



HARYANA REAL ESTATE REGULATORY AUTHORITY, PANCHKULA.

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Extract of the resolution passed by the Haryana Real Estate Regulatory Authority, Panchkula in its meeting held on 31.01.2024.

Item No. 240.20

Continuation of registration of project for second year U/s- 7(3) of RERA Act, 2016.

Promoter: VPN Real Estate Pvt. Ltd.

Project: "Ganpati Smart City" - a Residential Plotted Colony on land measuring 26.522 acres situated in Sector-21, Village Kherpur, Sirsa, Haryana.

Reg. No.: 134 of 2019 dated 15.07.2019 valid upto 31.10.2021 extended upto 31.07.2023.

Temp ID: 372 of 2018.

1. M/s VPN Real Estate Pvt. Ltd. vide letter dated 19.07.2023 has applied for continuation of registration under Section 7(3) of Real Estate (Regulation and Development) Act, 2016, of registration of their project "Ganpati Smart City" a Residential Plotted Colony on land measuring 26.522 acres situated in Sector 21, Village Kherpur, Sirsa, Haryana registered vide registration no. 134 of 2019 dated 15.07.2019 valid upto 31.10.2021. First extension was granted to promoter by Authority in its meeting held on 09.02.2022 and same was valid upto 31.07.2023 (including period of nine months).

2. In the explanatory note regarding the stage of development/construction works in the project it has been submitted that at present the development works of project are 96% complete and only 4% development works are left. This application has been made for grant of extension of time to complete the full and final development works and obtain completion certificate from competent authority.



3. The promoter has not submitted CA Certificate, Engineer Certificate and Architect Certificate. Photographs showing the present position at site have not been submitted. The promoter has submitted online quarterly up to 30.09.2022.

4. The matter was placed before the Authority in its meeting held on 26.07.2023 whereby Authority decided that audit of project be got done from CA firm empanelled by Authority and notice in newspapers inviting objections from general public be got published in newspapers and matter was adjourned to 18.09.2023. A public notice was published in newspapers on 25.08.2023 inviting objections from general public, to be filed in the registry of the Authority before 14.09.2023. No objections were received in the Authority.

5. In compliance of above , M/s Sanjay Deep & Associates has been appointed as auditor on 29.08.2023 and vide PUC dated 24.11.2023 M/s Sanjay Deep & Associates has submitted the following :

1. What is the detailed breakdown of the separate RERA account for the project, specifically accounting for the 70% of the amount realized from the allottees that is being deposited?

The C.A. submitted that the Company had opened multiple bank accounts with different banks and received substantial amount from allottees instead of depositing the funds into designated escrow account . The Company has opened bank accounts with Union Bank of India and Bank of Baroda for receiving funds from allottees.

Initially ,funds from allottees were being deposited into Union Bank of India and Bank of Baroda. Later, those funds were transferred to the designated escrow account.

Following are the Bank accounts of the Company and the total of money received from 35 allottees in the three bank accounts from 15.07.2019 to 31.03.2023:-

1. Bank of Baroda (Escrow Account)
Account No – 22750200000575
Total amount received from allottees – Rs. 23,90,000 /-
2. Union Bank of India
Account No. – 111511100000450
Total amount received from allottees – Rs. 8,66,52,021/-
3. Bank of Baroda
Account No. – 22750200000555
Total amount received from allottees- Rs. 33,07,366/-



So, the total money received in the above mentioned bank accounts is

Rs. 9,23,49,387 /-

Percentage of money received in Account No. – 22750200000555 is 3.58%

Percentage of money received in Account No. – 111511100000450 is 93.83%.

Hence, the company received maximum of allotment money in other bank accounts. The money received in escrow bank account is just 2.59%.

2. Confirm if the amount received from the allottees has been cross verified with the corresponding deposits made in the bank.

The auditor has cross verified the receipts issued by the Company vis-à-vis with the amount deposited in the bank on a sample basis and verified the same from the customer ledge bank account , customer agreement , etc and found it be in order. A list of 35 allottees and amount received and deposited is also provided.

3. To confirm whether the provisions of Section 4 (2)(1)(D) of the RERA Act 2016 are being followed in relation to withdrawals, ensuring they are proportionate to the development works undertaken at the project site ? If not, please provide details regarding the utilization and diversion of funds.

The auditor certified that the Company has utilized more than 70% of its total collection from customers towards expenditure on the aforesaid project.

4. The Auditor conducted an on-site inspection to corroborate the progress and also cross-verified the information with architect certificates and also provided photographs of site progress.
5. The auditor also verified the status of plots in terms of being surrounded, resumed, cancelled or restored.

6. The Authority in its meeting on 04.12.2023 vide Item No.234.29 decided that a copy of auditor report be sent to promoter. A show cause notice under Section-60 RERA Act,2016 be issued to promoter as to why penalty may not be imposed for violating Section-4(2)(1)(d) of RERA Act,2016 as promoter is maintaining multiple RERA Accounts in different banks.

7. In compliance of the orders of the Authority, a suo motu complaint has been registered vide Complaint No. RERA-PKL-29-2024 which is listed for hearing on 31.01.2024. A show cause notice along with auditor's report have been sent to the promoter



vide Memo No. HRERA/PKL/2024/1550/2024. An email has also been sent to the promoter that the matter is listed for hearing on 31.01.2024.

8. Nobody is present today on behalf of promoter. Authority observes that a Suo-motu complaint No. RERA-PKL-29-2024 had already been registered as per orders of Authority dated 04.12.2023.

9. Authority further decided that promoter be personally present on next date of hearing to explain as to why registration may not be revoked under Section-7(1) of RERA Act, 2016 for violations of provisions of Act.

10. Adjourned to 27.03.2024.

Handwritten signature
17/1/24



True copy

Handwritten signature

Executive Director,
HRERA, Panchkula

A copy of the above is forwarded to CTP, HRERA Panchkula, for information and taking further action in the matter.

CA (Panchkula)