassment.

The State Commission ruled in favor of the complainants, holding the appellants and Respondent No. 2 jointly and severally liable for fulfilling the terms of the agreements. The Commission directed the appellants and Respondent No. 2 to complete the construction within six months, hand over possession of the units, execute sale deeds, and provide compensation and legal costs to the complainants. Dissatisfied with this decision, the appellants challenged the ruling before the National Consumer Disputes Redressal Commission (NCDRC).

The NCDRC dismissed the appellants' appeals, upholding the State Commission's findings. It concluded that the JVA and IPA were operative at the time the agreements with the complainants were entered into. The NCDRC noted that while the appellants had later revoked the IPA in 2014, this action came after the agreements with the complainants had been executed. Consequently, the appellants were held jointly responsible for the obligations arising from those agreements. The NCDRC emphasized that permitting the appellants to disassociate themselves from the project would cause significant injustice to the complainants.

The appellants subsequently approached the Supreme Court. They contended that the IPA had been revoked in 2014, absolving them of any responsibility for acts performed by Respondent No. 2 thereafter. Furthermore, the appellants argued that they were not party to the agreements between Respondent No. 2 and the complainants and, therefore, could not be held liable under the Consumer Protection Act. In response, the complainants asserted that both the JVA and IPA were valid at the time of their agreements. Respondent No. 2 confirmed its readiness to honor its obligations under the JVA, provided the appellants cooperated.

The Supreme Court carefully examined the facts and the arguments presented by all parties. It noted that the JVA, despite the alleged revocation of the IPA, had not been canceled by the appellants and thus remained in force. The Court also observed that the IPA's revocation letter stated that the appellants would not be liable for Respondent No. 2's actions "henceforth," which implied that they were still responsible for actions taken before the revocation. The appellants had also failed to take legal action against Respondent No. 2 for any alleged non-compliance with the JVA. As a result, the Court determined that the appellants were jointly liable for commitments made under the agreements with the complainants.

The Supreme Court emphasized the importance of safeguarding consumer interests. It highlighted that the complainants had invested in the project based on the agreements executed under the JVA and IPA. Allowing the appellants to evade responsibility would severely jeopardize the rights of the complainants. The Court also clarified that the precedents cited by the appellants, including Faqir Chand Gulati vs. Uppal Agencies Pvt. Ltd. and Sunga Daniel Babu vs. Sri Vasudeva Constructions, were inapplicable to the current case. Those judgments addressed scenarios where landowners were considered consumers vis-à-vis builders. In this case, however, the complainants were direct consumers, and the landowners were jointly responsible with the builder.

The Supreme Court concluded that the findings of the State Commission and the NCDRC were consistent with the law and did not warrant interference. It dismissed the appeals, reiterating the appellants' joint liability with Respondent No. 2. The judgment reaffirmed the principle that landowners involved in joint ventures with developers cannot dissociate themselves from their obligations, especially when they have empowered the developer through instruments like irrevocable powers of attorney.

This decision underscores the judiciary's commitment to protecting consumer interests and enforcing accountability in property development agreements. It serves as a reminder to landowners and developers alike about the binding nature of joint venture agreements and the need to honor contractual commitments.

PART-II

BOMBAY HIGH COURT JUDGEMENT

Order dated: 25TH OCTOBER, 2024

M/s. RASHMI REAALTY BUILDERS PVT. LTD. ……..APPELLANT

VERSUS

MR. RAHUL RAJENDRAKUMAR PAGARIYA & ORS. ……..RESPONDANT

CORAM: MADHAV J. JAMDAR, J.

Appellant Representative: Mr. A. R. Upadhyay, Advocate
Respondent Representative: Mr. Altaf Khan, Mr. Akash Mangalgi, Mr. Akash S. Bhogil, Ms. Supriya Ghadge, Mr. Mazhar Khan and Mr. Sumit Dhanawde, Advocates,

Gist: This case, M/s. Rashmi Realty Builders Pvt. Ltd. v. Mr. Rahul Rajendrakumar Pagariya & Ors., examines whether RERA disputes can be referred to arbitration. The Court dismissed the developer's appeal, emphasizing that RERA's statutory protections for homebuyers override private arbitration clauses. The judgment drew from precedents like Vidya Drolia v. Durga Trading Corporation, reinforcing that disputes involving public interest under specialized statutes are non-arbitrable. It upheld the Appellate Tribunal's order directing the refund of Rs. 12,50,000 with interest, ensuring consumer confidence in RERA's mechanisms. This decision sets a strong precedent for prioritizing statutory remedies over arbitration.

This document provides a comprehensive summary of the case M/s. Rashmi Realty Builders Pvt. Ltd. v. Mr. Rahul Rajendrakumar Pagariya & Ors., addressing disputes under the Real Estate (Regulation and Development) Act, 2016 (RERA), with a focus on the non-arbitrability of such disputes.

The Second Appeal in this case was filed by M/s. Rashmi Realty Builders Pvt. Ltd. to challenge the order passed by the Maharashtra Real Estate Appellate Tribunal (Appellate Tribunal) on March 31, 2023. This order reversed a prior decision made by the Maharashtra Real Estate Regulatory Authority (Authority), which had held that Section 18 of RERA did not apply because no registered agreement for sale had been executed between the parties. The dispute originated from a Memorandum of Understanding (MOU) executed on July 19, 2013, between the developer and the allottees, in which the allottees sought a refund of Rs. 12,50,000 paid for an apartment in "Rashmi's Star City – Phase IV," alleging non-performance of contractual obligations by the developer.

A core legal question emerged during the proceedings: whether the arbitration clause in the MOU ousted the jurisdiction of RERA and its regulatory framework. The Appellant argued that the arbitration clause in Clause 16 of the MOU mandated arbitration under the Arbitration and Conciliation Act, 1996 (Arbitration Act), which superseded RERA's jurisdiction. They

contended that RERA's provisions, particularly Section 18, were inapplicable due to the absence of a registered agreement for sale. Additionally, the Appellant claimed that the Respondents were investors, not homebuyers as defined under Section 2(d) of RERA. Highlighting the absence of specific details about the apartment, such as flat number, building number, and floor, the Appellant argued that the MOU did not fall under RERA's scope. They further asserted that arbitration was the exclusive remedy available to the Respondents.

The Respondents countered these arguments by asserting their status as "allottees" under Section 2(d) of RERA. They argued that they had paid Rs. 12,50,000 for the apartment, with an assurance of possession within 40 months, a commitment the Appellant failed to honor. Emphasizing RERA's role as a special statute designed to protect homebuyers, they argued that its overriding provisions (Sections 88 and 89) negated the applicability of the arbitration clause. They also pointed to an admission by the Appellant, in a response dated April 10, 2019, acknowledging their inability to complete the project and expressing willingness to refund the amount paid. The Respondents maintained that statutory remedies under RERA could not be overridden by private agreements.

The Amicus Curiae, appointed to assist the Court, underscored RERA's legislative intent to safeguard homebuyers and ensure accountability in the real estate sector. Highlighting RERA's provisions for grievance redressal, the Amicus Curiae argued that disputes under the Act were non-arbitrable due to the comprehensive and overriding framework established by the statute. RERA's mechanisms, they stated, were designed to ensure timely refunds and redressal for aggrieved allottees. Referring to key judgments like Booz Allen and Hamilton Inc. v. SBI Home Finance Limited, the Amicus Curiae elaborated on the criteria for determining non-arbitrability, emphasizing that disputes falling under special statutes like RERA were meant to be adjudicated by statutory authorities, not private arbitrators.

Several key legal provisions from RERA and the Arbitration Act were discussed. Section 18 of RERA grants allottees the right to withdraw from a project due to delays and seek refunds with interest. Sections 88 and 89 of RERA provide that its provisions override conflicting provisions in other laws, including arbitration agreements. Section 2(d) defines "allottee" broadly to include any person to whom an apartment is allotted, sold, or transferred. The Arbitration Act's Sections 7, 8, and 34, which define arbitration agreements and the grounds for setting aside arbitral awards, were also analyzed.

The judgment drew extensively on legal precedents. In Booz Allen and Hamilton Inc. v. SBI Home Finance Limited, the Supreme Court clarified that disputes involving rights in rem (affecting third-party rights) are non-arbitrable, while those involving rights in personam (between specific parties) may be arbitrable. In Vidya Drolia v. Durga Trading Corporation, the Court outlined a fourfold test for non-arbitrability: (1) when disputes involve actions in rem; (2) when disputes affect third-party rights or require centralized adjudication; (3) when disputes relate to sovereign functions; and (4) when disputes are expressly or implicitly barred by mandatory statutes. The Court also emphasized that statutory remedies under special laws like RERA cannot be diluted by private agreements.

The judgment also referenced the Forum for People's Collective Efforts v. State of West Bengal case, which held that RERA's provisions override conflicting state laws and private agreements. Additionally, the Supreme Court's decision in National Seeds Corporation Ltd. v. M. Madhusudhan Reddy affirmed that statutory remedies under consumer protection laws

prevail over arbitration clauses. The Full Bench of the Bombay High Court in Central Warehousing Corporation v. Fortpoint Automotive Pvt. Ltd. held that exclusive jurisdiction conferred by special statutes prevails over arbitration agreements.

Applying these principles, the Court held that disputes under RERA are non-arbitrable due to the overriding public interest and statutory protections provided to homebuyers. The Court emphasized that RERA's framework is comprehensive and self-contained, making arbitration an unsuitable remedy. It concluded that the arbitration clause in the MOU could not override the statutory rights of the allottees under RERA. Consequently, the Appellant's Second Appeal was dismissed, and the Appellate Tribunal's order directing the refund of Rs. 12,50,000 with applicable interest was upheld.

This judgment reinforces RERA's authority and ensures that homebuyers are not diverted to private arbitration, which may undermine their statutory rights. It establishes that arbitration agreements cannot dilute the protections afforded by special statutes like RERA. By affirming RERA's primacy, the judgment bolsters consumer confidence and sets a clear precedent for determining the non-arbitrability of disputes under similar statutory frameworks.

PART-III

REPORTING OF CASE LAWS

RAJASTHAN REAL ESTATE APPELLATE TRIBUNAL

APPELLANT: Mr. Rajesh Manjhu,
RESPONDENT: M/s. Platinum Realmart LLP
CORAM: Mr. Yudhisthir Sharma, Hon'ble Member (Judicial)
Mr. Rajendra Kumar Vijayvargia, Hon'ble Member (Technical)
ORDER DATE: 05.11.2024
Appellant Representative: Mr. Rishi Raj Maheshwari, Advocate
Respondent Representative: Mr. Samkit Jain, Advocate

Gist: The appellant challenged the dismissal of their complaint and restoration application by the Rajasthan Real Estate Regulatory Authority. The respondent argued the appeal was time-barred due to a 337-day delay. The tribunal found the appellant failed to justify the delay or absence at hearings, dismissing the appeal as time-barred. No costs were imposed.

The appellant has filed an appeal challenging the orders of the Rajasthan Real Estate Authority (Regulatory Authority) dated 10th January 2024 and 17th January 2023, which dismissed the appellant's application for restoration. The appellant claims that the Regulatory Authority acted arbitrarily and without giving reasons in its decision. The appellant further argued that a recalling application was filed for the ex-parte order dated 17th January 2023, but this was dismissed on 10th January 2024. The appeal was filed on 17th February 2024, which is within the prescribed limitation period, as per the Real Estate (Regulation and Development) Act, 2016. The appellant also contended that the delay of 337 days, pointed out by the registry, was bona fide, and requested that it be condoned.

In response, the respondent's counsel argued that the appellant's application was incomplete and improper, noting that the appellant had failed to specify the delay period in the appeal. The respondent emphasized that, according to Section 44 of the Act, all orders by the Regulatory Authority are appealable within 60 days. Since the appellant did not file the appeal within the limitation period following the order of 17th January 2023, the appeal should be dismissed as time-barred. The respondent also argued that the appellant had failed to provide sufficient reasons for the delay, asserting that the delay was intentional.

The tribunal examined the case, including the two orders in question. The appellant had filed a complaint (RAJ-RERA-C-2020-3513) before the Regulatory Authority regarding a project developed by the respondent, named "AMALTAS". The complaint was dismissed by the Authority on 17th January 2023 due to the appellant's absence at the hearing. Notices for the hearing had been properly served, and the appellant's legal representative had appeared earlier. The appellant's claim of not receiving notice was found to be unsubstantiated. The Authority proceeded with an ex-parte order on 17th January 2023, dismissing the complaint based on the absence of the appellant and the respondent's submission that possession of the flat had been delivered, and the sale deed was executed on 30th June 2017.

An application for restoration of the proceedings was filed on 5th September 2023, eight months after the dismissal. The Regulatory Authority rejected the restoration application, stating that the appellant had been properly notified, and the appellant had failed to show any sufficient cause for not attending the hearing. The Regulatory Authority noted that the appellant had been given ample opportunities to present his case, including through video conferencing, but had failed to respond. The Authority concluded that the complaint was without merit, as the respondent had executed a sale deed, confirming possession had been delivered.

The tribunal noted that the appellant had willfully failed to appear before the Regulatory Authority despite being duly notified. The appellant had not provided sufficient grounds to explain the failure to attend the hearings. The appellant's claim of not being aware of the hearing dates was dismissed, as the notices were properly served. Furthermore, the Regulatory Authority had examined the case and found no merit in the appellant's allegations, as the possession of the unit had been delivered, and the sale deed had been executed.

Given the lack of a valid excuse for the delay and the absence of sufficient grounds to condone it, the tribunal rejected the appellant's request for condonation of delay. The appeal was dismissed as time-barred, and no cost was imposed on either party. A copy of the order was directed to be sent to the parties and the Rajasthan Real Estate Regulatory Authority. The files were consigned to record.

APPELLANT: 1. Sangita W/o Dinesh Parnami,
2. Piyush Bhatia S/o Raj Kumar Bhatia
3. Disha Thawrani W/o Rajesh Thawrani,
4. Rajesh Thawrani S/o Shyam Sundar Thawrani,
RESPONDENT: THE REAL ESTATE REGULATORY AUTHORITY, RAJASTHAN (RERA) through its Registrar,
2. RUHEEN REGAL RESIDENTS' WELFARE SOCIETY,
CORAM: Mr. Yudhisthir Sharma, Hon'ble Member (Judicial)
Mr. Rajendra Kumar Vijayvargia, Hon'ble Member (Technical)
ORDER DATE: 05.11.2024
Appellant Representative: None Present
Respondent Representative: Mr. Aviral Goyal (Advocate)

Gist: The Rajasthan Real Estate Appellate Tribunal dismissed an appeal by Ruheen Developers against a RERA order addressing violations in a residential project. Key issues included the illegal sale of common terrace areas, non-compliance with statutory obligations, and failure to deliver promised amenities. The tribunal upheld penalties, mandated restoration of common areas, and reinforced transparency and accountability under the RERA Act. This decision emphasized the protection of homebuyers' rights and shared ownership in real estate projects.

The case under review, Appeal No. 167/2024, presented before the Rajasthan Real Estate Appellate Tribunal in Jaipur, revolves around a conflict between Ruheen Developers and Properties LLP and the Ruheen Regal Residents' Welfare Society. This legal dispute arose from allegations of violations of the Real Estate (Regulation and Development) Act, 2016 (RERA), centering on the encroachment of common areas within a residential project. The

appellants in the case are Sangita Parnami and others, while the respondents include the Rajasthan Real Estate Regulatory Authority (RERA) and the welfare society representing the residents of the project.

The genesis of the dispute lies in the developer's alleged sale of portions of the terrace area, designated as a common space, as private property. This move was claimed to be in violation of the approved building plans submitted to the Jaipur Development Authority and RERA. Additionally, the developer was accused of erecting unauthorized structures on the terrace and failing to deliver on promises made to prospective buyers regarding shared amenities, such as a terrace garden and a library. The welfare society filed a formal complaint with the RERA Authority, requesting the rectification of these violations and the handover of all common areas and amenities to the association as per the requirements of the RERA Act.

The tribunal's findings highlighted multiple irregularities in the project. The central issue concerned the terrace area, which the approved maps showed as a common space accessible to all residents. Despite this, the developer sold portions of the terrace as private property to certain unit owners, a clear violation of Section 14(1) of the RERA Act. The tribunal noted that the designation of "Private Terrace" did not exist in the approved plans, and any attempt to create such nomenclature was unauthorized. This was deemed a breach of the statutory definition of "common areas" under Section 2(n) of the Act, which explicitly includes terraces as shared spaces meant for the use of all residents.

Further scrutiny by the tribunal addressed the issue of parking spaces. Although the developer complied with the approved plans regarding the number and allocation of parking units, the tribunal found discrepancies in the broader handling of common areas. The developer's claim that common areas and amenities were handed over to the residents' welfare society during an event in September 2022 was found unsubstantiated, as no documentation supported this claim. Moreover, the welfare society was formally registered only after the alleged handover, invalidating the developer's assertion that the transfer of responsibilities had been completed.

The tribunal also identified significant non-compliance with provisions under Sections 11 and 17 of the RERA Act. These sections mandate that developers formally convey all common areas to the association of allottees and provide necessary certifications, including the occupancy certificate. In this case, the developer had failed to provide the required documentation, including the occupancy certificate, thereby undermining the rights of the residents. Furthermore, the tribunal noted the developer's failure to adhere to promises made in marketing brochures, which listed features such as a terrace garden and a library. The absence of these amenities was another breach of the RERA Act, as developers are obligated to deliver on all representations made during the sale process.

In light of these findings, the tribunal issued a detailed order aimed at rectifying the violations. It directed that the terrace area be restored as a common space and that any unauthorized structures be removed. Additionally, all common areas and amenities were to be handed over to the welfare society in accordance with Section 17 of the Act. A penalty of ₹5 lakh was imposed on the developer under Section 61 for their actions. The tribunal further instructed the developer to obtain and submit the required occupancy certificate and ensure compliance with all statutory obligations.

The developer appealed this decision on several grounds, arguing that the tribunal had erred in its interpretation of the law and the facts. The appellants claimed that the project was completed within the stipulated timeframe and that both the completion and occupancy certificates had been obtained. They attributed discrepancies in the documentation to a technical glitch on the RERA website. Moreover, the developer contended that the Rajasthan Building Bye-Laws, 2020, permitted terraces to be allocated to top-floor units for private use, arguing that their actions were in compliance with these regulations. They also defended the alleged handover of common areas, asserting that the welfare society had assumed responsibility for maintenance since its registration.

Despite these arguments, the tribunal dismissed the appeal. It upheld the findings and directions issued in its earlier order, emphasizing the developer's obligations under RERA to comply with approved plans, ensure transparency, and uphold the rights of all residents to shared spaces and amenities. The tribunal reiterated that common areas, as defined under the Act, are integral to the residents' enjoyment of their property and cannot be sold or encroached upon by the developer. It also highlighted the importance of formal documentation and compliance with statutory requirements in transferring responsibilities to residents' associations.

In conclusion, this case underscores the critical role of the RERA Act in safeguarding the interests of property buyers and ensuring accountability in the real estate sector. The tribunal's decision reinforces the principles of transparency, shared ownership, and compliance with statutory obligations, serving as a reminder to developers about their responsibilities toward residents and regulatory authorities. By upholding the rights of the welfare society and mandating corrective actions, the tribunal has reaffirmed its commitment to protecting the collective interests of homebuyers.

APPELLANT: Fifth Planet Developers
RESPONDENT: Chhaya Mehta
CORAM: Mr. Yudhisthir Sharma, Hon'ble Member (Judicial)
Mr. Rajendra Kumar Vijayvargia, Hon'ble Member (Technical)
ORDER DATE: 05.11.2024
Appellant Representative: Mr. Amit Kumar Kedia (Chartered Accountant)
Respondent Representative: Mr. Pranjul Chopra (Advocate)

Gist: The dispute between Chhaya Mehta and Fifth Planet Developers arose over a delayed real estate project and the sale of a booked unit without notice. RAJ-RERA found the promoter at fault and directed the execution of an agreement or refund with interest. The appellate tribunal upheld these principles but balanced responsibilities, allowing a refund or rebooking at current prices. The case emphasizes RERA's consumer protections and mutual accountability in real estate transactions.

The case between Chhaya Mehta (respondent-allottee) and Fifth Planet Developers (appellant-promoter) revolves around a real estate dispute concerning a unit in the Victorian Palace project in Jodhpur, Rajasthan. In 2014, the respondent booked Unit C-405 in the project by paying an advance of ₹2,50,000. An allotment letter was issued by the promoter, specifying a payment schedule and a timeline for completion of the project. The promoter committed to completing the project within three years from the date of launch, with a grace period of six months, failing which an interest rate of 18% per annum would apply. However, no formal agreement for sale

was executed between the parties, and the project's completion was delayed beyond the agreed timeline.

In 2022, the respondent filed a complaint with the Rajasthan Real Estate Regulatory Authority (RAJ-RERA), claiming that despite her willingness to pay the balance amount, the promoter neither raised demand letters nor communicated any progress about the project. The respondent also discovered that the unit she had booked was sold to a third party without her knowledge. The complaint sought either the execution of a sale agreement and deed for the booked unit or an alternative unit in the project. Additionally, the respondent requested compensation for the delay in possession.

After reviewing the case, RAJ-RERA found the promoter to be at fault on several counts. The promoter had failed to issue demand or cancellation notices to the respondent for her alleged non-payment of dues. Furthermore, the promoter sold the respondent's unit to another buyer without refunding her advance payment or informing her of the cancellation. Consequently, RAJ-RERA directed the promoter to execute a sale agreement and deed for the original unit or allocate an alternative unit in the project within three months. If neither option was viable, RAJ-RERA ordered the promoter to refund the respondent's advance payment along with interest.

The promoter challenged this decision before the appellate tribunal, arguing that the respondent had failed to adhere to the agreed payment schedule in the allotment letter. According to the promoter, the respondent's non-compliance with the payment terms created financial constraints that delayed the project's completion. The promoter also contended that the Real Estate (Regulation and Development) Act, 2016 (RERA) could not apply retrospectively to a transaction that occurred in 2014. The appeal sought to overturn RAJ-RERA's decision and requested that the respondent either accept a refund or rebook a unit at the project's current market rates.

In response, the respondent argued that the delay in possession was solely attributable to the promoter's negligence. She pointed out that the promoter neither issued demand letters nor adhered to the completion timeline stipulated in the allotment letter. Moreover, the promoter's unilateral decision to sell the booked unit to a third party without notifying her demonstrated bad faith. The respondent also invoked RERA's provisions, which require promoters to execute a formal agreement for sale before accepting more than 10% of the total consideration. She emphasized that the promoter's actions violated consumer protection principles under RERA.

The appellate tribunal examined the case and acknowledged several key findings. It noted that the allotment letter issued in 2014 contained essential terms such as the payment schedule and completion timeline. Although no formal agreement for sale was executed, the allotment letter sufficed as a valid agreement under RERA's provisions. The tribunal found both parties at fault—the respondent for failing to make timely payments and the promoter for failing to complete the project or communicate effectively with the respondent. It also noted that the promoter sold the unit to another buyer due to financial difficulties caused by the respondent's default, further complicating the situation.

In its final decision, the tribunal offered a balanced resolution. It directed the respondent to rebook a unit in the project if the promoter was willing to sell at current market prices. If no unit was available or an agreement could not be reached, the promoter was ordered to refund

the respondent's advance payment with interest calculated at the SBI MCLR rate + 2%, starting from the date of deposit. The tribunal also imposed a deadline of 45 days for the refund, failing which a higher interest rate of 12% per annum would apply.

The case highlights critical aspects of real estate disputes under RERA. It reinforces the principle that RERA applies to ongoing projects, even for transactions predating the Act. It also underscores the importance of mutual adherence to agreed terms, as any deviation by either party can disrupt project timelines and cause disputes. Furthermore, the tribunal emphasized the need to balance the rights of individual allottees with the broader interests of all stakeholders in a real estate project. While holding the promoter accountable for its obligations, the tribunal also recognized the respondent's failure to comply with the agreed payment schedule.

This decision is significant in its affirmation of RERA's consumer protection framework. It demonstrates how the Act ensures accountability, transparency, and fair play in real estate transactions, while also holding all stakeholders responsible for fulfilling their contractual obligations. By providing a resolution that balances individual rights with collective project interests, the tribunal upheld the objectives of RERA to promote trust and efficiency in the real estate sector.

ASSAM REAL ESTATE APPELLATE TRIBUNAL

APPELLANT: M/s Supriya Construction
RESPONDENT: Ananta Deb Sarma & Others
CORAM: HON'BLE MR. JUSTICE (RETD.) MANOJIT BHUYAN, CHAIRPERSON
ORDER DATE: 13.11.2024

Appellant Representative: 1.Mr. Akhtar Parvez, Adv.
2. Mrs. Ina Das, Adv.
3. Mr, S. Singha, Adv.
4. Mr. D. Gogoi, Adv.
5. Mr. B. Roy, Adv.

Respondent Representative: Mr. Gautam Medhi

Gist: The appeal concerns the Appellant's failure to obtain an Occupancy Certificate for 'Supriya Residency' due to construction violations identified by GMDA, including unauthorized modifications to the parking area and terrace. Respondent No. 1 refuses to sign the application until these issues are rectified. RERA imposed a ₹2,00,000 penalty for continuous non-compliance, while the Tribunal directed GMDA to carry out the necessary demolition and report compliance by the next hearing on 12.12.2024.

The case concerns an appeal involving the Appellant, the promoter of the real estate project 'Supriya Residency,' located in Guwahati, and the Respondents, including the landowner (Respondent No. 1) and the Guwahati Metropolitan Development Authority (GMDA) (Respondent No. 3). The primary issue is the Appellant's failure to obtain the Occupancy Certificate for the project due to construction deviations. Respondent No. 1 has declined to sign the application for the certificate until these deviations are rectified, as per the requirements under Section 11 of the Guwahati Building Construction (Regulation) Act, 2010.

A joint inspection conducted by GMDA on 16.06.2023 revealed several construction discrepancies, including unauthorized modifications to the parking area and terrace floor, which violated the building permission granted by GMDA. These violations were recorded in the GMDA's report and cited as the reason for not issuing the Occupancy Certificate. The absence of this certificate constitutes a continuous violation of Section 3 of the Real Estate (Regulation and Development) Act, 2016, attracting penalties under Section 59(2). RERA, Assam, imposed a penalty of ₹2,00,000 on the Appellant through an order dated 02.07.2024, which is the subject of the present appeal.

GMDA's letter dated 29.09.2023 directed the Appellant to address these discrepancies by clearing the parking area, demolishing unauthorized terrace constructions, and submitting "As Built Drawings" in specified forms, signed by Respondent No. 1. Although the Appellant acknowledged this directive in a letter dated 26.10.2023 and assured compliance, GMDA confirmed through a subsequent letter on 18.12.2023 that no action had been taken. Respondent No. 1 has maintained that they will not support the application for the Occupancy Certificate until the construction issues are resolved.

The Appellant argued that possession of the apartments had already been handed over to the buyers and claimed to have no control over the modifications made after 2019. However, this submission contradicts their earlier commitment to address the issues, as recorded in their correspondence with GMDA. The Appellant has now proposed that GMDA undertake the demolition of the unauthorized constructions, offering to bear the associated costs.

The Tribunal noted that the dispute regarding the penalty imposed by RERA will be adjudicated in due course. In the interim, it directed GMDA to proceed with the demolition and parking rearrangement as per its letter dated 29.09.2023. GMDA is required to complete this exercise within four weeks and provide advance notice of the demolition schedule to the Appellant and Respondent No. 1. Compliance with these directions must be reported by the next hearing date. The appeal is scheduled for further proceedings on 12.12.2024. Copies of the order will be provided to GMDA, the parties, and RERA, Assam, to facilitate compliance and further action.

MAHARASHTRA REAL ESTATE APPELLATE TRIBUNAL

APPELLANT: Vinay Agrawal
RESPONDENT: 1.Amrita ChakrabortY
2. Soumen Chakrabofi
CORAM: SHRI SHRIRAM R. JAGTAP, MEMBER (J)
DR. K. SHIVAJI, MEMBER (A)
ORDER DATE: 06.12.2024
Appellant Representative: Ms. Ritika Agarwal, Advocate
Respondent Representative: Ms. Leena D. Kaulgekar, Advocate

Gist: The complaint under RERA was deemed maintainable as the project was ongoing when RERA came into effect. The promoter's failure to deliver possession on time, despite contractual commitments, led to the application of Section 18 of RERA, entitling the complainants to interest for the delay. The promoter's claims of external delays were

rejected, and the tribunal upheld the MahaRERA order directing payment of interest. The promoter's appeal was dismissed.

The appellant, a developer of the "Balaji Symphony Phase 2" residential project, has filed an appeal under Section 44 of the Maharashtra Real Estate (Regulation and Development) Act, 2016 (RERA) against the order passed by MahaRERA on 22nd December 2020. The order directed the appellant to pay interest to the complainants (flat purchasers) for delayed possession of their flats. The agreement for sale between the parties specified a possession date of April 2017, with a six-month grace period.

The complainants filed a complaint before MahaRERA citing delayed possession of the flat, requesting compensation for the delay and mental stress. The appellant contended that the delay was due to external factors beyond their control, including delays in obtaining approvals and NOCs from various authorities, and argued that the complainants accepted possession in September 2020. The appellant further argued that since the agreement was executed during the MOFA regime, the complaint should not be adjudicated under RERA.

MahaRERA ruled in favor of the complainants, stating that the appellant was responsible for compensating the complainants for delayed possession. The appellant, however, appealed the decision, contending that the complaint was not maintainable under RERA, that the terms of the agreement should not be rewritten, and that the delay was justified due to uncontrollable circumstances.

In response, the complainants argued that the provisions of RERA applied, as the project was registered under RERA, and that the delay entitled them to compensation under Section 18 of the Act. They further emphasized that RERA is a protective legislation for allottees, and MahaRERA’s decision was within its jurisdiction.

The appeal remains under consideration, with the appellant seeking to overturn the order, and the complainants defending the validity of the RERA decision.

The case centers on the maintainability of a complaint under the Real Estate (Regulation and Development) Act, 2016 (RERA) and the promoter’s failure to deliver possession of an apartment within the agreed timeline. The promoter had registered the project with MahaRERA as an ongoing project, as it did not receive a completion certificate by the time the RERA Act came into force. The Bombay High Court and the Supreme Court had previously confirmed that RERA applies prospectively to ongoing projects, overriding the Maharashtra Ownership Flats Act (MOFA) when conflicts arise.

The complaint was found to be maintainable under RERA, as the agreement for sale executed in November 2015 and the subsequent delay in possession fall within the purview of RERA, despite the agreement being signed under the MOFA regime. As per the terms of the agreement, possession was due by April 2017, with a grace period and possible extensions. However, the occupancy certificate was only received on July 24, 2020, and possession was handed over on September 1, 2020, indicating a clear delay. Consequently, the provisions of Section 18 of RERA were applicable, entitling the complainants to compensation for this delay.

The promoter argued that external factors, such as a change in the planning authority and delays in obtaining an NOC from MMRDA, caused the delay. However, the Supreme Court had clarified that the promoter's failure to deliver possession within the agreed timeline entitles the allottees to an unconditional right to seek a refund or claim interest for the delay, irrespective of external factors. The delay in the project's completion was primarily attributed to the promoter's responsibilities, and the promoter's claims of unforeseen circumstances were not legally valid defenses.

Further, the MahaRERA registration extension did not absolve the promoter of its obligations under the agreement, as the court clarified that the promoter cannot unilaterally change possession delivery dates without the consent of the allottees. The rights of the allottees under Section 18 of RERA are unconditional, and the promoter cannot benefit from its own breach of contract.

The tribunal concluded that the impugned order by MahaRERA, directing the promoter to pay interest to the complainants for the delay in possession, was valid and did not warrant interference. As a result, the appeal filed by the promoter was dismissed, with no costs awarded.

APPELLANT: Mrs. Sulann Marian D'souza & Anr.
RESPONDENT: Era Realtors Pvt. Ltd. & Anr.
CORAM: SHRI S.S. SHINDE J., CHAIRPERSON
SHRI SHRIKANT M. DESHPANDE, MEMBER (A)
ORDER DATE: 19.12.2024
Appellant Representative: Shalu Pathak (Advocate)
Respondent Representative: Namrata Powalkar (Advocate)

Gist: The appellants filed applications seeking restoration of their appeal and condonation of delay after their appeal was dismissed for not submitting hard copies of the memo. They explained that the delay was due to the resignation of their legal representative. The Tribunal found the dismissal order was made without jurisdiction and allowed both applications, restoring the appeal and condoning the delay in filing the restoration application

The appellants filed an appeal against the order dated 01.12.2022 passed by the Chairperson of the Maharashtra Real Estate Regulatory Authority (MahaRERA) in complaint no. CC006000000196687. They also filed Miscellaneous Application No. 212 of 2024 seeking the restoration of the appeal, which had been dismissed by the learned Registrar of this Tribunal. Additionally, the appellants filed Miscellaneous Application No. 300 of 2024 for the condonation of the delay in filing the application for restoration.

The appellants explained that after filing the appeal, it was not listed for several months. Upon making an enquiry at the Registrar's office on 15.03.2024, they learned that the learned Registrar had issued a notice on 27.03.2023, directing the appellants to submit hard copies of the appeal memo within 7 days, failing which the appeal would be dismissed. The appellants contended that due to the resignation of Adv. Julie Das, who was handling the case, from the law firm in March 2023, the office objections, particularly the submission of the hard copies, were inadvertently missed. As a result, the appeal was not filed on time.

The appellants argued that they only became aware of the dismissal when they visited the Registrar's office. They immediately filed the restoration application upon discovering the dismissal. They emphasized that if the appeal were not restored, it would cause significant harm, and hence, prayed for the order dated 10.04.2023 dismissing the appeal to be set aside. Moreover, they requested the condonation of the delay of 317 days in filing the restoration application.

The respondents opposed both the restoration and delay condonation applications. They pointed out that there was a delay of 394 days between the notice from the Registrar on 27.03.2023 and the filing of the restoration application on 02.05.2024. The appellants visited the Registrar's office on 15.03.2024 but filed the restoration application more than a month later. The respondents argued that the appellants failed to demonstrate sufficient cause for the delay, citing multiple judgments to support their position.

The respondents referred to several case laws:

1. Esha Bhattacharjee Vs. Managing Committee of Reghunathpur Academy and Ors. [(2013) 12 SCC 649]
2. S.P. Chengalvaraya Naidu Vs. Jagannath [1994(1) SCC]
3. Sagufa Ahmed and Others Vs. Upper Assam Plywood Products (P) Ltd [(2021) 2 SCC 317]
4. Basawraj and Anr. Vs. Special Land Acquisition Officer [(2013) 14 SCC 81]

Upon considering the arguments, the Tribunal noted that when the appellants filed the appeal, the learned Registrar issued a notice on 27.03.2023, directing the appellants to remove objections and submit hard copies of the appeal memo. The appellants attributed the delay to the resignation of their legal representative. The Tribunal observed that the learned Registrar did not have the authority to dismiss the appeal outright for non-compliance but was expected to place the matter before the Tribunal for further orders.

The Tribunal reviewed the Maharashtra Real Estate Appellate Tribunal Regulations, 2019, particularly Regulation 11(iii), which states that if the Registrar finds non-compliance with the requirements of an appeal, the appellants should be notified to rectify the objections. If the appellants do not comply within 3 working days, the matter should be placed before the Tribunal for orders, not dismissed outright. Based on this, the Tribunal concluded that the dismissal order was issued without jurisdiction.

Given the findings, the Tribunal decided to restore the appeal by setting aside the dismissal order of 10.04.2023. Although there was a delay in filing the restoration application, the Tribunal found the reasons provided by the appellants—such as the resignation of their legal representative—to be valid. The Tribunal held that the delay should be excused in the interests of justice, especially since the dismissal was without jurisdiction.

As a result, the Tribunal allowed Miscellaneous Application No. 300 of 2024, condoning the delay in filing the restoration application. It also allowed Miscellaneous Application No. 212 of 2024, restoring the appeal. Both applications were disposed of, and no orders for costs were made.

In conclusion, the Tribunal set aside the dismissal order, restored the appeal, and condoned the delay in filing the restoration application, ensuring the matter would proceed further in the interest of justice.

APPELLANT:1. Mr.Benedict Fernandes
2. Mrs.Marisa Bernadette D'Souza
RESPONDENT: Kohinoor Developers
CORAM: SHRI SHRIRAM R. JAGTAP, MEMBER (J)
DR. K. SHIVAJI, MEMBER (A)
ORDER DATE: 04.12.2024
Appellant Representative: Mrs.Sheron Fernandes (Advocate)
Respondent Representative: Mr. Aditya Kode (Advocate)

Gist: The appeal challenges the denial of interest for delay in possession of a flat booked under a project by the allottees. Despite the absence of a formal sale agreement, the developer's failure to deliver possession and execute the agreement violated RERA and MOFA provisions. The tribunal directed the developer to pay interest from 1st January 2018 at the prescribed rate until possession is handed over. The appeal was partly allowed, with the developer also required to execute the agreement within 60 days.

This appeal arises from the Order dated 13th September 2022, which the appellants have challenged due to unsatisfactory reliefs granted by the learned Authority. The appellants, referred to as "Allottees," filed the complaint against the respondent, the "Developer," regarding their residential flat booking under the project "Kohinoor City Residential Phase 2, Block 2," situated in Kurla, Mumbai. The allottees paid a total of Rs. 1,70,63,750/- for flat No. 12B-063, with Rs. 32,00,000/- paid upfront in June 2013, followed by subsequent payments amounting to Rs. 1,43,63,417/-. Despite paying 80% of the agreed consideration, the developer failed to deliver possession by the promised date (December 2015), did not execute the sale agreement, and delayed possession further beyond the extended date of 31st December 2017, as per an e-mail dated 16th August 2016. In response, the allottees sought various reliefs, including compensation and interest under the RERA Act.

The developer, in its defense, contended that the allottees were never provided with a brochure, nor did they receive assurances regarding the possession date. Furthermore, the developer argued that the allotment letter did not specify a possession date, and it was only upon execution of the sale agreement that this would be determined. The developer also claimed that delays in construction were due to factors beyond its control, which led to the revised possession date of 31st March 2023, as reflected in the RERA registration. They further stated that the absence of a signed agreement for sale meant the complaint was not maintainable.

The learned Authority, upon hearing the parties, passed an order directing the developer to execute the agreement for sale within 60 days. However, the claim for interest on delayed possession was denied, as the Authority reasoned that, due to the absence of a formal agreement for sale, the issue of delay in possession could not be adjudicated upon. This forms the basis of the appeal.

Upon hearing the advocate for the appellants, it was argued that the reliefs sought, particularly compensation and interest, were not adequately addressed. The main points of contention arose

from the developer's failure to execute the agreement for sale, despite receiving a substantial amount toward the agreed consideration. Additionally, despite the promise made by the developer via email on 16th August 2016 to hand over possession by 31st December 2017, the developer failed to fulfill this commitment.

The appeal also addresses the developer's failure to mention a possession date in the allotment letter, which is considered a violation of the provisions of both the Maharashtra Ownership Flats Act (MOFA) and the RERA Act. While the allotment letter did not specify a possession date, the e-mail communication from 2016 clearly indicated the promised date of possession, reinforcing the allottees' entitlement to possession by the end of 2017. The developers' argument that delays were due to mitigating circumstances was found to lack merit, as developers are expected to account for such factors and prepare accordingly to meet deadlines. It was emphasized that the developer should have anticipated potential delays and incorporated reasonable timelines into their commitments.

The tribunal noted that developers are better equipped with market information and should have a fair assessment of completion timelines. The allottees, on the other hand, were only responsible for timely payments and could not be held liable for delays caused by the developer. The legal provisions, including Section 18 of the RERA Act, make it clear that if the delay is not attributable to the allottees, they are entitled to seek interest on the paid amount.

The tribunal observed that the absence of a formal agreement for sale does not preclude the allottees from invoking Section 18 of the RERA Act. The law does not require a signed agreement for sale for the provisions of Section 18 to apply, and oral agreements or documents like allotment letters or e-mails can serve as evidence of an agreement. Citing case law, including a ruling from the Supreme Court (M/s. Newtech Promoter and Developers Pvt. Ltd. V/s. State of Uttar Pradesh), the tribunal affirmed that allottees are entitled to claim interest on the amount paid from the specified possession date if the developer fails to meet their commitment.

Ultimately, the tribunal concluded that the learned Authority erred in denying the claim for interest based solely on the absence of a formal agreement for sale. The allottees are entitled to interest at the rate prescribed by the State Bank of India's marginal cost of lending rate plus 2%, starting from 1st January 2018, until possession is handed over.

Thus, the tribunal allowed the appeal partially, modifying the impugned order by directing the developer to pay interest to the allottees at the specified rate from 1st January 2018, until possession of the flat is delivered. The tribunal clarified that the developer's failure to execute the agreement for sale does not exempt them from their obligations under the RERA Act, and the allottees' right to seek interest remains intact.

In conclusion, the appeal was partly allowed, and the developer was ordered to pay the interest along with the execution of the sale agreement within the stipulated time frame. Each party was directed to bear their own litigation costs. The modified order was communicated to both parties as per the provisions of the RERA Act.

PUNJAB REAL ESTATE APPELLATE TRIBUNAL

APPELLANT: M/S SILVER CITY THEMES THROUGH RAJ KUMAR SHARMA
RESPONDENT: 1. RAMAN SHARMA THROUGH HIS GPA MANBIR SINGH
2. RAJIV SAGAR THROUGH ITS GPA MANBIR SINGH
3. GURJEET KAUR THROUGH ITS GPA MANBIR SINGH
CORAM: 1.SH. S.K. GARG DISTT. & SESSIONS JUDGE (RETD.), MEMBER (JUDICIAL)
2. DR. SIMMI GUPTA, IRS (IT), CHIEF COMMISSIONER OF INCOME TAX (RETD.) MEMBER (TECH./ADMN.)
ORDER DATE: 19.12.2024
Appellant Representative: Mr. Lokesh Sharma (Advocate)
Respondent Representative: Mr. MS Saini (Advocate)

Gist: M/s Silver City Housing and Infrastructure Limited (the appellant) appealed against a RERA order halting the sale of land disputed by the respondent, claiming part of it as his own. The respondent argued the land was undivided, and the appellant lacked exclusive possession. The appeal was dismissed, with the court upholding the RERA decision to hold the disputed commercial inventory until the land's partition was finalized.

M/s Silver City Housing and Infrastructure Limited (the appellant) is developing a project registered with RERA. The respondent filed a complaint, claiming that part of the land on which the project is being developed (measuring 2 Kanal 4 Marlas) belongs to him. This land is part of a larger area of 181 Kanals 9 Marlas, which remains undivided, with a partition suit pending before the appropriate authorities. Based on this, the respondent sought the cancellation of the project's registration and requested that the appellant be restrained from selling, advertising, or mortgaging units of the land, as part of it belonged to him. On 14.06.2024, the RERA Authority issued an order instructing the appellant to keep on hold the commercial inventory equivalent to 2 Kanal 4 Marlas until the specific location of the respondent's land was determined in the ongoing dispute.

The appellant filed an appeal against the order, arguing that the respondent had provided contradictory affidavits about the possession of the land. The appellant further pointed out that the respondent had sought a stay in the partition suit before the court, which had been denied, and the Civil Courts had declined to grant an injunction. The appellant contended that it had developed the project on land it had physically possessed, having registered sale deeds for 144 Kanals out of the total 181 Kanals. Therefore, the appellant argued it had the right to proceed with the sale and development of the land in its possession, irrespective of the ongoing dispute over the respondent's land.

The respondent, on the other hand, maintained that the partition of the land had not yet been finalized, and the specific area where his land was located had not been demarcated. He argued that the appellant had no right to sell or develop any portion of the disputed land until the partition was completed. The respondent emphasized that the appellant had only purchased a share of the undivided land, and the area in dispute had not been allocated.

The facts revealed that the appellant had purchased 145 Kanals 9 Marlas of land from various co-sharers through six sale deeds, which did not specify any individual share but rather the co-sharers' undivided interest in the total land of 181 Kanals 9 Marlas. Although the sale deeds mentioned that possession had been delivered, there was no evidence to confirm that actual physical possession had been transferred. Furthermore, no documentation, such as tatimas (land measurement records), was provided to show that the appellant had exclusive possession of the land. The appellant could not, therefore, claim exclusive possession of the 141 Kanals 9 Marlas of land it had purchased until the entire 181 Kanals 9 Marlas were partitioned.

Legal precedents, such as *Ram Murti v. Prem Kumar* (2011) and *Sarwan Singh v. Puran Singh* (2015), established that a co-sharer can transfer their undivided share but cannot transfer possession until the property is partitioned by mutual consent or a court decree. The appellant's claim that the dismissal of the stay application by the Civil Court had no effect on the case was rejected, as it was settled law that no injunction could be granted against a co-sharer. The only remedy available to the respondent was to seek partition of the land, which had been pending for over four years and was near completion.

The RERA Authority's decision to hold the commercial inventory equivalent to the respondent's land until the partition was finalized was upheld, and the appeal was dismissed. The appellant could not proceed with the sale or development of the disputed land until the partition issue was resolved, ensuring the respondent's rights were protected.

KARNATAKA REAL ESTATE APPELLATE TRIBUNAL

APPELLANT: 1. Mrs. Vinaya Mallya
2. Mr. Raj Kumar Shanbhogue
RESPONDENT: 1. Goyal Hariyana Realty
2. Value and Assets Holdings Private Limited
3. The Real Estate Regulatory Authority
CORAM: HON'BLE SRI SANTHOSH KUMAR SHETTY N. JUDICIAL MEMBER & HON'BLE SRI MAHENDRA JAIN, ADMINISTRATIVE MEMBER
ORDER DATE: 14.11.2024
Appellant Representative: Smt. Sujatha H.H. (Advocate)
Respondent Representative: Sri. K.V. Girish (Advocate)

Gist: The appellants, allottees of a villa in the "Alanoville" project, challenged a RERA order dismissing their complaint for delay interest and refunds, citing a Settlement Deed signed under duress. The Tribunal upheld the RERA decision, finding the deed valid and mutually agreed upon, with both parties fulfilling their obligations. It ruled that unsubstantiated claims of coercion could not override the binding terms of the agreement, dismissing the appeal.

The appellants in this case, allottees of a J-type Row Villa No. 61 in the "Alanoville" real estate project developed by the respondents, filed an appeal challenging the Karnataka Real Estate Regulatory Authority (RERA) order dated 22.07.2022. The RERA order had dismissed their complaint seeking interest for delayed possession of the villa, refund of excess maintenance charges collected by the developer, and a discount for GST input credit. The primary basis for

the dismissal was a Settlement Deed executed between the parties on 17.01.2020, which the RERA Authority held precluded the appellants from pursuing further claims. The appellants, however, contested this, arguing that the Settlement Deed was signed under duress and was not legally valid.

The appellants booked the villa on 29.10.2015 and subsequently entered into a construction agreement with the developer on 17.08.2016. As per the agreement, the villa was to be completed by August 2017. However, the project was delayed, and the developer informed the appellants that possession would only be possible in October 2019. Eventually, a sale deed was executed on 17.01.2020, and possession of the property was handed over on 20.02.2020. Dissatisfied with the delays and seeking compensation, the appellants filed a complaint with RERA for interest on the delay, refund of excess maintenance charges, and a discount for GST input credit. However, the Authority dismissed the complaint, citing the Settlement Deed executed between the parties on 17.01.2020.

The appellants argued that the Settlement Deed was one-sided, signed under duress, and intended to deprive them of their statutory rights under the RERA Act, 2016. They also contended that the document lacked legal validity as it was not registered, was signed by only one witness instead of the required two, and was not executed on sufficient stamp paper. The appellants further asserted that their claims for delay interest and other reliefs had not been properly addressed in the Settlement Deed and that they had been compelled to sign the agreement without adequate negotiation. To support their argument for delay interest, they cited the Supreme Court's decision in *Experion Developers Pvt. Ltd. v. Sushma Ashok Shiroor*, which had ruled that interest for delay should be calculated from the date of deposit of amounts by the buyer.

The respondents, on the other hand, maintained that the Settlement Deed was mutually agreed upon after prolonged negotiations and was executed voluntarily by both parties. The deed explicitly stated that the appellants would waive all future claims against the developer. The respondents pointed out that the Settlement Deed also included provisions for compensating the appellants for the delay, including a payment of ₹2.5 lakhs and a discount of ₹5 lakhs on the balance amount owed by the appellants. These terms, they argued, were agreed to in compliance with Section 19(8) of the RERA Act, which permits adjustments to interest liability through mutual agreement between the promoter and the allottee. The respondents also noted that the sale deed was executed, and possession was handed over in accordance with the terms of the Settlement Deed. They cited Supreme Court judgments in *Gimpex Pvt. Ltd. v. Manoj Goyal* and *Wg. Cdr. Arifur Rahman Khan v. DLF Southern Homes Pvt. Ltd.*, which upheld the binding nature of settlement agreements.

The Tribunal analyzed the Settlement Deed and found it to be a valid agreement executed with mutual consent. The deed explicitly stated that both parties had agreed to its terms freely and without coercion. It also noted that the appellants had received the agreed benefits under the deed, including the monetary settlement and discounts, and had subsequently signed the sale deed and taken possession of the villa. The Tribunal observed that the appellants failed to produce any concrete evidence to substantiate their claims of duress or coercion in signing the Settlement Deed. Furthermore, the Tribunal highlighted that the Settlement Deed included a clause stating that no further claims could be made by either party once the terms of the agreement were fulfilled.

The Tribunal also considered the appellants' reliance on the Supreme Court's judgment in *Experion Developers Pvt. Ltd. v. Sushma Ashok Shiroor*. However, it found the facts of that case to be distinguishable. In the *Experion Developers* case, there was no settlement agreement between the parties, and the Supreme Court had ruled on the calculation of delay interest based on statutory provisions. In contrast, the present case involved a mutually negotiated Settlement Deed, which resolved all claims between the parties, including compensation for the delay. The Tribunal held that the binding nature of the Settlement Deed precluded the appellants from claiming further relief.

The Tribunal also referred to the Supreme Court's ruling in *Gimpex Pvt. Ltd. v. Manoj Goyal*, which emphasized that once a settlement agreement is entered into, the parties are bound by its terms, and any violation of the agreement could result in legal consequences. The Settlement Deed in the present case explicitly stated that it was executed voluntarily and without undue influence, and the Tribunal found no reason to doubt its validity. It also noted that both parties had fulfilled their obligations under the deed, with the appellants receiving compensation and discounts and the respondents completing the sale deed and handing over possession.

The Tribunal concluded that the appellants' unsubstantiated claims of duress and procedural impropriety were insufficient to invalidate the Settlement Deed. It also emphasized that the appellants had agreed to withdraw all claims and allegations against the respondents as part of the settlement. The Tribunal found that the RERA Authority was justified in dismissing the appellants' complaint, as the terms of the Settlement Deed had been adhered to by both parties.

In light of these findings, the Tribunal dismissed the appeal and upheld the RERA Authority's order. It held that the Settlement Deed was a binding agreement, and the appellants were not entitled to any further relief. The Tribunal also directed the registry to comply with Section 44(4) of the RERA Act and return the records to the Authority. No costs were awarded in the case.

This decision underscores the importance of settlement agreements in resolving disputes and the binding nature of such agreements when executed voluntarily. The Tribunal's ruling reinforces the principle that parties must adhere to the terms of a settlement and that unsubstantiated claims of duress or coercion are insufficient to invalidate a mutually agreed agreement.

RAJASTHAN REAL ESTATE REGULATORY AUTHORITY

COMPLAINANT: Mrs. Suman Bhandari W/o Sh. Rajendra Kumar Bhandari
RESPONDENT: V N Buildtech Pvt. Ltd.
CORAM: Shri R.S. Kulhari, Adjudicating officer
ORDER DATE: 06.11.2024
Complainant Representative: Mr. Rishi Raj Maheshwari (Advocate)
Respondent Representative: Mr.Samkit Jain (Advocate)

Gist: The complainant sought compensation for delayed possession of a flat booked with the respondent developer. Despite paying over 75% of the total cost, possession promised by April 2018 was not delivered. The forum rejected the respondent's justifications for the delay and ordered a higher interest rate of 12% per annum as

compensation, along with Rs. 50,000 for mental agony and Rs. 20,000 for litigation costs. A penalty for non-compliance within 45 days was also imposed.

The complaint was filed under Section 31 of the RERA Act, 2016, seeking compensation from the respondent developer for failing to deliver possession of a flat in the "Exclusive 444" project. The complainant had booked the flat for Rs. 74,80,400 and paid Rs. 57,74,697 in installments. Despite paying over 75% of the total sale consideration, no agreement for sale was executed, and possession, promised by April 2018, was not delivered. The complainant also alleged misuse of the "Reliance" logo to mislead buyers, although the project was not associated with the Reliance Group. The RERA Authority had earlier directed a refund of the paid amount with 9.4% simple interest, but the complainant filed this complaint seeking additional compensation for financial losses, mental agony, and litigation costs.

The respondent admitted the booking and receipt of payments but argued that the complainant had voluntarily withdrawn from the project, making her ineligible for further compensation. It justified the delay by citing factors such as demonetization, GST implementation, lack of raw materials, financial hardships, delays in payments by other allottees, and the impact of COVID-19. The respondent further stated that the project was now being completed with the aid of the SWAMIH Fund and had been granted an extension for completion until September 30, 2023. However, the forum found these defenses unconvincing. It observed that demonetization and GST implementation were not relevant to the delay, as they occurred well before the promised possession date. Similarly, the impact of COVID-19 in 2020-2021 had no bearing on the delay, as possession was due in April 2018. The forum also criticized the respondent for failing to manage funds received from buyers, leading to further delays.

The complainant argued that the interest rate of 9.4% awarded by the RERA Authority was insufficient to cover her financial losses. She had arranged funds through a loan and incurred compound interest at a higher rate, resulting in a clear financial loss. The forum agreed, noting that the difference between the interest rate charged by financial institutions and the awarded rate constituted a loss to the complainant. It emphasized that the complainant’s funds were deposited on various dates from 2014 and utilized by the respondent without offering possession or refund.

In its judgment, the forum directed the respondent to pay interest as compensation at 12% per annum on the amounts deposited by the complainant from each date of deposit until March 2018. Additionally, an extra 2.5% per annum was awarded from April 2018 until the refund to account for financial losses incurred after the promised possession date. The forum further awarded Rs. 50,000 for mental agony, acknowledging the complainant’s distress caused by the respondent’s failure to deliver the flat. Another Rs. 20,000 was awarded to cover litigation costs, given the complainant’s need to pursue legal action against the respondent. To ensure compliance, the forum imposed a penalty of 2% additional interest per annum on the total due if the respondent failed to comply with the order within 45 days.

The forum rejected the respondent’s claim that delays were beyond its control, noting that the developer was responsible for arranging raw materials and managing funds regardless of external challenges. It also dismissed the issue of the misuse of the "Reliance" logo as irrelevant since the complainant had already withdrawn from the project. The forum highlighted the need for complete restitution to the complainant, who had been forced to withdraw due to the developer’s failure to fulfill its obligations.

In conclusion, the forum's decision underscored the importance of holding developers accountable for delays and compensating buyers adequately. The judgment ensured that the complainant would be fully restituted for the financial losses, mental agony, and litigation expenses incurred due to the respondent's deficiency in service. The order also aimed to deter similar practices by imposing strict penalties for non-compliance.

COMPLAINANT: Adarsh Kumar Pandey S/o Shri Ram Kumar Pandey
RESPONDENT: Prem Sagar Infra Projects Pvt. Ltd.
CORAM: Shri R.S. Kulhari, Adjudicating officer
ORDER DATE: 04.12.2024
Complainant Representative: Mr. Arun and Ms. Unnati Vijay (Advocate)
Respondent Representative: Mr. Prateek Kedawat (Advocate)

Gist: The complaint was filed seeking compensation after a dispute over a flat booking and a settlement agreement. The Hon'ble RERA Authority had directed the respondent to refund Rs. 18,43,750, which was complied with. The complainant sought compensation for delayed payments and mental agony. The Tribunal clarified that it couldn't revisit the RERA orders but awarded Rs. 1,00,000 for mental and physical distress and Rs. 25,000 as litigation costs, noting the complainant's hardship due to the respondent's failure to honor the agreement.

The present complaint was filed under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (RERA Act) and Rule 36 of the RERA Rules, 2017, seeking compensation for the complainant. The facts of the case reveal that the complainant had booked a flat (No. 202) in the "Terraza Greens" project by the respondent in October 2015. Substantial payments were made to the respondent, but disputes arose between the parties. As a result, the complainant filed a criminal complaint at the Vidhayak Puri police station in Jaipur. During the investigation, a settlement agreement was reached between the parties, where the respondent agreed to pay the remaining Rs. 27,50,000 to the complainant in installments, with post-dated cheques. However, after an initial payment, the remaining cheques were dishonored, prompting the complainant to file a complaint before the Hon'ble RERA Authority for the refund of the balance amount with interest and compensation.

On 14th June 2019, the Hon'ble RERA Authority noted that Rs. 18,43,750 was pending for refund and ordered the respondent to refund this amount by 15th August 2019, as per the settlement agreement. Failure to comply would allow the complainant to approach the authority for further action. The respondent did not comply, and the complainant filed an execution application. On 23rd October 2019, the Hon'ble RERA Authority imposed a penalty on the respondent and directed the payment of Rs. 18,43,750 to the complainant. This order was stayed by the Hon'ble High Court for some time. Upon the stay being lifted, the RERA Authority issued a recovery certificate for the amount on 27th September 2021 and initiated suo-motu proceedings for the revocation of the project. On 17th April 2023, the RERA Authority acknowledged that the respondent had paid Rs. 18,43,750 to the complainant, marking full compliance with the previous order, and thus dropped the proceedings.

The complainant did not challenge the orders of the Hon'ble RERA Authority, including those passed on 14th June 2019, 27th September 2021, and 17th April 2023. However, the complainant filed the present complaint before this forum, arguing that the RERA Authority's order dated 14th June 2019 had not been fully complied with, as the district collector was allegedly making a wrong interpretation of the order. The complainant sought 36% interest for the delayed period as per the settlement agreement and other costs. A preliminary objection was raised by the respondent, which led the complainant to amend their complaint on 16th August 2023. The amended complaint sought 18% interest as per the settlement agreement and compensation for delayed payment, along with litigation costs.

The respondent in its reply did not dispute the booking of the flat or the settlement agreement but contended that the matter had already been settled by the RERA Authority, and no appeal had been filed against the orders. Therefore, the respondent argued that the complaint should be dismissed with costs. The learned counsel for the complainant argued that, despite the settlement agreement stipulating 18% interest on dishonored cheques, the RERA Authority did not award any interest, which resulted in financial loss to the complainant. The complainant also claimed mental and physical agony and the cost of litigation due to the non-fulfillment of the promise by the respondent.

The respondent's counsel countered that the issue had been resolved by the RERA Authority and that none of the orders had been challenged. Therefore, the Tribunal could not reconsider the matter of interest, which had already been adjudicated by the RERA Authority. Regarding mental and physical agony and litigation costs, the respondent contended that since the matter had been settled amicably, the complainant had no grounds for claiming harassment or costs.

Upon hearing the arguments, the Tribunal considered that the booking of the flat, the settlement agreement, and the RERA Authority's orders were not disputed. The issue before the RERA Authority was related to the payment of the "remaining amount" as per the settlement agreement. The Tribunal clarified that the RERA Authority had decided the issue based on the settlement agreement and the complainant had not challenged the RERA Authority's orders through the proper appellate channels. Thus, the issue of interest calculation and the interpretation of the settlement agreement could not be revisited by the Tribunal.

The Tribunal also noted that while the complainant had suffered mental and physical anguish due to the dispute and the failure of the respondent to honor the settlement agreement, the claim for compensation based on the financial loss from interest could not be reconsidered in the present complaint. However, the complainant was entitled to compensation for the mental and physical harassment caused by the prolonged dispute and the financial loss from the respondent's failure to fulfill its obligations.

The Tribunal found that the respondent had failed to provide any justification for canceling the deal and had caused considerable hardship to the complainant, who had to file a police complaint, enter into a settlement agreement, and pursue legal action before both the RERA Authority and the Tribunal. The complainant had also been deprived of the opportunity to own the house and had not been paid any interest on the amount paid or agreed to in the settlement agreement.

Taking these factors into account, the Tribunal decided to award Rs. 1,00,000 as compensation for the deficiency in service, loss of opportunity, and the physical and mental agony caused to

the complainant. Additionally, the respondent was ordered to pay Rs. 25,000 as litigation costs. The compliance with this order was to be made within 45 days, failing which the respondent would have to pay interest at 6% per annum on the awarded amount until payment was made. The order was to be uploaded on the RERA website and sent to both parties by registered post.

In conclusion, the complaint was allowed with the above-mentioned compensation and costs. The Tribunal emphasized that it could not revisit the terms and conditions of the settlement agreement or the RERA Authority's orders. However, the complainant was entitled to compensation for the hardship caused by the dispute and the failure of the respondent to comply with the settlement agreement.

COMPLAINANT: Residents of Cedar Luxuria
RESPONDENT: Grandiose Buildtech Pvt. Ltd.
CORAM: Smt. Veenu Gupta, Hon'ble Chairperson
ORDER DATE: 16.12.2024
Complainant Representative: 1.Prabhansh Sharma (Advocate)
2. Nagendra Singh (Advocate)
Respondent Representative: 1.Aditya Bohra (Advocate)
2. Ishita Rawat (Advocate)

Gist: The case involves complaints under RERA against the developer of Cedar Luxuria for irregularities in maintenance, misuse of funds, and unlawful RWA formation. The Authority found the complaint non-maintainable under RERA due to jurisdictional limitations and lack of locus standi but initiated suo moto proceedings for violations under Section 11(4)(g) of the Act. The complainants were advised to approach appropriate authorities under the Rajasthan Apartment Ownership Act, 2015.

The case revolves around a complaint filed under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (RERA) concerning the Cedar Luxuria project. The complainants, representing an unregistered society called Sangharsh Samiti, alleged various irregularities against the respondent, the project developer. Cedar Luxuria comprises 216 flats across four blocks, and the Buyer's Agreement and Sale Deed specified that the respondent would maintain the society until the formation of a Residents Welfare Association (RWA). However, the complainants claimed the RWA was formed without transparency, with members who were either connected to the respondent or not residing in the project. The complainants were not informed about the RWA’s operations, and no elections were conducted.

The complainants also alleged misuse of a hefty security deposit of ₹30 per square foot collected for maintenance. According to the agreement, the deposit was to be kept in a separate account and transferred to the RWA upon its formation, but this was not done. Additionally, the complainants raised concerns about parking allocation, asserting that common areas were marked as parking without approvals and that parking plans were not shared with the RWA. Infrastructure deficiencies were also highlighted, including an undersized and malfunctioning Sewage Treatment Plant (STP) and outdated generators incapable of handling the electricity load. Spaces designated for utilities were converted into visitor parking, and other infrastructure commitments remained unfulfilled.

The complainants sought the transfer of security deposits to the RWA's account, completion of obligations related to infrastructure, and demolition of unauthorized commercial constructions. The respondent, in their defense, stated that the project was developed per approved plans from the Jaipur Development Authority, with an occupancy certificate issued in 2018. The RWA was formed in 2019 and maintenance responsibilities were handed over in 2021. The respondent maintained that the STP capacity was adequate and approved by the Pollution Control Board. Records of maintenance collections and expenditures were kept, but the respondent blamed defaults by residents for any lapses. They argued that the complaint was barred under the Rajasthan Apartment Ownership Act, 2015, which limits jurisdiction on such matters to specific authorities.

In response, the complainants reiterated their claims, stating that the RWA was unlawfully constituted, maintenance charges continued to be collected after its formation, and physical possession of the project was not properly transferred. They also alleged unauthorized changes to parking plans and insufficient STP capacity.

The case raised a jurisdictional issue, as the respondent contended that the Rajasthan Apartment Ownership Act, 2015, which came into force after RERA, prevails in Rajasthan for matters it specifically addresses. This includes disputes concerning RWA formation, parking, and common areas. The Authority acknowledged this argument, noting that by virtue of Article 254(2) of the Constitution, the Apartment Act takes precedence over RERA in Rajasthan. Consequently, issues like RWA formation and parking fall outside the jurisdiction of RERA and must be addressed under the Apartment Act.

The Authority found that the complaint was not maintainable under RERA because the complainants, as an unregistered society, lacked locus standi. However, the Authority noted its power to take suo moto cognizance of violations under Section 11(4)(g) of RERA, which mandates that promoters transfer security deposits and pay outgoings until the project is handed over. The respondent's failure to fulfill these obligations warranted further investigation.

In conclusion, the Authority deemed the complaint non-maintainable under RERA but directed suo moto proceedings against the respondent for violations related to security deposits and maintenance. The complainants were allowed to file fresh complaints after registering under the Societies Act or in their individual capacities. For issues falling under the Apartment Act, the complainants were advised to approach the competent authority. With these directions, the matter was disposed of, and a show-cause notice was issued to the respondent for suo moto proceedings.

COMPLAINANT: Naval Kishore Vijay and Anita Khandelwal
RESPONDENT:1.Unique Dream Builders Pvt. Ltd.
2. Shri Mahendra Kumar Sanadhya
3. Shri Narendra Kumar Sanadhya
4. Smt. Rama Sanadhya
CORAM: Smt. Veenu Gupta, Hon'ble Chairperson
ORDER DATE: 20.11.2024
Complainant Representative: Samkit Jain (Advocate)
Respondent Representative: NA

Gist: The complainants filed an execution application seeking possession and registration of a flat in the "ARANYA" project, following a default by the respondents. Despite multiple notices, the respondents neither appeared nor objected. The Rajasthan Real Estate Regulatory Authority ordered the Registrar to execute the sale deed on the respondents' behalf and confirmed the complainants' possession as absolute, resolving the matter.

The present execution application arises from a dispute involving a group housing project, "ARANYA," registered with the Rajasthan Real Estate Regulatory Authority under registration number RAJ/P/2017/091. The complainants had booked flat no. 702 on the 7th floor, with a built-up area of 1,265 sq. ft., for a total sale consideration of ₹59,60,010. This project was a joint venture of Respondents 1 to 4. The sale agreement dated July 17, 2016, outlined that ₹5,00,000 was to be paid as an advance upon signing the sale deed, with the balance due before the registration of the sale deed. By August 17, 2016, the complainants had paid the entire consideration. The respondents committed to delivering possession of the flat by August 15, 2017.

After the stipulated delivery date, the complainants requested possession from Respondents 2 to 4, who cited the project's registration with the Real Estate Authority as the reason for the delay. Later, the complainants discovered that the flat had been sold to another party. Respondents 2 to 4 refused their request for a refund. Consequently, the complainants filed a complaint with the Authority, seeking possession, delayed interest at 18% per month until possession, compensation for service deficiencies, and litigation costs.

On December 8, 2020, the Authority directed Respondents 2 to 4 to hand over possession and execute the sale deed upon receipt of any pending dues. Possession was to be delivered within 45 days. When the respondents failed to comply, the complainants filed an execution application. On April 13, 2022, the Authority decided the matter ex parte since the respondents did not appear. The Authority ordered the Registrar to take possession of the flats and hand them over to the complainants, who would act as receivers until the respondents appeared and executed the sale deed. The Registrar executed this order promptly.

Subsequently, the complainants filed a second execution application to ensure the sale deed's execution. Following instructions, the complainants submitted a draft sale deed. The Authority issued notices to Respondents 2 to 4 to file objections, but none were received. Respondent 1 denied knowledge of the complainants, asserting that no booking or transaction had been made with them. Given the lack of response from Respondents 2 to 4, the complainants sought permission for public notice publication. A notice was published in the *Samachar Jagat* Jaipur edition on March 28, 2024. Despite this, the respondents did not appear or respond.

The complainants argued that the respondents were deliberately evading notice and sought execution of the sale deed through the Registrar under Regulation 44 of the Rajasthan Real Estate Regulatory Authority Regulations, 2024, and Order 21, Rule 34 of the Code of Civil Procedure, 1908. The Authority noted that the respondents neither appeared nor contested the notices, nor did they claim any pending dues. Furthermore, the orders dated December 8, 2020, and April 13, 2022, had not been stayed and thus attained finality. Regulation 44 permits invoking CPC provisions for order execution, and Rule 34 governs civil court decree execution.

The Authority ordered the Registrar to execute the sale deed on behalf of the defaulting respondents within 30 days and directed the Inspector General of Registration and Stamps and the jurisdictional Sub-Registrar to take appropriate action. The draft sale deed submitted by the complainants was approved, with all registration charges to be borne by the complainants. Possession, already handed over, was declared absolute and in compliance with prior orders.

With these directives, the Authority disposed of the application.

COMPLAINANT: 1. Manish Shukla
2. Deepak Kumar Shuka
3. Amit Shukla
4. Surendra Kumar Sharma and others
RESPONDENT: Neo Dream Homz Pvt Ltd.
CORAM: Smt. Veenu Gupta, Hon'ble Chairperson
ORDER DATE: 30.12.2024
Complainant Representative: Rishi Raj Maheshwari (Advocate)
Respondent Representative: Mitesh Rathore (Advocate)

Gist: The Authority directed Neo Dreams Homz Pvt. Ltd. to refund amounts paid by complainants for units in the *Krishna Aangan* project, along with 11.10% delay interest, citing non-compliance with Sections 13(1) and 15 of the RERA Act. The respondents were held liable for the obligations of the previous promoter, M/s Parth Homes, including project completion and possession. Claims of force majeure were deemed insufficient to excuse delays.

The complaint was filed under Section 31 of the Real Estate (Regulation and Development) Act, 2016, concerning the group housing project *Krishna Aangan*, registered under RAJ/P/2018/647. The complainants sought a refund of the amounts they had advanced for booking units in the project, along with interest, alleging that the respondents failed to hand over possession of the units. A crucial issue in the case was that no agreement to sale was executed between the parties, despite the complainants paying substantial amounts as consideration.

The complainants argued that the respondents had not fulfilled their obligations under the law. They pointed out that after paying the booking amounts, they repeatedly requested the respondents to execute agreements to sale, but these were not executed. The complainants emphasized that the respondents' failure to deliver possession rendered their investment futile. They contended that the transfer of the project from the original developer, M/s Parth Homes, to the respondents, Neo Dreams Homz Pvt. Ltd., did not absolve the latter of its responsibilities, as all obligations of the previous promoter were transferred along with the project.

The respondents, in their defense, stated that the complainants initially booked units in a project called *Parth Homes*, developed by Mr. Dalip Singh. Subsequently, the project was transferred to Neo Dreams Homz Pvt. Ltd., which renamed and registered it as *Krishna Aangan*. The respondents attributed the delay in project completion to factors beyond their control, including a Supreme Court order restraining mining operations, delayed payments from customers, and

disruptions caused by the COVID-19 pandemic. They argued that these constituted force majeure events, excusing them from liability.

In their rejoinder, the complainants rejected the respondents' arguments. They asserted that Neo Dreams Homz Pvt. Ltd., having taken over the project, was responsible for executing agreements to sale and completing the project. The complainants also highlighted that the promised amenities were incomplete, further demonstrating the respondents' failure to fulfill their commitments.

The Authority examined the case in light of the provisions of the Real Estate (Regulation and Development) Act, 2016. Section 13(1) of the Act prohibits a promoter from accepting more than 10% of the total sale consideration without entering into a written agreement to sale. The absence of such agreements in this case constituted a clear violation of the statutory requirement. The Authority underscored that this failure to execute agreements, despite accepting substantial payments, compromised the rights of the allottees.

The Authority also referred to Section 15 of the Act, which governs the transfer of real estate projects. According to this provision, when a project is transferred to a new promoter, the new promoter assumes all the rights, liabilities, and obligations of the previous promoter. This includes compliance with all pending commitments under the Act and any agreements previously entered into. Importantly, the new promoter cannot claim an extension of time for fulfilling these obligations and remains liable for any delays or breaches.

After considering the arguments and evidence presented, the Authority held that Neo Dreams Homz Pvt. Ltd. was obligated to fulfill all the commitments made by the original developer, M/s Parth Homes. This included refunding the amounts paid by the complainants, as the project was incomplete and possession of the units was not handed over. The Authority found the respondents' justifications for the delay insufficient to relieve them of their responsibilities.

The Authority directed the respondents to refund the amounts received from the complainants, as detailed in the case documents, along with delay interest. The interest rate was set at 11.10% per annum (9.10% highest MCLR of SBI + 2%), to be calculated from three years after the complainants paid 10% of the sale consideration, excluding the moratorium period during the COVID-19 pandemic.

In conclusion, the Authority reiterated that under Section 15 of the Act, the transfer of the project to Neo Dreams Homz Pvt. Ltd. also transferred all obligations and liabilities of the previous promoter. Accordingly, the complaints were resolved with a clear directive for the refund and payment of delay interest, underscoring the need for compliance with the Act to protect the rights of allottees.

COMPLAINANT: Anandi Lal & Others
RESPONDENT: Mojika Real Estate and Developers Pvt. Ltd.
CORAM: Shri Sudhir Kumar Sharma, Hon'ble Member
ORDER DATE: 26.12.2024
Complainant Representative: NA
Respondent Representative: Dinesh Chandra Sharma (Advocate)

Gist: The complainant filed a complaint under the Real Estate (Regulation and Development) Act, 2016, regarding inadequate sewage disposal and poor construction quality in the "Mojika Homes" project. The Authority noted that these issues were already adjudicated in a prior case (No. RAJ–RERA–C–N-2023-6171) where violations were established, and directions were issued, including penalties and compliance measures. As the grievances were addressed in the earlier order dated 24.04.2024, the current complaint was disposed of as redundant. No fresh directions were issued.

The complainant filed a complaint under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (the Act), concerning the group housing project "Mojika Homes," registered under Registration No. RAJ/P/2018/613. The complaint alleged that the respondent had failed to adhere to the required standards for drainage and sewage management in the project. Specifically, the complainant highlighted that there were no adequate arrangements for the drainage of dirty water, and the project lacked a functional Sewage Treatment Plant (STP). The issue of STP water accumulating in the main drains of the project caused significant inconvenience to the allottees and nearby residents. Additionally, concerns were raised about the poor quality of building construction, prompting the complainant to request strict action against the respondent, the establishment of permanent sewage disposal facilities, and an investigation into the construction quality by a government agency.

During the hearing, the respondent argued for the dismissal of the complaint on procedural grounds, citing the complainant's absence before the Authority. The respondent sought a final resolution of the matter without further proceedings.

Upon review, the Authority observed that the issues raised in the present complaint had already been adjudicated in another complaint, bearing No. RAJ–RERA–C–N-2023-6171, filed by the "Mojika Homes Residential Flat Maintenance Society" against the same respondent. In the earlier case, the Coordinate Bench had issued a detailed order on 24.04.2024. The Bench found that the respondent had violated Section 11(4)(a) of the Act regarding the functioning of the STP, drainage, and sewerage issues.

In the order dated 24.04.2024, the Bench directed the Rajasthan Pollution Control Board to verify whether the STP constructed in the project had valid consent to establish (CTE) and operate (CTO). If such consent existed, the Board was instructed to inspect the STP's compliance with applicable norms. In the absence of valid consent, the Pollution Control Board was required to take necessary action under the Water (Prevention and Control of Pollution) Act, 1974. Furthermore, the respondent was directed to comply with the terms of the Memorandum of Understanding (MoU) dated 28.12.2022 within 30 days of the order. A penalty of ₹5,00,000 was also imposed under Section 61 of the Act for non-compliance with a prior order of the Authority dated 28.08.2023, with the penalty to be deposited within 45 days.

Considering the above adjudication and the reliefs already granted in the earlier matter, the Authority concluded that the current complaint involved the same cause of action and did not warrant fresh directions or orders. The issues raised by the complainant had been adequately addressed in the prior adjudication.

Accordingly, the present complaint was disposed of by the Authority, referring to the observations and reliefs granted in the order dated 24.04.2024. The Authority emphasized that

there was no further requirement for intervention in the matter, as the grievances raised in this complaint had already been resolved.

COMPLAINANT: Dr. Kanhaiya Lal Meena
RESPONDENT: Sahara Prime City Ltd.
CORAM: Smt. Veenu Gupta, Hon'ble Chairperson
ORDER DATE: 18.12.2024
Complainant Representative: Kritika Singh (Advocate)
Respondent Representative: Manoj Pareek (Advocate)

Gist: The complaints under RERA sought refunds for apartments in the "Sahara City Homes" project due to non-possession despite full payment over a decade ago. The Authority directed the respondent to refund the amounts with 9.10% + 2% interest from the promised delivery date, excluding any moratorium period. The decision referenced the *Newtech Promoters* judgment, affirming the allottees' right to refunds for delayed possession. Compliance was mandated within 45 days of the order's upload.

The present complaints were filed under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (RERA), seeking a refund of amounts deposited by the complainants for apartments in the "Sahara City Homes" project. The complainants also sought interest on the deposited amounts due to the non-development of the project and failure to deliver possession of the units.

In Complaint No. 2024-7218, the complainant booked an apartment bearing no. R3/73 in the Sahara City Homes project for a total sale price of ₹48,27,000. The complainant paid ₹49,50,892 in full and was allotted the apartment via a letter dated May 29, 2009. However, despite the payment, neither possession nor a refund has been provided by the respondent. Similarly, in Complaint No. 2024-7219, the complainant booked an apartment bearing no. C7/403 in the same project for ₹22,87,000 and paid ₹23,36,677 in full, receiving an allotment letter. In both cases, the respondents failed to hand over possession or refund the amounts paid.

In their reply, the respondent raised jurisdictional issues, asserting that the project was not registered with the Authority under RERA. They argued that at the time of the Act's promulgation, no development work was ongoing, and no bookings were taken post-commencement of the Act. The respondent further stated that all movable and immovable properties of the Sahara Group had been under the control of the Securities and Exchange Board of India (SEBI) since the Supreme Court's order dated November 21, 2013. SEBI's control over transactions has purportedly hindered the respondent's ability to proceed with construction, development, or possession of the units. The respondent also mentioned that the unit R3/73 was renamed as R/73, which was communicated to the complainant in a letter dated July 23, 2009. Moreover, the respondent argued that they could not be held accountable for the prolonged delay due to the ongoing litigation and compliance with the Supreme Court's directions. However, they claimed that there has been a positive development as the respondent company has now entered into an agreement with a private developer. They suggested that all issues related to the Sahara City Homes project in Jaipur could potentially be resolved with the developer's consent.

The Authority, after hearing arguments and reviewing the case records, noted that the complainants had paid substantial amounts as consideration for the said apartments. Despite

the passage of more than a decade since the scheduled delivery dates, there appears to be no prospect of possession in the near future. The Authority held that this delay justifies the refund of the amounts paid by the complainants. The Hon'ble Supreme Court's judgment in *Newtech Promoters and Developers Pvt. Ltd. vs. State of Uttar Pradesh* was referenced to establish the allottees' absolute and unqualified right to seek refunds if possession is not delivered within the stipulated time. This judgment also places an obligation on promoters to pay interest at rates prescribed by the respective State Governments in such situations.

Considering the above, the Authority directed the respondent to refund the entire amounts paid by the complainants. The refund will include interest calculated at the rate of 9.10% (the highest MCLR of the State Bank of India) plus 2%, commencing from the promised date of delivery until the date of refund. The interest calculation excludes any moratorium period. The respondent has been directed to comply with the order within 45 days from the date the order is uploaded on the Authority's web portal.

This order is rooted in consumer protection principles and established legal precedents, providing relief to the complainants for the prolonged delay and the apparent lack of progress in the development of the project.

COMPLAINANT: Vijay Tandon
RESPONDENT:1. Felicity Projects Pvt. Ltd.
2. Ashu Mathur
3. Chetan Prakash Goyal
CORAM: Smt. Veenu Gupta, Hon'ble Chairperson
ORDER DATE: 04.11.2024
Complainant Representative: Adv. Lipi Garg
Respondent Representative: Adv Samay Maheshwari
Adv Siddharth Bapna

Gist: The complainant sought a refund for a stalled flat project after paying ₹1,07,33,550, as possession was delayed beyond the promised date. The Authority found the developer and landowner jointly liable under Section 18 of RERA and an arbitral award. A refund with 11.10% interest was ordered, dismissing claims of force majeure and payment defaults. Compliance was directed within 45 days.

The complaint was initially decided by the Adjudicating Officer on 24.06.2021, but the Rajasthan High Court later set aside the order and transferred the matter to this Authority for a fresh hearing. The case concerns the project "Felicity Irene Usha Tower," registered under Registration No. RAJ/P/2017/119. The complainant and co-allottee Mrs. Sadhana Tandon were allotted a 4BHK flat through an allotment letter dated 11.04.2015, followed by an Agreement to Sale executed on 15.04.2015. The possession was promised by 17.07.2017 or 17.11.2017, including a grace period. The total sale consideration was ₹1,46,32,132, of which ₹1,07,33,550 was paid by January 2017. However, no further demands were raised by the respondents after that.

The complainant claimed that the respondents failed to deliver possession within the agreed timeframe and that the project stalled due to disputes between the developer and landowner. Consequently, the complainant sought a refund of ₹1,07,33,550 along with 21% interest and

₹25,00,000 as compensation. The respondents, however, argued that the delay was due to force majeure events such as court stay orders and the COVID-19 pandemic. They also disputed the amount paid by the complainant, asserting it was ₹1,05,45,728 after excluding service tax. The landowner (Respondent No. 3) alleged that the complainant defaulted on payments and accused the developer of financial irregularities.

The Authority found the complainant entitled to a refund under Section 18 of the RERA Act, as the respondents failed to provide possession within the stipulated timeframe. Payment records indicated that the complainant had fulfilled all obligations, and the project had lapsed despite receiving multiple extensions. The delays were attributed to disputes between the developer and landowner, which did not absolve the developer of their responsibility to deliver the project. As per Clause 22 of the Development Agreement, the developer was obligated to complete the project within 36–40 months, with extensions only for genuine force majeure events.

The Authority also addressed liability for the refund. It determined that the arbitral award and settlement agreements between the developer and landowner established their joint liability for refunds. Although Respondent No. 3 contested the applicability of the arbitral award, it was deemed binding as it had not been challenged. Consequently, the Authority ordered a refund of ₹1,07,33,550 with interest at SBI's highest MCLR + 2% (11.10%) from the expected possession date until payment, excluding moratorium periods. The developer and landowner were held equally responsible for the refund, as per the arbitral award.

In conclusion, the complaint was disposed of with directions for the refund, interest payment, and compliance within 45 days of the order's issuance. The Authority clarified that disputes between the developer and landowner were outside its purview and emphasized the accountability of the developer for the project's completion.

COMPLAINANT: Sahil Trehan
RESPONDENT: Radhakrishna Buildtech Pvt. Ltd
CORAM: Smt. Veenu Gupta, Hon'ble Chairperson
ORDER DATE:04.11.2024
Complainant Representative: Adv Abhishek Kaushik
Respondent Representative: Adv Pravesh Ramola

Gist: The complainant filed a case under RERA for a delayed project, seeking a refund of Rs. 13,43,243/- with interest, compensation, and penalties, as the respondent failed to deliver possession or honor commitments. The respondent cited force majeure for delays but completed 90% of the work. The Authority found the project incomplete and directed the respondent to refund the amount with 11.10% interest from 31.01.2021 within 45 days.

The complainant lodged a case under Section 31 of the Real Estate (Regulation and Development) Act, 2016, regarding the project "Coral Studio-II" (RAJ/P/2017/484). The complainant was allotted Flat No. A-506, Tower A, for Rs. 11,21,000/- and paid Rs. 13,43,243/-, including Pre-EMI payments of Rs. 2,98,743/-. An agreement to sale was executed on 03.03.2015, with an assured project completion timeline of 30 months (October 2018). Despite repeated requests, the respondent failed to pay Pre-EMIs, hand over possession, or

refund the amount. The complainant served a legal notice on 19.01.2022 and sought either possession with registration or a refund, but the respondent neglected the demands.

The complainant sought the following reliefs: (1) refund of Rs. 13,43,243/- with 24% interest; (2) Rs. 10,00,000/- for litigation, mental agony, and financial losses with 18% interest; (3) Rs. 5,00,000/- compensation with 18% interest; (4) penalties under Sections 59, 60, and 61 of the Act for contravention of Sections 3 and 4. Interim relief was requested to restrain the respondent from demanding further payments during litigation.

In their reply, the respondent cited force majeure conditions like COVID-19, labor and material shortages, and delays caused by sand scarcity. They claimed that over 90% of the project was completed, denied issuing an allotment letter, and asserted that the complainant faced financial constraints. The respondent refuted allegations of misusing the loan amount and stated that Pre-EMI payments by the complainant were merely to discharge personal liabilities.

The complainant's counsel argued that Rs. 1,73,500/- was paid by the complainant, and Rs. 9,86,200/- was disbursed as a bank loan, for which Pre-EMI payments stopped in May 2018. The complainant bore Pre-EMI liabilities thereafter and sought a refund of all paid amounts along with interest.

The Authority observed that the project is incomplete and lacks a completion certificate. The respondent was directed to refund the paid amount of Rs. 13,43,243/- with interest at SBI's highest MCLR + 2% (11.10%) from 31.01.2021 until the refund is made, excluding the moratorium period. Compliance is to be completed within 45 days of the order being uploaded.

PUNJAB REAL ESTATE REGULATORY AUTHORITY

COMPLAINANT: 1. Jaspreet Sra
2. Dr. Navpreet Grewal
RESPONDENT: Bhanu Infrabuild Pvt. Ltd.
CORAM: Shri Binod Kumar Singh, Member
ORDER DATE: 29.11.2024
Complainant Representative: Shri Vineet Sehgal (Advocate)
Respondent Representative: Shri Ankit Kumar (Advocate)

Gist: The complainants filed a case against M/s Bhanu Infrabuild Pvt. Ltd. for non-delivery of possession of an office unit, despite full payment and an agreement that promised possession within three years. The respondent's defenses, including force majeure and payment defaults, were rejected. The RERA Authority ruled in favor of the complainants, ordering a full refund with interest and monthly returns, and directed the respondent to cover litigation costs. This case emphasizes RERA's role in protecting buyers from delays and non-compliance in real estate transactions.

This case revolves around a complaint filed under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (RERA) by Jaspreet Sra and Dr. Navpreet Grewal against M/s Bhanu Infrabuild Pvt. Ltd. The complainants sought a refund of Rs. 33,60,859.84 along with interest due to the respondent's failure to deliver possession of an office unit in the "International Trade Tower" at Mullanpur, despite the allotment being made in 2013. The

respondent's failure to execute a builder-buyer agreement, along with the cessation of promised monthly returns, further compounded the issue.

The complainants had been allotted an office unit (INTT/TWENTY SECOND/2214) with a super area of 701.35 sq. ft. in the commercial complex. The total payment of Rs. 33,60,859.84 was made by January 30, 2014, but the possession was never delivered within the agreed timeframe. The respondent committed to delivering the property within 36 months of allotment, with an additional grace period of six months. Despite this, possession was never provided by the time the complaint was filed in 2022. The complainants also stated that the construction work had not even started, and no builder-buyer agreement had been executed. Additionally, the promised monthly returns of Rs. 41,029 were paid until March 2021 but ceased thereafter, despite the complainants' repeated requests.

In response to the complaint, the respondent put forward multiple defenses. First, it cited an arbitration clause in the agreement, arguing that the dispute should be resolved through arbitration, as per the Arbitration and Conciliation Act, 1996. However, the complainants maintained that RERA had jurisdiction over real estate-related disputes, specifically concerning possession and project delays, and thus arbitration could not be invoked.

The respondent also claimed that the delay in the project was due to force majeure events, particularly the real estate recession starting in 2015 and the COVID-19 pandemic in 2020. Additionally, the respondent contended that a six-month grace period provided by the government should be considered in the delay's justification. Another defense was the allegation that the complainants had not made the full payment, claiming an outstanding balance of over Rs. 10,00,000. The complainants denied this and provided evidence that all payments had been made per the construction-linked plan.

Further, the respondent referred to letters signed by the complainants in early 2021, allegedly waiving the assured returns from April to September 2021. However, the complainants disputed this, denying having signed such letters and claiming that they were still entitled to the returns. The respondent also asserted that the complainants had defaulted on some payments, which allegedly caused delays, but the complainants denied any payment defaults. Lastly, the respondent raised the issue of limitation, claiming the complaint was filed beyond the statutory time limit, as the cause of action was based on the non-delivery of possession in 2016.

The complainants, in their rejoinder, emphasized that the failure to deliver possession was the root cause of the dispute. They also reiterated that they had made full payments, had not waived the returns, and had not defaulted on any installment payments. The complainants further maintained that the cause of action was ongoing, as possession had not been delivered, and therefore, the complaint was not barred by limitation.

The RERA Authority, after hearing both sides, made several key rulings. First, it affirmed that the dispute fell under RERA's jurisdiction, rejecting the respondent's claim of arbitration. The authority held that RERA had exclusive jurisdiction over real estate-related disputes, particularly those involving possession and delivery timelines. On the issue of delay, the authority found that the respondent had failed to deliver possession within the agreed timeframe, even considering the six-month grace period, and that force majeure could not justify the prolonged delay.

Regarding the refund, the authority directed the respondent to refund the total amount of Rs. 33,60,859.84 to the complainants, along with interest at the rate of 11.10% per annum, calculated from the date of payment until the refund was made. The interest rate was based on the State Bank of India's Marginal Cost of Lending Rate (MCLR) plus an additional 2%. The authority also ruled that the complainants were entitled to the monthly returns for the period from April 2021 onward, as the respondent had stopped paying the returns without proper justification.

The authority dismissed the respondent's defense of waiver, stating that the complainants were still entitled to the returns despite the signed letters, which they had disputed. The respondent was also directed to bear the litigation costs of Rs. 1,10,000.

In conclusion, the RERA Authority ruled in favor of the complainants, granting them a full refund of Rs. 33,60,859.84 along with interest and monthly returns. This decision highlights the protection RERA offers to homebuyers in cases of delayed possession, non-execution of agreements, and failure to meet contractual obligations. The case also underscores the importance of transparency and adherence to timelines in real estate transactions and the role of RERA in ensuring that builders meet their commitments to buyers.

COMPLAINANT: Gurbachan Singh through his legal heir Shri Harsimrat Singh
RESPONDENT: M/s Omaxe Chandigarh Extension Developers Pvt. Ltd.
CORAM: Shri Binod Kumar Singh, Member
ORDER DATE: 10.12.2024
Complainant Representative: Shri Mohd. Sartaj Khan (Advocate)
Respondent Representative: Shri Arjun Sharma (Advocate)

Gist: The complainant sought interest for delayed possession of a flat in "The Lake" project by M/s Omaxe, originally due by July 31, 2021. Despite paying 95% of the total cost, possession was not handed over. The respondent cited force majeure due to COVID-19, extending the deadline to May 31, 2022. The Authority directed the respondent to pay 11.10% annual interest from December 1, 2021, until possession with a valid certificate is delivered, while the complainant must clear dues before possession.

The instant complaint was filed on December 1, 2022, under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (the Act of 2016), and Rule 36(1) of the Punjab State Real Estate (Regulation and Development) Rules, 2017 (Rules of 2017). The complainant, in his individual capacity, sought directions against M/s Omaxe Chandigarh Extension Developers Pvt. Ltd. (respondent) to pay interest for the delay in handing over possession of Flat No. TLC/ISABELLA-A/12th Floor/1201 in the project "The Lake," located in Mullanpur, District SAS Nagar, Mohali. The complainant also demanded litigation expenses of ₹1,50,000.

The complainant is the legal heir of the original allottee, Gurbachan Singh, as substantiated by a registered will and death certificate. The complainant contended that the flat was booked on April 23, 2019, with an initial payment of ₹2,85,714 against a total sale price of ₹2,21,27,312 (excluding GST). A registered agreement for sale dated August 9, 2019, specified that possession of the flat was to be delivered by July 31, 2021. However, despite payments totaling ₹2,06,69,709 (95% of the total cost) and additional GST payments, the respondent neither

handed over possession nor obtained the required Occupancy/Completion Certificates. Clause 7.6 of the agreement mandated compensation in the form of interest for any delay in possession.

The respondent, in its reply, raised preliminary objections, asserting that the relief sought was outside the jurisdiction of the Authority. It justified the delay by invoking the force majeure clause, citing the COVID-19 pandemic and resultant lockdowns as unavoidable circumstances that impacted project timelines. Government advisories and orders issued during the pandemic extended completion deadlines for real estate projects by six to nine months. Consequently, the possession deadline of July 31, 2021, was extended to May 31, 2022.

The respondent argued that it incurred significant expenses to develop infrastructure and basic amenities for the project, but the unforeseen pandemic-induced challenges disrupted labor supply and material logistics. The respondent denied all allegations of misconduct and requested dismissal of the complaint.

Upon hearing arguments on November 29, 2024, the Authority noted undisputed facts, including the execution of the agreement, payment of ₹2,06,69,709 by the complainant, and the commitment to deliver possession by July 31, 2021. The respondent's reliance on the force majeure clause was considered in light of the order by the Real Estate Appellate Tribunal, Punjab, in "Hero Realty vs. Arun Premdhar Dubey." The Tribunal acknowledged the impact of the pandemic on real estate projects and granted developers a relief period of four to five months.

The Authority dismissed the complainant's allegation of excessive interest charges for delayed payments due to a lack of supporting evidence. It acknowledged the prolonged delay in handing over possession, which remained unresolved, causing significant inconvenience to the complainant.

Based on Section 18(1) of the Act of 2016, which entitles the allottee to monthly interest for delayed possession, the Authority directed the respondent to pay interest at the rate of 11.10% per annum (State Bank of India's MCLR of 9.10% plus 2%) on the amount of ₹2,06,69,709. Interest would be payable from December 1, 2021, accounting for the four-month force majeure relief period, until the date of this order. Additionally, the respondent was directed to continue paying interest from the date of the order until legal possession is delivered with a valid Occupancy/Completion Certificate.

The Authority emphasized the complainant's obligation to clear any outstanding dues before taking possession of the flat, in line with Section 19(10) of the Act of 2016. In conclusion, the complaint was accepted, and the respondent was ordered to adhere to the prescribed terms of the Act and Rules to ensure justice for the complainant.

This decision reaffirms the need for real estate developers to honor commitments and legal mandates, safeguarding the interests of homebuyers against unjust delays.

KARNATAKA REAL ESTATE REGULATORY AUTHORITY

COMPLAINANT: 1. Ms.ArtiPanja
2. Mr.SamitPanja
RESPONDENT: M/s. Royaume Estates Pvt Ltd.
CORAM: Hon'ble member G.R. Reddy
ORDER DATE: 05.12.2024
Complainant Representative: Mr.MD Rajkumar, (Advocate)
Respondent Representative: MR.U.C.Sunil, (Advocate)

Gist: The Complainants booked an apartment in SKYLARK ROYAUME, paying ₹27,72,601, but the Respondent failed to complete the project by the agreed date of January 30, 2021. Under Section 18 of RERA, the Authority directed the Respondent to refund ₹49,16,715 (including interest) within 60 days. The Respondent's objections, citing routine delays and COVID-19, were deemed invalid. Non-compliance will allow the Complainants to initiate recovery proceedings.

The Complainants booked an apartment in the project **SKYLARK ROYAUME** by entering into a sale agreement on March 23, 2017, and paid ₹27,72,601 to the Respondent. The project completion date, including a three-month grace period, was January 30, 2021. However, the Respondent failed to make significant progress in construction or communicate updates, leading to the halting of the project. Consequently, the Complainants sought a refund with interest under **Section 18 of the RERA Act, 2016**, which entitles an allottee to withdraw and receive a refund with interest in the event of non-completion or delay.

Following the complaint's registration, notices were issued to both parties. The Respondent did not appear on multiple occasions. On January 20, 2023, it was noted that the matter was also pending before the NCLT, and proceedings were kept in abeyance. Aggrieved by this, the Complainants approached the High Court of Karnataka, which directed the Authority to decide the case within two weeks of the Complainants filing an application.

On October 7, 2024, the Complainants filed the requisite application along with supporting documents, prompting further hearings. Both parties appeared on November 6, 2024, with the Complainants filing an updated Memo of Calculation (MOC) that the Respondent did not object to. On December 2, 2024, the Respondent submitted a statement of objections but failed to refute the Complainants' MOC or provide substantial evidence.

The Complainants provided proof of payments, including receipts, loan disbursement statements, and the sale agreement. The Respondent, in contrast, cited reasons for delay, such as labor shortages, rain, demonetization, and licensing issues. These were deemed routine challenges that do not justify the extended delay. The Respondent also referenced COVID-19 and availed of a government-approved extension until October 29, 2021, but failed to complete the project even within the extended timeline.

Under **Section 18(1) of the RERA Act**, an allottee holds an unqualified right to seek a refund with interest if a promoter fails to deliver possession as per the sale agreement. This provision is without prejudice to any other remedies available. The Authority referred to Supreme Court rulings in **Newtech Promoters v. State of Uttar Pradesh** and **Imperia Structures v. Anil**

Patni, which emphasized the unconditional right of allottees to withdraw from delayed projects and receive refunds with interest.

The Complainants claimed a refund of ₹27,72,601, along with interest calculated up to November 23, 2024, amounting to ₹21,44,114, making a total claim of ₹49,16,715. The Authority concluded that the Respondent's defenses lacked merit and legal validity, as no credible evidence was submitted to justify the delay or challenge the Complainants' claim.

Order

1. The complaint (CMP/220215/9008) was allowed under **Section 18 and Section 31 of the RERA Act, 2016**.
2. The Respondent was directed to refund ₹49,16,715, including interest as calculated by the Complainants, within 60 days of the order. Any additional interest accruing after November 23, 2024, until the final payment is to be calculated and paid accordingly.
3. If the Respondent fails to comply, the Complainants are permitted to initiate recovery proceedings as per law.

The ruling underscores the protection afforded to allottees under RERA, ensuring refunds with interest in cases of delayed or stalled projects.

PART-IV

NOTIFICATION & CIRCULARS

GUJARAT REAL ESTATE REGULATORY AUTHORITY

Order no: - Guj/RERA/Order-102 **Date: - 30/11/2024**

NOTIFICATION

Subject: - Voluntary Compliance Scheme – 2025

1. Background

As per the provisions of Section 4(2)(1)(D) of The Real Estate (Regulation and Development) Act, 2016 read with Regulation 4 of The Gujarat Real Estate Regulatory Authority (General) Regulation, 2017, every promoter shall get his books of accounts audited and submit the annual report on statement of accounts in Form-5 within six months after the end of every financial year for every registered project.

The Gujarat Real Estate Regulatory Authority (GujRERA) has, on various occasions, allowed extensions to the prescribed deadlines for submitting Form-5, either with or without payment of a late processing fee. However, non-compliance continues to be an issue for several promoters.

2. Prevalent Practice

Online Submission of Form-5

2.1. GujRERA has made available the online facility for promoters to submit digitally signed Form-5, signed by Chartered Accountants registered on the GujRERA Portal. As per Order-15 of GujRERA dated 10th October,2018 Promoter of every project registered with Gujarat RERA shall, for necessary compliance of requirements of Section 4 (2) (1) (d) of the Act read with Regulation 4, file Form-5 for each registered project electronically. The Auditor has to affix his digital signature using utility on GujRERA portal. If a promoter fails to submit Form-5 within the prescribed deadline, they will be liable for penalties as per Sections 60, 61, and 63 of the Act.

2.2. **Timelines for Submission of Form-5**

Under the provisions of Section 4(2)(1)(D), promoters must submit Form-5 within six months after the end of each financial year for every registered project. In cases where a promoter fails to meet the deadline, GujRERA may grant extensions. However, if the submission is not made even after the extended deadline, the facility for submitting Form-5 will be locked on the portal, and the promoter will not be able to submit Form-5 for that particular financial year.

Furthermore, the promoter may be given an opportunity to submit their defaulted Form-5 with a late processing fee within a prescribed time limit. If the promoter fails to submit even after this opportunity, suo moto proceedings will be initiated for non-submission.

3. **Purpose of the scheme**

3.1. Non-Compliance of Form-5 Submissions

GujRERA has observed that for several projects, a large number of Form-5 submissions for multiple financial years are still pending. Since the extended time limits for these submissions have passed, the authority is now in the process of initiating suo moto proceedings for all defaulter promoters. This could lead to extensive litigation and the imposition of heavy penalties on promoters who fail to comply.

3.2. One-Time Settlement Scheme

In light of the above challenges and following recommendations from the Ministry of Housing and Urban Affairs, Government of India, GujRERA has decided to introduce Voluntary Compliance Scheme (VCS), 2025. This scheme will provide an opportunity for promoters who have failed to upload Form-5 for one or more financial years to regularize their non-compliance by submitting the pending Form-5 without incurring heavy penalties.

4. Scheme Details:-

The Voluntary Compliance Scheme, 2025 (VCS) for Form-5 submission will be launched as follows:

4.1. Name of the Scheme:-

The scheme will be called "Voluntary Compliance Scheme, 2025 for Form-5".

4.2. Scheme Duration:-

The scheme will be applicable from January 1, 2025 to March 31, 2025.

4.3. Applicability:-

The scheme is applicable to all defaulted projects where Form-5 for any of

the financial years between FY 2017-18 to FY 2023-24 has not been uploaded on the GujRERA Portal.

4.4. Exclusions:-

Projects where Quarter End (QE) Compliance has been successfully submitted before September 30, 2024 on the GujRERA Portal will not be required to submit Form-5 under this scheme, except for FY 2023-24.

4.5. Proceedings Under Section 63:-

The scheme will also apply to projects where proceedings under Section 63 of the Act for non-submission of Form-5 have been initiated before the issuance of this scheme.

5. Submission Process:-

5.1. How to Submit Form-5:-

Promoters can submit all their pending Form-5 submissions via the GujRERA portal within the time limit mentioned in the clause no 4(B) of the Order. The facility for submission will be available through the promoter's login. The option to submit Form-5 with late processing fees will be available for each defaulted Form-5.

- For each defaulted Form-5, promoters must click the "Pay with Late Fee" option on the portal to proceed with the payment and submission.

5.1. Late Processing Fees:-

The late processing fees for submitting defaulted Form-5 are as follows:

Project Cost Category	Late Processing Fee
Above Rs. 100 Cr	Rs. 1,00,000
Rs. 50-100 Cr	Rs. 50,000
Rs. 25-50 Cr	Rs. 25,000
Below Rs. 25Cr	Rs. 10,000

- Note: The scheme is a one-time settlement and is only valid for the non-submission of Form-5 for the financial years 2017-18 to 2023-24.

6. Penalties and Actions: -

6.1. Impact of Non-Compliance After Scheme Expiry

If a promoter fails to submit the pending Form-5 within the prescribed time limit of this scheme, they will be liable for severe penalties as per Sections 60, 61, and 63 of the Act. Further, the Authority may initiate actions such as freezing the RERA Designated Bank Account of the project.

6.2. Dropping of Suo Moto Proceedings

If proceedings for non-submission of Form-5 (NCAR) have already been initiated then proceedings will be dropped once all pending Form-5 submissions are successfully filed under this scheme.

6.3. Effect of Penalties Imposed

If any penalty has been imposed on the promoter due to prior suo moto proceedings, the penalty will still be applicable.

7. Additional Notes:-

7.1. For Assistance: -

Promoters may contact GujRERA for any assistance related to the scheme. They can reach out through the provided telephone number or visit the official website.

7.2. Technical Issues: -

If the promoter is unable to submit Form-5 within the due date mentioned in the clause no 4(B) of the Order due to technical or portal-related issues, then they will not be liable for penalties under section 60,61 and 63 of the Act and they will be allowed to submit the Form-5 with the processing fees mentioned in this order, provided they submit the relevant evidence for the technical issue.

This Voluntary Compliance Scheme offers promoters a final opportunity to regularize their Form-5 submissions with reduced penalties, ensuring compliance with the provisions of The Real Estate (Regulation and Development) Act, 2016, and the associated regulations.

(As approved by the authority in noting as on 19/12/2024)

Order no: - Guj/RERA/Order-103 **Date: - 20/12/2024**

NOTIFICATION

Subject: - Gujarat RERA Bank Account Directions, 2025

1. Reference: -

a) Section 4(2)(1)(D) of The Real Estate (Regulation and Development) Act, 2016.

b) Gujarat Real Estate (Regulation and Development) (General) Rules, 2017. (Rule-5, Rule 9, Rule 3(6))

c) Gujarat Real Estate Regulatory Authority (General) Regulations 2017.

d) As approved by the Authority in note as on 20/12/2024.

2. Read:-

a) GujRERA Circular bearing No. 02/2017 issued on 29 July 2017

b) GujRERA Circular bearing No. 9 issued on 30th August 2018.

c) GujRERA Circular bearing No. 11 issued on 5th October 2018.

d) GujRERA Circular bearing No. 15 issued on 23rd May 2019.

3. Short Title and Commencement: -

a) In exercise of the powers conferred by Section 37 of the Real Estate (Regulation and Development) Act, 2016 the Gujarat Real Estate Regulatory Authority having considered it necessary in the interest of on-time delivery of any plot, apartment or building and for the purpose of ensuring the non-diversion of project funds has decided to issue the order for RERA Bank Account.

b) These Directions shall be called the "Gujarat RERA Bank Account Directions, 2025" and shall come into force from date 1st January,2025.

c) These directions supersede the Gujarat RERA Bank Account Directions,2018 dated 19th February, 2018 and Guidance note-5 dated 21st October,2022 and circular-35 dated 23rd September, 2024 issued relating to the separate RERA Bank Account.

d) The object of these directions is to establish mechanism for operation and maintenance of separate bank account for GujRERA registered project and to safeguard consumer interests, to ensure compliance, promote transparency, accountability, and the financial discipline, as well as to have uniformity in the operation and maintenance of bank accounts of the project and standardize legitimate utilization of funds deposited in the separate RERA Bank account.

4. Definitions: -

a) "Act" means the Real Estate (Regulation and Development) Act, 2016;

b) "No Lien Account" means Account without any third party rights or security interests;

c) "No Lien Fixed Deposit" means Fixed Deposit without any third party rights or security interests;

d) "RERA Collection Bank Account" means an account to be maintained, by the promoter for receiving all the collections from the allottees from time to time as mentioned in the agreement for sale including amenity and any other charges but excluding the Pass-through charges and Indirect taxes;

e) "RERA Retention Bank Account" means the separate bank account wherein seventy percent of the amount received in "RERA Collection Bank Account" shall be deposited. Deposited amount in this account shall solely be utilised to cover the cost of construction and the land cost as prescribed in the Rule 5 of the Gujarat Real Estate (Regulation and Development) General Rules,2017;

f) "RERA Transaction Bank Account" means an account of the project to be maintained by the promoter for transferring up to 30% of the total collection received in the "RERA Collection Bank Account" of the Project;

g) Words or expressions used in this order and not defined herein but defined in the Act or Rules or Regulations shall bear the same meanings respectively assigned to them in the Act, Rules and Regulations.

5. Opening of RERA project Bank Accounts

The Promoter shall open following three bank accounts in a single scheduled bank

branch operating in the State of Gujarat before applying for the project registration,

A. RERA Collection Bank Account of the Project

B. RERA Retention Bank Account of the Project

C. RERA Transaction Bank Account of the project

On the publication of this Order, all the ongoing projects registered with the Authority, shall mandatorily migrate to above mentioned system of three tier bank account system. If any promoter for ongoing project is holding RERA bank account in a bank branch outside the State of Gujarat, then such promoter will have to get the account transferred to a branch operating within the State.

In the case of multiple promoters, necessary contractual or legal arrangements should be made by the principal promoter, who is registering the project, to ensure proper

operations of RERA Account. (This will apply in the case of Joint Development Agreement)

However, in case of promoter(s) having joint rights on project land applying under the category of "others", joint RERA Bank account with the name of all the promoter(s) or in the name of person having registered power of attorney from all the joint right holders of project land, for the purpose of operation of RERA bank account needs to be opened and to be reported to the GujRERA.

6. **Nomenclature, Maintenance, and Operations of three bank accounts mentioned in the clause 3 herein above.**

a) RERA Collection Bank Account of the Project

The Promoter shall open and maintain the "RERA Collection Bank Account of the Project "in a schedule bank branch operating in the State of Gujarat.

Nomenclature- Name of the collection bank account shall contain name of the promoter and name of the project prescribed in the following manner:

"Name of Promoter" + RERA Collection Bank Account for + "Project Name"

Example-

Name of Promoter - "ABC Ltd.",
Name of Project-"XYZ"
Account name- "ABC Ltd. RERA Collection Bank Account for XZY"

The entire amount accepted from the allottees should be deposited in this account excluding indirect taxes (GST, taxes, stamp duty registration charges etc) and Pass-Through Charges (if any).

The bank where the RERA Collection Bank Account of the Project is opened shall ensure that no debits or withdrawals are permitted by means of cheque, debit card, credit card, internet banking facility, or any other payment methods (e.g., Demand Draft (DD), on line transfer etc.) or any means of instruments, except through an auto sweep facility transferring a minimum of seventy (70%) percent of the amount collected from allottees to the RERA Retention Bank Account of the Project and a maximum of thirty (30%) percent of the collected amount to the RERA Transaction Bank Account of the project.

The Promoter shall furnish/publish particulars of the RERA Collection Bank Account of the project in the Allotment letter and agreement for sale with the prospective homebuyers for the purpose of receiving payments towards their unit in the registered project. **However those Units in which AFS has already been executed and/or Allotment letter is issued to the Allottee are not required to comply with this requirement.**

b) RERA Retention Bank Account of the project-

The promoter shall open and maintain RERA Retention Bank Account of the project in the same bank for each registered project separately wherein seventy percent of the amount received in RERA Collection Bank Account of the project from the allottees shall be transferred through auto sweep facility.

Nomenclature- Name of the Retention Bank account shall contain name of the promoter and name of the project prescribed in the following manner:
"Name of Promoter (Account holder)" + RERA Retention Bank Account for + "Project Name

Example- Name of Promoter - "ABC Ltd.", Name of Project- "XYZ"
Account name- "ABC Ltd. RERA Retention Bank Account for XZY"
Deposits -
Minimum 70% of the amounts realised for the real estate project by the allottees, from time to time received in RERA Collection Bank Account of the project shall be deposited through auto- sweep transfer facility in a RERA Retention Bank. Account of the project to cover the cost of construction and the land cost and shall be used for that purpose only.

This account shall be free from all encumbrances and should not be escrow account for any purpose and shall be free from Lien, loans, and third-party control i.e. lender/ bank/ financial institution and cannot be attached by any other government authority/body unless any direction given by GujRERA,

Withdrawals -

As per the provisions of section 4(2)(1)(D) of the Act and as prescribed by regulation 3 of the Gujarat Real Estate Regulatory Authority (General) Regulations, 2017, the amounts from the RERA Collection Bank Account shall be withdrawn by the promoter under certification in Form 1 (Architect Certificate), Form 2 (Engineer Certificate) and Form 3 (CA Certificate). Such certificates should be uploaded on GujRERA portal for each withdrawal of funds from the RERA Retention Bank Account.
However, if promoter has balance limit for withdrawal as per previous certificate, then fresh certificates for subsequent withdrawal(s) are not required to be provided except for the first time submission of the withdrawal certificates. In other words, after 1st January,2025 every promoter needs to submit the Form-1,2,3 certificate on portal first time for the withdrawal of funds after that every withdrawal does not require fresh issuance of certificate, as long as, earlier certificate provided by promoter has balance amount left for the purpose of withdrawal.

The money deposited in this account can be utilized only for meeting following expenditures incurred on the project: -

1. **Land cost: -**
   As laid down in Rule 5 of the Gujarat Real Estate (Regulation and Development) (General) Rules,2017 read with GujRERA Circular No. 02 regarding the subject "Clarification on CA Certificates" and Circular No. 11 regarding the subject "Clarification of Land cost to be consider in Form-3".
2. **Development Cost/ Cost of Construction: -**
   As laid down in above cited Rule 5 read with GujRERA Circular bearing No 02 regarding the subject "Clarification on CA Certificates".
3. **Interest for loan-**
   Any secured/Unsecured loan taken for the project and fund being used for the project development, may be serviced from the RERA Retention Bank Account.

However, interest on a loan taken from the partners cannot be served from this account.

4. **Refunds to the allottees-**
   Cancellation amount(s), if any, to be paid by the promoter to the allottees on cancellation of booking / allotment of the apartment, should be treated as cost incurred for the project and the same can be withdrawn from the RERA Retention Bank Account, to the maximum extent of 70% of the amount to be paid to the Allottee on cancellation of the booking/allotment.

Any excess money lying in the RERA Retention Bank Account can be converted in fixed deposits with the bank operating all three RERA Designated Bank Acbounts. Such fixed deposits have to be a no lien Fixed Deposit and no loan can be obtained against or on such Fixed Deposit nor any charge can be created on such Fixed Deposit.

c) RERA Transaction Bank Account of the project-

The promoter shall open and maintain the "RERA Transaction Bank Account of the Project" in a scheduled bank for each registered project separately.

Nomenclature- Name of the transaction bank account shall contain name of the promoter and name of the project formatted in the following manner:

"Name of Promoter (Account holder)" + RERA Transaction Bank Account for + "Project Name"

Name of Promoter - "ABC Ltd.", Name of Project- "XYZ"

Transaction Account name- "ABC Ltd. RERA Transaction Bank Account for XZY" Deposits -

Maximum thirty percent (30%) of the amounts realised for the real estate project from the allottees, received in RERA Collection Bank Account of the project shall be deposited in RERA Transaction Bank Account of the project.

This account can be utilized for meeting expenses other than those directly related to the land cost and construction/development cost of the project, in accordance with the provisions laid down in the Act and the rules and the regulations made thereunder.

Withdrawal-

i. Minimum thirty percent (30%) of cancellation amount(s), if any, to be paid by the promoter to the allottees on cancellation of booking / allotment of the apartment, will be eligible for payment from the RERA Transaction Bank Account.
ii. Interest/compensation to the allottee- The interest/compensation paid by the promoter to the allottees should not be treated as cost incurred for the project and hence such sum required to be paid as interest/ compensation to the Allottee cannot be withdrawn from the RERA Retention Bank Account. Any such amount can be withdrawn from RERA Transaction Bank Account.
iii. iii. The penalty imposed by GujRERA to be paid by the promoter should not be treated as cost incurred for the project hence cannot be withdrawn from RERA Retention Bank Account. Hence such amount may be withdrawn from the RERA Transaction Bank Account.

7. Reporting to the Authority: -

The promoter shall enter and update following financial details on his web page created on GujRERA portal, namely: -

a) The details of RERA Collection Bank Account and RERA Retention Bank Account along with the bank statements at the time of Registration and subsequently, if any change in such bank accounts are made;

b) Quarterly progress report of project in Form 8 prescribed under regulation 4AA of the Gujarat Real Estate Regulatory Authority (General) Regulation,2017as amended;

c) All the withdrawal certificates for withdrawal of funds from the RERA Retention Bank Account, in Form-1, Form 2 and Form 3 prescribed under regulation 3 of the Gujarat Real Estate Regulatory Authority (General) Regulation,2017;

d) All the project loans obtained prior to or subsequent to project registration, in report submitted under sub-clause (b) and (c) above;

e) Annual report on statement of accounts in Form 5 prescribed under regulation 4 of the Gujarat Real Estate Regulatory Authority (General) Regulation,2017.

8. Changing the bank accounts of the project: -

a) The Promoter may change the RERA Accounts from one Bank to another Bank only with prior approval of the Authority.

b) For RERA Account change request, promoter has to make written application along with necessary documents in the following forms: -

I. Application for change in RERA Accounts as per Form RA1 annexed to these Directions;

II. Certificate of account balance from bank with existing RERA Accounts as per Form RA2 annexed to these Directions;

III. Account Statement / copy of passbook of account proposed as new RERA Accounts

c) The fund lying in the RERA Collection Bank Account and RERA Retention Bank Account needs to be transferred in total in the respective account i.e. amount lying in the existing RERA Retention Bank Account needs to be transferred in the new RERA Retention Bank Account in total and same applies to RERA Collection bank account if there is any balance in the same.

d) Promoter is also required to submit fund transfer compliance letter as per Form RA3 along with Form RA4 annexed to these Directions and proof of previous RERA Account closure.

9. Closure of separate bank accounts of the project: -

On completion of project and handing over the project to the society as per section 11(4) of the Act, the Promoter should submit the Project End Compliance (Q-E) as per Order 20, dated 31st Jan, 2019, Order 30, dated 27th September,2019 and Order 93, dated 28th May, 2024 issued by the Authority.

The Promoter may close the RERA Bank Account subsequent to successful submission of Project End compliance.

10. Obligations of the Banks-

a) Banks shall be obliged to follow the provisions of opening, operating and closing of all three RERA Designated project bank accounts as per above prescribed Directions.

b) Banks shall notify every promoter approaching the branch to open and maintain three bank accounts namely RERA Collection Bank Account of Project, RERA Retention Bank Account of Project and RERA Transaction Bank Account of Project for all registered projects.

c) Banks shall follow strictly the nomenclature prescribed in these Directions for the bank accounts.

d) The bank where the RERA accounts of the project is opened shall ensure that no debits or withdrawals are permitted by means of cheque, debit card, credit card, internet banking facility, or any other payment methods (e.g., Demand Draft (DD), bank guarantees, etc.) or any means of instruments, except through an auto sweep facility to transfer the amount deposited in RERA Collection Bank Account to the RERA Retention bank account and RERA Transaction bank account respectively in 70:30 ratio.

e) Banks shall ensure that cheque book, debit card, net banking facility and/or any other means of instrument for withdrawal of funds from RERA Collection Bank Account of the Project is not provided by the banks.

f) The Banks should ensure that no withdrawal of funds should be permitted from the RERA Retention Bank Account without verifying the limit mentioned in the CA certificate (Form-3) uploaded on the Gujarat RERA portal.

g) Banks shall ensure that the "RERA Collection Bank Account" and "RERA Retention Bank Account" of the project shall be free from all encumbrances and should not be an escrow account and free from lien, loans, and third-party control i.e lender/ bank/ financial institution. These two accounts cannot be attached by any other government authority/body without the order of GujRERA.

h) In case of creation of Fixed deposit for the money lying in the RERA Retention Bank Account, the banks should ensure that the said Fixed deposit is free from any lien/charges/encumbrance.

i) Banks should ensure before disbursing the project loan to any promoter that proper disclosure has been made by the promoter on GujRERA portal. However, banks may sanction the project loan to the promoter.

j) In the eventuality of any orders of the Authority for freezing/de-freezing of any of the project accounts, the banks shall immediately comply with such orders and shall accordingly freeze/ de-freeze the concerned account(s).

k) When project loan has been disbursed, loan sanctioning banks should observe due diligence before issuing the NOC for Project/Unit. Extra care needs to be taken while issuing the NOCs in case of re-financing of the project.

1) On completion of the project, bank should allow the withdrawal of entire balance amount lying in the RERA Retention Bank Account by the Promoter only after verifying successful submission of necessary certificates and due project completion compliances on GujRERA Portal.

11. Obligations of the professionals: -

All the professionals issuing certificates under the Act, rules and regulations made thereunder should ensure that if any certificate issued by the project Architect, Engineer or the Chartered Accountant has false or incorrect information, the Authority may take up the matter with the concerned regulatory body of the such professionals for necessary penal action against them, including dis-memberment.

12. Obligations of the Allottees: -

The allottees or prospective allottees for RERA registered projects should make the all the payments, except Pass through charges and Indirect taxes, towards RERA Collection Bank Account of the particular project only.

13. Power of the Authority: -

a) On lapse of the registration of the project or revocation of the registration the Authority may direct the bank holding the RERA Account to freeze or de-freeze the said account, to facilitate the remaining development works in accordance with the provisions of section 7(4)(c) and section 8 of the Act.

b) The Authority may in the interest of the allottees, inquire into the payment of amounts out of RERA Retention Bank Account as per the provisions contained in sub-rule 3 (a) of Rule 8 of the Gujarat Real Estate (Regulation and Development) (Matters Relating to the Real Estate Regulatory Authority) Rules, 2016.

Non-compliance of these directions in any manner will be punishable under section 60 and 63 of the Act.

Secretary GujRERA

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KERELA REAL ESTATE REGULATORY AUTHORITY

Order no: - K-RERA/TI/I 0212024 **Date: - 05/11/2024**

NOTIFICATION

Subject: - Display of Project registration number, Web address of the Authority, QR code of the Project and Agent registration number in Advertisements by the Promoters and Real Estate Agents - Orders Issued.

1. The Kerala Real Estate Regulatory Authority (K-RERA) is mandated in promoting transparency and accountability in the real estate sector as per the Real Estate (Regulation and Development) Act, 2016. As per Section 11(2) of the above Act, "All advertisements, prospects issued or published by the promoter shall contain the RERA registration number of the project,

K-RERA web address (rera.kerala.gov.in) and such other matters incidental thereto". Furthermore, as per the Public Notice No. K-RERA lT3l2l27l2L23 dated 19.08.2023, all the promoters were directed to ensure that the QR code concerned of their registered projects is, included in their respective project advertisements. These requirements shall be mandatorily complied with by the promoters of all registered projects, as per the provisions of the law as mentioned above.

2. Similarly, the real estate Agents also have an important role in the industry and hence the law stipulates certain functions of real estate agents register before the Authority. As per Section 10 of the Real Estate (Regulation & Development) Act,2l6, "Every real estate agent registered under Section 9 shall - (a) not facilitate the sale or purchase of any plot, apartment or building, as the case may be, in a real estate project or part of it, being sold by the promoter in any planning area which is not registered with the Authority", and as per Rule l6 of the Kerala Real Estate (Regulation & Development) Rules, 2o18, the real estate agent shall provide assistance to enable the allottee and promoter to exercise their respective rights and fulfil their respective obligation at the time of booking and sale of any plot, apartment or building, as the case may be.
3. But the Authority has noticed seriously that some registered real estate agents engaged by the promoters of registered projects are not displaying correct and essential information of the project in their advertisements for the sale of units of such registered real estate projects. In this aspect it has been observed that the real estate agents shall also have to display their registration number prominently in all their advertisements/prospects issued or published in respect of sale of the units in real estate projects registered before this Authority. The Real Estate agents shall also ensure that all such advertisements display prominently the Registration Number of the project provided under Section 11 (2) of the Act, 2016.
4. In view of this above and in exercise of powers conferred upon this Authority under Section 34 (f) and Section 37 of the Act,2016, following directions are issued herewith to all the promoters and registered real estate agents for strict compliance;
    a. Displaying K-RERA registration number, website address and QR Codes of the Projects by promoters: In all advertisements or prospects issued for sale or purchase of registered projects, K-RERA registration numbers and website address (www.rera.kerala.gov.in) shall be prominently displayed by the promoters' concerned. A QR code has been made available in the web page of each registered project in the K-RERA web portal. The above QR code must be prominently displayed in the advertisements, ensuring that it is easily scannable by potential buyers. Scanning of the QR code directs the users to the official web portal of K-RERA from where they ' can verify the details of the project including its registration status, approval details and all other relevant information regarding the Project as well as the promoters concerned.
    b. Displaying of Agent Registration Number by Real Estate Agents: Every registered real estate agent shall prominently display the Agent Registration Number obtained to him/her/the firm as well as the Registration number given to the project concerned in all the advertisements released or prospects issued by the said Agent with respect to the sale or purchase of registered projects.

The prornoters are hereby directed to ensure compliance of this order while engaging registered real estate agents for the promotion and sale of units in registered projects.

These directives are applicable to all forms of advertisement, including print media (newspapers, magazines, brochures, etc.), digital platforms (websites, social media, email marketing, etc.) and outdoor advertising (billboards, posters, banners, etc.). All the promoters and registered real estate agents in the state shall strictly adhere to the above directions, failing which the Authority shall be constrained to initiate legal actions prescribed under Act, 2016 against the defaulters.

Order no: - K-RERA/TI/I 0212024 **Date: - 05/11/2024**

NOTIFICATION

Subject: - Issuance of Model Allotment Letter Format for Real Estate projects orders issued.

The Kerala Real Estate Regulatory Authority (K-RERA) is committed to promoting transparency and standardization in all real estate transactions.

Real Estate (Regulation and Development) Act, 2016 has been enacted to protect the interest of consumers in the real estate sector and ensure transparency, efficiency, and accountability in the real estate industry. According to Section 11(3) of the Real Estate (Regulation and Development) Act, 2016, the promoter shall issue an allotment litter, clearly indicating the booking amount, at the time of booking.

It has been observed by the Authority that often disputes have arisen about cancellation of the allotment prior to signing Agreement for Sale by the allottees. Also, there is a lack of uniformity in the format of allotment letters being issued by promoters, leading to discrepancies and misunderstandings between promoters and allottees;

Accordingly, in exercise of the powers granted under Section 37 of the Real Estate (Regulation and Development) Act, 2016, and with the objective of ensuring uniformity in the allotment process and transparency in the promoter allottee relationship, the Authority issues the following directives:

1. A standard model allotment letter format has been drafted by the Authority to be adopted by all promoters of registered projects under this Authority as attached herewith.

2. Allotment letter in the attached format shall be issued to all allottees by the promoters in the registered projects and also a model format when applying for new project registration.

3. This order shall have immediate effect. Any failure to comply with this order shall be treated as a violation of the provisions of the Real Estate (Regulation and Development) Act, 2016, and may attract penalties as prescribed under the Act. Furthermore, the Authority shall monitor compliance with this order through periodic inspections and review of project records.

4. A copy the order shall be sent by e-mail to all the promoters of registered projects and uploaded on the website of the Authority.

ODISHA REAL ESTATE REGULATORY AUTHORITY

Order no: - 8649/ORERA **Date: - 07/12/2024**

NOTIFICATION

Subject: - Payment of processing fee at the time of application filed for Project registration & extension and deposit of Registration & Extension fee after approval by the Authority.

Whereas, a promoter while applying for registration of a project u/s 4(1) deposits a fee as specified in the amended Regulations,2022 besides facilitation charges of Rs.5000/-, website maintenance fee of Rs.1000/- and Rs.1900/- for six months and 1 year respectively as per the decision passed by the Authority in the 7th meeting held on dtd.06.08.2018;

Whereas, sometimes it is noticed that the actual land area of the project differs from the area originally mentioned by the promoter in Form-I but registration fee is realised in advance from the promoter basing on the area mentioned in Form-I;

Whereas, upon a prayer by the promoter to refund the excess amount if any, the office is unable to take a decision owing to lack of provision for refund in RERA Act;

Now therefore, in order to not put such promoters into a difficult situation of seeking a refund, the Authority has decided to fix Rs.5000/- only as Processing fee to be paid at the time of filing application for project registration as well as project extension without any fee towards facilitation charges or website maintenance charges being levied earlier. Only after final approval of registration and project extension, the applicant shall deposit the full fee pertaining to Regulation 4(1) 86 4(3).

This shall come into force after Go-Live of RERA Version 2.0

Order no: - 9023/ORERA **Date: - 20/12/2024**

NOTIFICATION

Subject: - QPR & AAC submission for fraction period & Modified format for submitting QPR

Whereas, the Authority in its Direction passed u/s 37 vide No.641 dtd.03.02.2023 laid the format for submission of Quarterly Progress Report (QPR) as per section 11(1)(e) of the RE(R&D) Act, 2016. The said format comprised Proforma-1 & Proforma-II;

Whereas, it came to the notice of the Authority that a few promoters who were allowed registration of their projects a few days before completion of the quarter, did not submit QPR presumably due to non-completion of the whole quarter. Similarly, the Annual Audit Certificates(AAC) are not being furnished by some of the promoters if registration has been granted to their projects in the middle of the financial year or just a few days to go before completion of the year;

Now, therefore, the Authority would like to make it clear that all the promoters who have been granted registration for their projects in the middle of the quarter (for QPR) or the financial year (for AAC) are duty bound under the statute to submit both reports for however limited period it qualifies for completion of the quarter or financial year. If no transaction or construction is made

during the said quarter or year, as the case may be, a NIL report has to be submitted online in the prescribed format.

Further, the promoters are also directed to furnish QPR in the revised format annexed hereto. This format supersedes the format earlier communicated in Direction u/s 37 vide No. 641 dtd.03.02.2023 issued by the Authority.

TAMIL NADU REAL ESTATE REGULATORY AUTHORITY

Circular No.TNRERA/3867/2024 **Date: - 13/11/2024**

NOTIFICATION

Subject: - TNRERA — Levy of penalty for Plot / Flat sold before registration with TNRERA — Reg.

The levy of penalty for Plot / Flat sold before registration with TNRERA is fixed as follows:

	Jurisdiction	Penalty
A.	Greater Chennai Corporation (GCC)	Rs.15,000/- per plot / flat
B(i)	**Municipalities around GCC**	Rs.10,000/- per plot / flat
	Kundrathur	
	Poonamallee	
	Mangadu	
	Thiruverkadu	
	Thirunindravur	
B(ii)	**Town Panchayats around GCC**	
	Thirumazhisai Naravarikuppam	
B(iii)	**Panchayat Unions around GCC**	
	Kundrathur P.U: Iyyappanthangal Thelliaragaram Moulivakkam Kulapakkam Gerugambakkam Periyapanicheri Tharapakkam Erandam Kattalai Chinna Panicheri Paraniputhur Chikkarayapuram Thirumudivakkam Palanthandalam Kulamanivakkam	

	Villivakkam P.U: Vanagaram Adayalampattu Ayyapakkam Sivabootham Chettiaragaram Thandalam	
	Poonamallee P.U: Parivakkam Senneerkuppam Nazarethpettai Varadharajapuram Nemilichery Goparasanallur Kattupakkam Pidarithangal	
	St. Thomas Mount P.U. All Villages	
	Kattankolathur P.0 All Villages	
C.	**Municipal Corporations adjoining GCC and other major Corporations**	Rs.12,000/- per plot / flat
	Madurai	
	Coimbatore	
	Tiruchirapalli	
	Salem	
	Erode	
	Tiruppur	
	Avadi	
	Tambaram	
	Vellore	
	Tirunelveli	
	Thanjavur	
	Thoothukudui	
D.	**All other Municipal Corporations**	Rs.10,000/- per plot / flat
	Dindigul, Hosur, Nagerkoil, Cuddalore, Kancheepuram, Karur, Sivakasi, Kumbakonam, Karaikudi, Namakkal, Pudukottai, Thiruvannamalai	
E.	Other Municipalities	Rs.6,000/- per plot / flat

F.	Other Town Panchayats	Rs.4,000/- per plot / flat
G.	Other Village Panchayats	Rs.3,000/- per plot / flat

The penalty for contravening the provisions laid under Section 3 of the Real Estate (Regulation and Development) Act, 2016 will be levied as mentioned in the table above or 2% of the proportionate project cost for the Plots and 1% for the Flats sold without registration with TNRERA, whichever is higher.

WEST BENGAL REAL ESTATE REGULATORY AUTHORITY

Order no: - No.2035-RERA/L-01/2023 **Date:- 26.12.2024**

NOTIFICATION

Subject: - Extension of time regarding Quarterly Update of Real Estate Projects registered with WBRERA / erstwhile WBHIRA in the website of West Bengal Real Estate Regulatory Authority.

This Authority is of the considered view that the last date for Quarterly Update of Registered Projects, as specified in Order No.1986 -RERA/L-01/2023 dated 06.12.2024 of this Authority, is required to be extended due to non-accessibility of Applications of WBRERA Website for few days for some technical issues and several Promoters prayed for extension of last date for Quarterly Update of Projects.

Hence, this Authority is hereby pleased to direct that,-

a) The last date for submission of Quarterly Update of Registered Real Estate Projects upto the Quarter ending with 30.09.2024, is hereby extended till 31.01.2025; and

b) The last date for submission of Quarterly Update of Registered Real Estate Projects of the Quarter starting from 01.10.2024 to 31.12.2024, is hereby extended till 31.01.2025.

This order is hereby issued with the approval of Hon'ble WBRERA Authority**.**

MAHARASHTRA REAL ESTATE REGULATORY AUTHORITY

Order no. 10A/ 2024 **Date:- 27.12.2024**

NOTIFICATION

Subject: - Self-Regulatory Organization for Promoters Amendment to MahaRERA Order No. 10/2019, dated 11.10.2019.

In order ensure greater professionalism among promoters, bring a certain level of consistency in the practices of promoters, enforcement of code of conduct and to discourage fraudulent promoters, the practice of registering Self-Regulatory Organization (SRO) in the real estate sector in Maharashtra was introduced through MahaRERA Order No. 10 (No. MahaRERA /Secy/ Order /1003/2019, dated 11.10.2019).

In Order No. 10, the eligibility Criteria prescribed was that the proposed SRO should have at least 500 MahaRERA registered project of their members.

From the available data of registered projects with MahaRERA, it is noticed that there is a difference in development activities undertaken in Mumbai Metropolitan Region area and in the rest of Maharashtra. Considering this difference some SROs working outside Mumbai Metropolitan Region have requested that the criteria of having 500 MahaRERA registered projects of their members be reduced.

In order to facilitate and promote the real estate sector and considering the difference in development activities in Mumbai Metropolitan Region area and in the rest of Maharashtra, MahaRERA has decided to amend MahaRERA Order No. 10 as under:-

1. Clause (1) b of MahaRERA Order No. 10 shall be substituted by following Clause (1) b.

   "b. The Proposed SRO should have

   (i) at least 500 MahaRERA registered projects of their members if the SRO has some or all members from Mumbai Metropolitan Region.

   (ii) at least 200 MahaRERA registered projects of their members if the SRO has all its members from outside the Mumbai Metropolitan Region."

2. The Form 'A' in MahaRERA Order 10 shall be substituted by the new Form 'A' enclosed along with this order.

This order will come into effect from the date of issue of this order.

PART- V

RERA NEWS

THE ECONOMIC TIMES
Date: 02.12.2024

Rs 200 cr recovered from realtors to compensate homebuyers, Rs 500 cr more payable

MahaRERA has recovered over ₹200 crore from developers to compensate homebuyers, issuing 1,163 warrants for ₹705.62 crore across Maharashtra. Mumbai suburban and Pune account for over ₹378 crore in pending recoveries, with slower progress in these regions. Of the ₹200 crore recovered, Mumbai city contributed ₹46.47 crore, Mumbai suburban ₹76.33 crore, and Pune ₹39.10 crore. MahaRERA is appointing retired Tahsildars in Mumbai suburban and Pune to expedite recoveries under Section 40(1) of RERA, 2016. Other districts, including Thane and Palghar, have significant pending dues. Smaller districts like Chandrapur and Ratnagiri have minimal or no recoveries so far.

THE ECONOMIC TIMES
Date: 17.12.2024

'Update status or face cancellation': MahaRERA's ultimatum to over 10,000 realty projects in Mumbai, Pune

MahaRERA has issued notices to developers of 10,773 stalled projects for failing to update their status after missing completion deadlines. Developers must respond within 30 days, or by early January 2025, to avoid consequences such as project deregistration, restrictions on property sales, and frozen bank accounts. Most projects are in the Mumbai Metropolitan Region (5,231) and Pune (3,406). Developers must submit an occupancy certificate (OC) and Form 4 near the scheduled completion date or seek deadline extensions. MahaRERA encourages compliance and offers deregistration options for struggling projects to ensure accountability and protect homebuyers' investments in the real estate sector.

BUSINESS STANDARD
Date: 06.11.2024

Haryana regulator asks 4 developers to hand over flats in 90 days

Haryana's Real Estate Regulatory Authority (RERA) has directed Raheja Developers, Ramprastha Developers, Tashi Land Developers, and Sunrays Heights to hand over flats to buyers within 90 days and pay approximately 11 percent annual interest on delayed

investments. Non-compliance will lead to legal action. RERA's investigation revealed delays far exceeding contractual deadlines, affecting buyers who invested between Rs 13 lakh and Rs 1 crore. Ashish Deep Verma of Vidhisastras highlighted that delayed enforcement undermines RERA's purpose, adding financial and emotional strain on already aggrieved consumers. Prompt execution of orders is essential to uphold justice and ensure the statute's effectiveness.

BUSINESS STANDARD
Date: 07.11.2024

Include land authority in CoC for real estate insolvency cases: IBBI

The Insolvency and Bankruptcy Board of India (IBBI) has proposed several changes to improve the real estate insolvency process. One key suggestion is to include land authorities like the Real Estate Regulatory Authority (RERA) as non-voting members in the Committee of Creditors (CoC), enhancing transparency and confidence among stakeholders, particularly homebuyers. The IBBI also suggests allowing homebuyer associations to participate in the resolution process with relaxed conditions.

To facilitate smoother resolutions, the IBBI proposes allowing the resolution professional to transfer ownership of occupied properties to allottees during the process with CoC approval. Additionally, the inclusion of facilitators for large creditor classes to improve communication and access to CoC meeting minutes for homebuyers is recommended. The IBBI also wants insolvency professionals to report on land allotments cancelled before the insolvency commencement.

A clarification is proposed to consider interest at 8% per annum on homebuyers' claims for resolution plans and distribution. The IBBI's proposal invites comments by November 27, 2024. The Economic Survey 2023-24 highlighted the Insolvency and Bankruptcy Code (IBC) as the most favored remedy for the real estate sector, with over 60% recovery in large cases and a 46% success rate for real estate insolvencies by June 2024.

HINDUSTAN TIMES
Date: 31.12.2024

Year-ender 2024: Residential transactions cross 5.7 lakh mark, property prices jump 60% in 5 years

India's residential property market demonstrated steady growth in 2024, with 5.77 lakh transactions (up 4% YoY) and a total value exceeding ₹4 lakh crore (2% YoY increase). Mumbai led with ₹1.6 lakh crore in sales and 1.3 lakh units, followed by Bengaluru and Pune, each contributing ₹0.6 lakh crore. Western India dominated, accounting for 61% of transactions and 69% of total sales value, with cities like Mumbai, Thane, and Pune at the forefront.

Northern cities like Gurugram saw remarkable price surges, with property values increasing 132% over five years, driven by demand for luxury properties. Similarly, Noida and Greater Noida prices rose 67%, bolstered by the upcoming Jewar Airport. Bengaluru witnessed a 66% price hike since 2019. Developers launched 3.9 lakh new units and delivered over 4 lakh units, reflecting strong confidence. The market's post-pandemic maturity supports sustainable growth well above pre-2020 levels.

TIMES OF INDIA
Date: 07.11.2024

Realty firm fined 8.5L for not registering project as per RERA

The Telangana Real Estate Regulatory Authority (TGRERA) has imposed a penalty of ₹8.5 lakh on Greenspace Housing and Engineers Private Limited for failing to register its apartment project, Greenspace Grand, under the RERA Act, 2016. The penalty was issued after TGRERA pursued the case independently, despite the withdrawal of a complaint regarding non-registration of the project, which is a violation of Sections 3 and 4 of the Act.

Greenspace Housing argued that the project began in 2016 under different ownership and faced delays due to the Covid-19 pandemic. Regulatory compliance, including relinquishment of mortgaged flats, was completed only in 2020, and the project had earlier received approvals from the Hyderabad Metropolitan Development Authority (HMDA). However, TGRERA concluded that the project was ongoing when the RERA Act was enacted in 2016 and, without a completion certificate at the time, was required to register within three months of the Act's commencement.

The penalty, imposed under Sections 38, 59, and 60, must be paid within 30 days to TGRERA Funds. Additionally, Greenspace Housing was directed to submit a registration application under Section 4, failing which further penalties under Section 63 would be imposed. The order was issued by TGRERA Chairperson N. Satyanarayana.

TIMES OF INDIA
Date: 27.12.2024

TG RERA slaps 6.5L fine on builder for violations

The Telangana Real Estate Regulatory Authority (TG RERA) imposed a penalty of ₹6.58 lakh on Maha Homes for marketing and selling villas at Isnapur, Patancheru, without registering the project with TG RERA. Acting on complaints by Suresh Reddy and others, TG RERA directed the developer to form an association of allottees, hand over project documents, and install fire extinguishing systems. Buyers alleged deviations from HMDA-approved plans, lack of promised drinking water connections despite paying ₹45,000, and poor infrastructure, including the proximity of water and septic tanks causing

contamination and a fire incident. TG RERA found the deve loper violated Section 3 of the Real Estate (Regulation and Development) Act. While Maha Homes cited pandemic-related delays and claimed compliance with HMDA norms, TG RERA mandated a refund of ₹13,175 to the association and completion of pending work, including laying a black-topped road, ensuring compliance with housing project norms.

THE ECONOMIC TIMES
Date: 09.12.2024

RERA: Son fights against builder for property possession delay; wins Rs 37 lakh interest compensation in NCDRC

A Panvel homebuyer's battle for a flat spanned over a decade, ending with a National Consumer Disputes Redressal Commission (NCDRC) judgment. The buyer paid 97% of the flat's price in 2011, with possession promised by March 2013. However, delays attributed to "Force Majeure" and lack of an occupancy certificate resulted in possession being handed over only in February 2019. The buyer's son continued the legal fight after the buyer's death, as the builder also passed away during the proceedings.

The Maharashtra Consumer Commission ordered the builder's heir to pay 20% annual interest on the paid amount, compensation, and legal costs. On appeal, NCDRC reduced the interest rate to 6% annually but upheld the deficiency in service and unfair trade practices by the builder. The court rejected claims of Force Majeure, ruling that securing an occupancy certificate is the developer's responsibility.

Key takeaways highlight the developer's accountability to deliver possession within agreed timelines and comply with legal requirements like occupancy certificates. The judgment emphasized consumer rights, noting delays cause financial and mental hardship. While excessive penalties were adjusted, the case reaffirmed that developers must honor commitments, ensuring fair practices in real estate transactions.

NEWS 18
Date: 13.12.2024

Pay Rs 30,000 Every Month To Gurugram Homebuyers Until Flats Are Ready: RERA TO NBCC

Hundreds of residents of Green View Society in Sector 37D, Gurugram, faced a major setback when their newly purchased flats were found to have severe structural issues. Shortly after moving in, cracks began to appear, prompting an inspection by engineers from IIT Roorkee. The buildings were declared unsafe and unfit for habitation, posing serious risks to the residents' safety. Consequently, in March 2022, the occupants were forced to vacate their flats and seek alternative rental accommodations.

In a landmark decision, the Haryana Real Estate Regulatory Authority (RERA) directed the National Building Construction Corporation (NBCC), the project developer, to

compensate affected homebuyers. NBCC was ordered to pay Rs 30,000 monthly to each resident until the flats are deemed safe and ready for occupancy.

This ruling underscores RERA's critical role in protecting consumer rights in the real estate sector and ensuring accountability for developers. It also highlights the importance of structural integrity in residential projects and the obligation of builders to deliver safe and secure homes. The decision provides much-needed relief to the residents, who have endured financial and emotional stress due to the negligence of the developer.

RERA NEWS
Date: 30.12.2024

Key Trends Shaping Indian Real Estate 2024, Insights for 2025

The Indian luxury housing market experienced significant growth in 2024, driven by affluent buyers seeking larger, exclusive homes that align with their lifestyle aspirations. Cities like Delhi-NCR, Mumbai, and Bengaluru led this trend, with micro-markets such as Gurugram and South Mumbai witnessing robust demand. Between January and September 2024, luxury home sales surged 37.8% year-on-year, reaching 12,625 units. Delhi-NCR, Mumbai, and Hyderabad accounted for nearly 90% of these transactions, with Delhi-NCR recording a dramatic rise in sales from 480 units in 2023 to 2,590 units in 2024.

The commercial real estate sector also flourished, driven by business expansions and Global Capability Centers (GCCs). Gurugram emerged as a key destination, supported by infrastructure upgrades like the Dwarka Expressway. The demand for Grade-A office and retail spaces surged, solidifying Gurugram’s position as a commercial hub.

New project launches across Delhi-NCR rose by 121%, with developers focusing on integrated designs, smart technologies, and wellness-centric amenities. Micro-markets such as Golf Course Road, Noida Sector 150, and Ghaziabad garnered notable buyer interest.

Heading into 2025, favorable economic conditions, rising incomes, and strong investor confidence are expected to sustain growth, with developers introducing innovative premium offerings that redefine luxury living in India.

RERA NEWS
Date: 11.12.2024

India's Real Estate Market to Reach $1 Trillion by 2030

India's real estate market is poised for significant growth, projected to surge from $350 billion in 2023 to $1 trillion by 2030, driven by rapid urbanization, PropTech innovations, and digitalization. Urbanization is a key factor, with the urban population expected to reach 680 million by 2047, necessitating 230 million additional housing units. The demand

for rental housing is also rising, with 2 crore urban residents seeking rentals against the availability of only 8 lakh institutional rental units, highlighting a vast opportunity for PropTech solutions.

Small and Medium Real Estate Investment Trusts (SM-REITs) are democratizing real estate investments, enabling individuals to finance commercial assets and facilitating 32.8 crore square feet of SM-REITable space. Digital platforms are transforming homebuying, with 75% of buyers using online tools and 50% participating in virtual tours, reshaping real estate transactions. The market is also witnessing increased demand for luxury and branded housing in Tier-II and Tier-III cities.

Technological advancements such as AI, blockchain, AR, and VR are revolutionizing the sector by enhancing customer experiences and streamlining transactions. At the India PropTech Summit 2024, experts highlighted a $100 billion PropTech opportunity across rentals, distribution, and capital financing, driven by technology, consumer behavior shifts, and supportive regulations.

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