



RERA Dashboard

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Dear Members,

Greetings!!!

We are very happy to share with you this 14th Newsletter on RERA.

Real estate agents are the heart of real estate industry. They are the mediators facilitating transactions between builder and buyer.

As per the RERA Act, the Real Estate Agents must register with Authority and obtain the certificate to act as Real Estate Agents. At the time of Registration, the real estate agents are required to submit the documents such as details like Commercial office self-owned or rented as address proof duly certified by District Revenue Department. If the documents submitted by the Agent is not proper then the RERA Authorities will not grant Registration.

In one recent order, The Haryana Real estate regulatory authority (HARERA), Gurugram, has revoked the RERA registration of real estate agent after it found that the documents submitted to the authority at the time of applying for registration were forged. The HARERA has also marked an inquiry into the matter taking instant cognizance of the complaint in this regard. Under section 7 & 9 of the RERA Act, 2016 the RERA has the power to revoke or suspend the Registration of the Real Estate Agent if the authority is satisfied that the registration has been secured by the real estate agent through misrepresentation or fraud.

As per Section 11 of the RERA Act 2016, builders are required to update details of their RERA-registered projects on RERA's website every three months and failing to do so will attract the punishment. The Maharashtra Real Estate Regulatory Authority (MahaRERA) issued about 16,000 notices to builders for not updating the information about the progress of their projects in the RERA website.

This is to bring Transparency into the real estate sector which is one of the prime objectives of the Act; the Home buyers may take the decision based on the information updated in the RERA website.

This newsletter consists of various orders passed by the Court and State RERA authorities and recent developments taking place in the realty sector.

Happy Reading!

Thank You.

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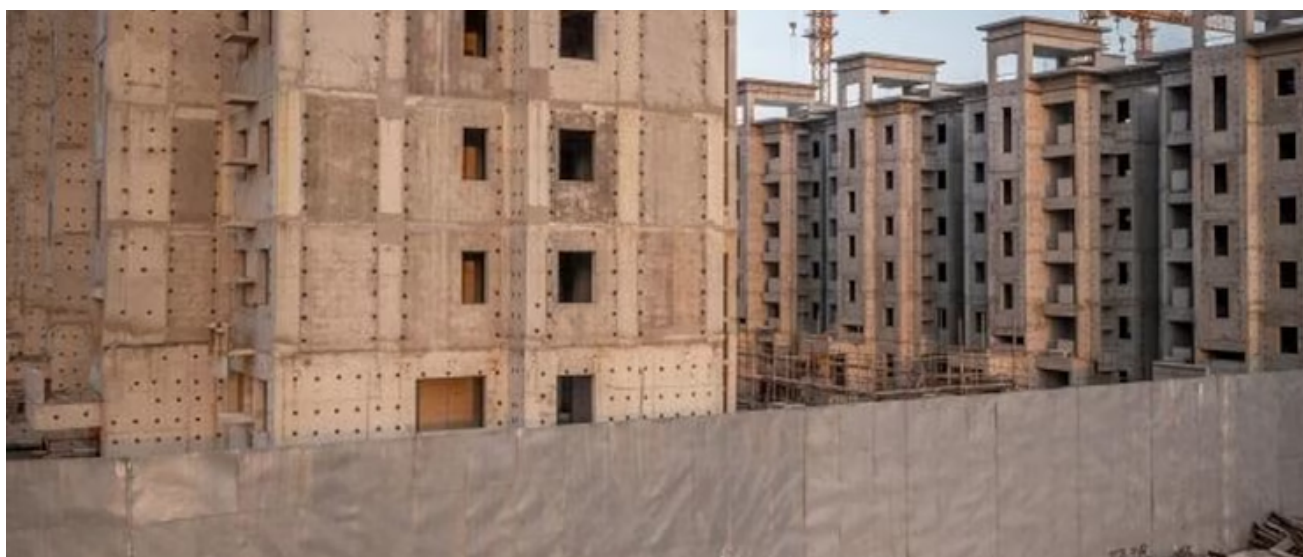
HARERA revokes agent's RERA registration obtained on forged documents

The Haryana real estate regulatory authority (HARERA), Gurugram, has revoked the RERA registration of real estate agent Vineet Kejriwal after it found that the documents submitted to the authority at the time of applying for registration were forged.

The HARERA has also marked an inquiry into the matter taking instant cognizance of the complaint in this regard.

The RERA Act 2016 mandates that to obtain RERA registration number to work as real estate agent the applicant has to produce or submit documents such as of commercial office space - self owned or rented - as address proof duly certified by the district revenue department at time of applying for the same.

In this regard agent, Vineet Kejriwal forged the documents with mala fide intention amounting to a serious offence and revocation of his registration number or certificate by the issuing authority, HARERA, Gurugram.



"In the complaint it was alleged that agent Vineet Kejriwal got the office premises belonging to the company of the complainant illegally registered with the HARERA, Gurugram by forging documents, rent agreement, and as proof of office address. During the investigation, the Authority found clear mala fide intention of the agent in question in obtaining the RERA registration in contravention of the Act 2016, the order said.

As per the provisions stated in Sections 7 & 9 of the Real Estate (Regulation and Development) Act 2016: if the authority is satisfied that the registration has been secured by the real estate agent through misrepresentation or fraud the authority may revoke the registration or suspend the same.

"No one is above the law. Three stakeholders of RERA - promoter, allottee and agent - are duty bound to follow the mandate placed in the Act 2016," the authority said, adding the Act has to be followed in letter and spirit.

3 developers in Pune with ads sans registration get MahaRERA rap

PUNE: The Maharashtra Real Estate Regulatory Authority (MahaRERA) has initiated suo motu action against 14 projects in the state that have been advertised on various platforms without having registered with the body. Showcause notices have been issued to the developers of these projects, which have published ads without mentioning a MahaRERA registration number.

According to the Real Estate Regulatory Authority (RERA) Act, developers cannot advertise a project, register it, or sell units in it without the said registration.

Among the 14 projects facing a crackdown, five are from Mumbai, three each from Pune and Nagpur, two from Nashik and one from Aurangabad. The authority has asked the developers to respond within seven days after receiving the notice.

"If the developer does not respond to these notices, they may be penalized," shared a MahaRERA official, after the notices were issued.

The authority had last month said they would initiate such suo motu action against projects as they have noticed that ads of projects are being published in newspapers without mentioning a MahaRERA number. "Homebuyers have been repeatedly advised through various ways not to invest in such projects without the MahaRERA registration numbers," added an official in the know.



The authority has said that they were keeping a strict watch on such advertisements. Even at the sites, the ads need to mention the registration number clearly.

However, certain developers have in some cases even mentioned that the registration is done, but without publishing the number, a senior MahaRERA official told TOL

The Act mandates that any new ongoing project of over 500 square metres or more than eight flats is required to be registered with MahaRERA

Citizen activists have pointed out that many developers publish huge ads on various platforms sans registration numbers. "Some may even have it, but do not bother to mention it. It is important that a homebuyer should check this basic detail before investing in any project," shared Sumukhi Joshi, an investor and real estate agent.

Smaller properties to come under West Bengal RERA guidelines

Smaller residential developments may be brought under the purview of the West Bengal Real Estate Regulatory Authority, or a separate law may be enacted to govern them.

The chief minister, Mamata Banerjee, has asked the housing department to consider the proposal so that homebuyers who are not currently covered by west bengal rera can also get some protection.

Susil Mohtra, president of the Confederation of Real Estate Developers' Association of India (West Bengal) raised the issue of small-time local promoters bringing disrepute to the trade by defrauding homebuyers who had no protection, unlike larger developments covered by west bengal rera, during the interactive sessions.

"RERA is applicable to any project on 7 cottah or a minimum of eight units. Projects that are smaller than this, and there are many such developments in every neighbourhood, there is no regulation to stop the builders from not meeting their commitments. Hence, there are instances of developers handing over buildings without completion certificate (cc), or selling the same unit to more than one buyer. We wanted the government to step in and hand given a draft proposal to the housing department on march 2 and raised the issue at the meeting with the cm,' mohta said...



In a timely manner, Banerjee addressed the issue and said she had also heard multiple reports of people being harassed by part-time promoters. Aroop Biswas, the housing minister, has been asked to take steps to protect homeowners' rights and prevent promoter fraud.

CREDAI has proposed broadening the application of the law to include construction projects on lots greater than three cottah. Hence, projects with four to seven flats would be subject to the guidelines.

"The state government cannot relax the RERA guidelines but it can make it more stringent. While most of the large developers, including those affiliated with CREDAI, are complaint with regulations, the smaller developers who are not accountable tend to flout rules and bring a bad name to the industry," mohta added.

RERA court orders builder in Bengaluru to pay for flood damages

BENGALURU: Sterling Ascentia apartment owners on the Outer Ring Road, whose cars were heavily damaged in flooding last September have finally got some respite. A RERA court has ordered the builder to pay compensation of Rs 1 lakh to each flat owner plus a sum of Rs 500 per month with retrospective effect until the promised amenities are in place.

Flooding hit towers 5 and 6 comprising 172 flats in this multi-storied complex in Bellandur. Irked by the alleged apathy of Sterling Urban Ventures Private Ltd, 28 flat owners filed three cases with the Marathahalli police station.



Prannay Srivastava, a flat owner, told TNIE, "We also filed a case with the RERA court on October 21, 2022. We have got a verdict in our favour and are extremely relieved." TNIE has a copy of the verdict by Adjudicating Officer IS Bidari. The order, dated March 17, states that the builder had admitted to opening the back gate of the towers, which was not a part of the sanctioned plan.

Though the builder later restored the STP, the residents possibly suffered mental agony from the damages to other amenities, the order said. "The respondent having obtained a partial occupancy certificate for towers 5&6 has not provided clubhouse and some of the promised amenities which might have caused mental agony," the order said.



If the compensation is not paid, an additional 6 per cent per annum will be slapped. In addition, Rs 5,000 towards litigation expenses, a penalty of Rs 500 per month for non-provision of promised facilities and Rs 1,000 per month for non-provision of Club House should be paid, the order said. "The date of flat registration varies. It is two years in my case, it is less than that for some and it is even three years for others," Srivastava explained.

HARERA rejects application of a promoter seeking extension of registration of group housing project



The Haryana Real Estate Regulatory Authority (HARERA), Gurugram, has rejected the application of real estate promoter Shree Vardhman Infraheights Private Limited seeking extension of registration of its group housing project Shree Vardhman Victoria, citing "repeated non-compliance" of various rules and the Real Estate (Regulation and Development) Act, 2016, the authority said.

According to a statement issued by the authority on March 27, HARERA in its order said that it had granted as many as 24 opportunities to Vardhman Infraheights to comply with the requirements, which were mandatory in order to renew or grant extension to the registration of the project in question but the promoter failed to comply.

The statement said that after hearing the matter on March 20, the authority decided to "reject the application" and it also issued the order to "freeze" all bank accounts of the promoter.

Also Read: Haryana RERA imposes penalty of Rs 25 lakh each on 5 builders for not completing projects on time

"Even today (on March 20, 2023), none has appeared on behalf of the promoter applicant, which indicates that he (the promoter) does not intend to pursue the matter. In view of the above, the application for extension of the registration of the project is hereby rejected under the provisions of Section 6 of the RERA Act, 2016," said the order passed by the bench consisting of members Ashok Sangwan, Vijay Kumar Goyal and Sanjeev Kumar Arora.

The authority also said that the processing fee deposited by the promoter will also be forfeited.

There was no immediate response to queries sent to the developer.

An application regarding extension of registration of the Shree Vardhman Victoria group housing project in Sector 70 in Gurugram, which is being developed by Shree Vardhman Infraheights, was submitted in October 2021 under Section 6 of RERA. The authority noted that the application seeking extension of registration was scrutinised by it and deficiencies were noticed, which were conveyed to the promoter with directions to remove the same.

"It is further observed that the time period for completion of the project and the registration expired in June 2021 only, including the six months' relaxation for COVID 19 period. In view of the above, the office is asked to initiate the process under Section 8 of the Act, 2016, and to issue a public notice to this effect. And the bank account of the project is, hereby, frozen and intimation be sent to the bank concerned," the order said.

Can't force buyer to take late flat possession: Rera

MOHALI: A delayed completion certificate obtained by a builder cannot force a buyer to take possession of a flat, according to Real Estate Regulatory Authority (Rera) in a ruling related to a case of a housing society in Zirakpur.

Ajay Pal Singh, member, Rera, while giving relief to Panchkula residents Niklesh Dubey and Anuja Dubey, directed "Sushma Chandigarh Grande" housing society in Zirakpur to refund the flat booking amount along with interest in addition to harassment charges.

Jagan Nath Bhandari, the counsel for the Dubeyes, said they had booked a flat with the real estate firm in Zirakpur through their Chandigarh office by paying Rs 59.92 lakh in February 2016. The flat was to be handed over within 48 months, according to the agreement. But the realtor failed to get a completion certificate and could not give possession in the stipulated time frame. When the buyer sought refund, the realtor refused to pay and instead asked to accept delayed possession, said the counsel.



The realtor argued they had obtained the completion certificate but the buyer refused to take possession. The completion certificate was obtained after a delay of four years as the realtor was to give possession by June 2016 but offered it in June 2020, said the counsel

The Rera order stated, "At this belated stage, the complainants cannot be compelled to take delayed possession of the unit in question. In the circumstances, provisions of Section 18(1) of the Act would come into force and the complainants entitled to refund along with interest at the prescribed rates." "As per a clause of the apartment buyer's agreement, possession was to be delivered within 48 months (including grace period of six months), by June 26, 2016. However, partial completion certificate had been obtained on July 23, 2019 and the offer of possession made on June 22, 2020, after about four years of the due date." The Rera member directed the realtor to refund Rs 59.92 lakh along with interest.

Homebuyers demand compensation from MahaRERA for 'half-baked' information made available by developers on the website

Concerned over the Maharashtra Real Estate Regulatory Authority (MahaRERA) issuing about 16,000 notices to builders after six years of coming into existence, homebuyers' body, Forum for People's Collective Efforts (FPCE), has said that this cannot be 'just a casual slip', as it has forced homebuyers to take a decision based on the 'half-baked' information made available by the builders on the regulator's website.

The homebuyers should be compensated for this mix-up, FPCE added.

As per Sec 11 of the RERA Act 2016, builders are expected to update details of their RERA-registered projects on RERA's website every three months. In January this year, MahaRERA had issued show cause notices to over 19,000 project promoters who had not updated information on the RERA website. But more than 16,000 of them either did not respond to the notices or submit satisfactory responses.

"Homebuyers are the biggest sufferers as they have been supplied with half-baked information from the website. Both existing and potential homebuyers have based their decision-making process on the basis of the information available on the website which deliberately has not been updated by the builders in order to hide material information from such homebuyers, which if available may have altered their decision, and therefore they have suffered irreparable damage," the homebuyers' body said.

"That bringing transparency into the real estate sector, which has been one of the prime objectives of the Act, has been thrown out of the window since hiding and non-disclosure of material information have been made the new normal by the Regulator," it said. Stating that this is a very serious and deliberate violation of the provisions of the Act, buyers have demanded that they should be 'reasonably compensated' by MahaRERA since they cannot escape responsibility for their failure in discharging their duties as expected under the law. They have demanded that promoters of all such projects be penalised under Section 61 of the Act. "That accountability be fixed and action taken against everyone responsible for such gross failure to ensure that such brazen violations are never allowed by regulators in the future," the homebuyers' body said.



"Now in 2023, after more than six years since MahaRERA came into existence, they (MahaRERA), as part of enabling a close monitoring system, have started reviewing the projects registered with them since inception, i.e., since 2017," FPCE said. Initially in January 2023, MahaRERA issued 19,500 notices to various real estate developers, including projects registered in 2017, for not updating their project details. And now, again they have issued 16,000 notices, which implies that around 3,500 notices have since been complied with, it said.

This clearly establishes the fact that the real estate developers were not fulfilling their obligation of updating their project details on the website of MahaRERA every quarter post registration of projects, as mandated under Section 11 of RERA.

"This violation is not just once, but was repeated and continuous since inception of RERA. Such violation by so many promoters for so long is only possible when they had the confidence and belief that the Regulator will turn a blind eye and will not act against them. The point to note here is that, this is exactly what happened and it cannot be sheer luck or co-incidence," the homebuyers' body said.

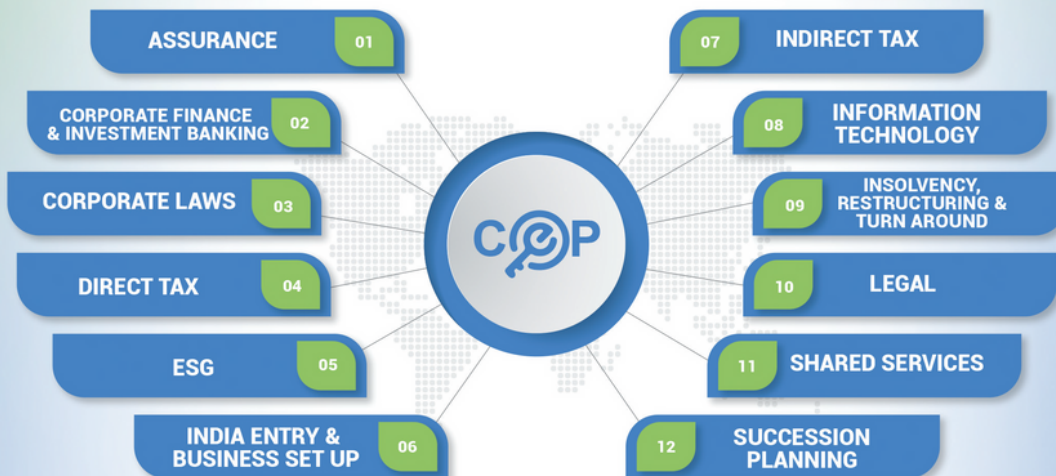
"However, here we are seeing that the Regulator allowed the law to be violated by the builders continuously and repeatedly since 2017 with impunity. It is hard to believe that ignoring and overlooking the violation by so many promoters for so long was just a casual slip," FPCE said.



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