



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 29.05.2024.

Item No. 255.07

Continuation of registration of project for third and fourth year under Section-7(3) of RERA Act, 2016.

Promoter: Rise Projects Pvt. Ltd.

Project: "Rise Sky Bungalows" a Group Housing Colony on land measuring 2.64 acres situated in Sector 41, Faridabad, Haryana.

Reg. No.: HRERA-PKL-FBD-267-2017 dated 09.10.2017 valid upto 08.10.2019.

Temp ID: RERA-PKL-549-2019

Present: Mr. Rishabh, Authorized Representative.

1. M/s Rise Projects Private Limited has applied for continuation of registration of their group housing colony namely; "Rise Sky Bungalows" registered vide registration no. HRERA-PKL-FBD-267-2017 dated 09.10.2017 valid upto 08.10.2019. First extension was granted upto 08.04.2021 and second extension was granted upto 08.07.2022. The promoter had applied for third and fourth extension upto 08.07.2024.

2. When the matter was last considered by the Authority on 24.01.2024, Authority observed as follows:

"8. Authority observes that promoter is seeking extension for 3rd and 4th year. Hence, Authority decided that audit of project be got conducted from a CA firm empanelled by Authority and a public notice in newspapers be got published for inviting objection from general public. After that extension request will be considered.

9. Adjourned to 20.03.2024."



3. In compliance of above orders, M/s Baldev Kumar & Co. was appointed as an auditor to conduct the audit of the project vide letter dated 20.03.2024. Public notice was published in newspapers on 02.03.2024. However, no objections have been received till date.

4. M/s Baldev Kumar & Co. submitted its report on 21.05.2024 stating as under:

i. The project consists of 211 units out of which 140 units have been sold and 71 units are unsold.

ii. The company has not opened the separate bank accounts as per the provisions of RERA. The details of the bank accounts currently being used by the promoter as disclosed to the auditor are:

a. 915020009597188 Axis Bank: The statement for said account has been provided only till 07.02.2019 since as per company there has been no transactions in the said account after this date. The company has declared this account as collection account, but auditor has not observed any collection from customers being credited in the said account from the date of registration till 07.02.2019.

b. 915020000146907 Axis Bank: Said account is being used to incur expenditure related to the project.

iii. It has been declared that no flat has been sold since HRERA registration apart from 2 cancelled units which have been resold/transferred to other allottees.

iv. As per CA certificate dated 20.12.203 which has been uploaded on the RERA portal as part of QPR statements, the net collection from allottees during the period 01.04.2017 to 31.12.2023 is ₹3.17 crores.

The promoter has refunded certain amounts to allottees on account of refunds/settlements/court orders and certain amounts towards outstanding dues including credit of delayed possession penalties to allottees as adjustment towards their amount receivables. But all such transactions have been done through other Head Office accounts, for which the auditor has not received the statements.

v. The promoters have spent an amount of ₹209.78 cr towards the project and received an amount of ₹150.45 crores from the allottees.

vi. There is a legal dispute with MCF towards unpaid dues of land whereby MCF has raised demand notice for unpaid dues and in case of non-payment of the said dues, the MCF can cancel the allotment and forfeit the already deposited amount. There is unpaid principal of ₹41.39 crore to MCF towards land cost. Further, the receipts of ₹150.45 crores from allottees includes an amount of ₹24.31 crore on account of cancelled flats which are 22 in no. and have been included in unsold inventory.

vii. There are 22 litigation cases with an amount involved of ₹33.60 crores.

viii. Work completed includes club house, Gym area, Swimming Pool, common recreational facilities, parking facilities etc. Some families are already living in the said flats. The construction work of villas is under progress as on the date of visit (09.05.2024).



It is pertinent to mention that entire audit report is based as per the information provided by the promoter and on basis of verification of record produced before the auditor.

5. The promoter vide letter dated 22.05.2024 has requested to provide a copy of the audit report of the project.
6. The matter was last considered by the Authority on 01.05.2024 wherein report of auditor was awaited and hence it was adjourned to 07.08.2024. The promoter vide letter dated 22.05.2024 has requested for early hearing.
7. The promoter has filed another application on 22.05.2024 seeking extension of the project for the fifth year (which if granted can be given upto 08.07.2025). The promoter has submitted that the project work is totally completed and the company is in a position to hand over the possession of most of the units to buyers with immediate effect. The promoter has received NOC from various competent authorities.
8. Promoter has filed QPR upto December 2023.
9. Mr. Rishabh, Authorized Representative informed that they have applied for OC to MCF in the year 2020 and at present 27 flats have been occupied by allottees. Only five complaints are pending in RERA Panchkula and 7-8 complaints in NCDRC. After consideration, Authority decided as under:-
 - i. Promoter should submit an affidavit stating that no sale has been effected after the grant of registration certificate.
 - ii. As per Audit Report, promoter is not maintaining any RERA Account in Banks as per provision of Section-4(2)(1)D of RERA Act, 2016. Promoter should open a RERA Account of project supported by CA certificate that amount in other banks accounts has been transferred to RERA Account.
 - iii. A copy of audit report be sent to the promoter for comments.
10. Adjourned to 21.08.2024



True copy

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5/6/24.

[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.

LA (Ashima)