



HARYANA REAL ESTATE REGULATORY AUTHORITY, PANCHKULA.

Mini Secretariat (2nd and 3rd Floor), Sector-1, Panchkula.

Telephone No: 0172-2584232, 2585232

E-mail: officer.rera.hry@gmail.com, hrerapl-hry@gov.in

Website: www.haryanarera.gov.in

Extract of the resolution passed by the Haryana Real Estate Regulatory Authority, Panchkula in its meeting held on 24.07.2024.

Item No. 260.31

Change in Bank accounts of registered projects-Model Economic Township Limited.

Present: Mr. Sanjay Jindal and Mr. Sukhvir Jain.

1. The promoter vide letter dated 27.03.2024 has requested to update the new bank accounts in the following registered projects: -

Sr	Project	Reg. No	Area (acres)	Old Bank accounts-70% RERA Account			New Bank accounts-70% RERA A/c		
				Bank A/C No.	Bank	Balance as on 31.03.24	Bank Account no.	Bank	Balance as on 31.03.24
1	Model Economic Township Ltd.-Sec-3	HRE RA-PKL-JJR-1-2018	258.44	05720310000791	HDFC BANK		459405000048		
2	Model Economic Township Ltd.-Sec-4,5&7	HRE RA-PKL-JJR-6-2018 and HRE RA-PKL-JJR-195-2020	580.72	57500000060362	HDFC BANK	300 0	459405000049	ICICI BANK ICICI BANK 0 0	
3	Model Economic Township Ltd.-High-Mart Sec-7	HRE RA-PKL-JJR-234-2021	4.96	000272400000022	YES BANK	47,000	459405000037	ICICI BANK 0	
4	Model Economic Township Ltd.-Pkt-L Sec-8	HRE RA-PKL-JJR-253-2021	79.756	57500000761452	HDFC BANK	526	459405000036	ICICI BANK 0	
5	Model Economic Township Ltd.-Sec-	HRE RA-PKL-JJR-	125.36	59209818809038	HDFC BANK	882	459405000051	ICICI BANK 0	



(1/2)

	2B	312-2022							
6	Model Economic Township Ltd Resi J & K	HRE RA-PKL-JJR-320-2022	54.638	59219818809038	HDFC BANK	0	459405000038	ICICI BANK	0
7	Model Economic Township Ltd.- Supermart Sec-8	HRE RA-PKL-JJR-329-2022	3.356	99939898989898	HDFC BANK	0	459405000040	ICICI BANK	0
8	Model Economic Township Ltd Resi C & D	HRE RA-PKL-JJR-365-2022	34.931	99935757575757	HDFC BANK	0	459405000041	ICICI BANK	0
9	Model Economic Township Ltd.-Sec-10A	HRE RA-PKL-JJR-375-2022	85.703	99924545454545	HDFC BANK	0	459405000034	ICICI BANK	0
10	Model Economic Township Ltd (MET Habitat)	HRE RA-PKL-JJR-472-2023	20.395	99990000004239	HDFC BANK	0	459405000039	ICICI BANK	0
11	Model Economic Township Ltd Resi Sec 2A	HRE RA-PKL-JJR-456-2023	49.584	99990000004240	HDFC BANK	0	459405000035	ICICI BANK	0
12	Model Economic Township Ltd Resi Pkt E	HRE RA-PKL-JJR-539-2024	14.194	777705001243	ICICI BANK	0	777705001243	ICICI BANK	0
13	Model Economic Township Ltd Sec11	HRE RA-PKL-JJR-554-2024	148.69	99910999999923	HDFC BANK	0	459405000031	ICICI BANK	0

2. The case was placed before the Authority in its meeting held on 08.05.2024 vide item no. 252.12 wherein the Authority observed that promoter has opened RERA Bank Accounts in ICICI Bank without permission of Authority and thus violated the provisions of Section-4 (2) (1) (d) of the Act. The Authority therefore decided to issue a show cause notice under Section-35 read with Section 61 of the RERA Act, 2016 for changing the RERA Bank Accounts without the permission of the Authority and why penalty for changing the said bank accounts should not be imposed ?

3. In view of the above, show cause notice dated 05.06.2024 was issued to the promoter.

4. Now, vide reply dated 02.07.2024, the promoter has submitted that: -



(Signature)

- i. METL has been banking with HDFC Bank since inception of the Company in 2006 and as such earlier opened project specific bank accounts (collection and 70% accounts) with HDFC Bank.
- ii. In the meantime, RBI, vide circular dated 6 August 2020, has mandated that the current account shall be opened by the bank, who has credit exposure of the borrower in the banking system.
- iii. Their funding requirements were fully met by group company. However, they were required to submit performance bank guarantee to DTCP and electrical department for obtaining licenses/approvals. Thus, to meet these requirements, they have presently non-fund -based exposure from three banks namely SBI, Yes Bank and ICICI Bank.
- iv. Inspite of continued discussions with HDFC on terms of facility agreements, HDFC did not execute these agreements and thus did not take any credit exposure with METL.
- v. Due to sudden closure of two of bank accounts around 12th Mar'24, their collections from customers got bounced and they faced lot of embarrassment before the customers. Subsequently, suddenly, HDFC gave them notice that in compliance of RBI directions, all the bank accounts maintained with them will be closed/blocked wef 30th Mar'24 thus creating an emergency for us. Immediately thereafter, to protect operations and have operative bank accounts to collect instalments received from allottees and also to transfer 70% of such collections in separate bank accounts for compliance under the Act, they had no choice but to open set of collection and 70% accounts with ICICI Bank for all the projects on immediate basis and assigned these accounts to various RERA registered projects.
- vi. The above was intimated to the Authority, Panchkula, vide letter dated 26th Mar'24, immediately after opening of the new bank accounts but before they started the operations.
- vii. METL is fully law compliant company, which is witnessed from the fact that funds to the tune of Rs. 600 Cr are lying in FD with banks in compliance of the Act.
- viii. They have received a show cause notice from Hon'ble RERA Authority, vide letter dated 5th Jun'24, why penalty should not be imposed for changing the bank account without permission of the Authority in violation of Section 4 (2) (D) of the RERA Act. The hearing is fixed on 24th Jul'24.



7. The promoter stated that there is no requirement under the Act, including the section referred in notice, to obtain prior approval of the Hon'ble Authority for change of bank accounts. The new bank accounts were opened in emergency situation when HDFC suddenly closed all bank accounts w.e.f. 31st Mar'24 to protect collections and also to do compliance under the Act for transfer of 70% of the amount collected from allottees, they requested for sympathetic consideration of the Authority in the matter and approve new bank accounts opened by METL with ICICI Bank. The matter is listed for 24.07.2024.
8. Authority observes that at the time of registration of project, RERA bank Account details are submitted to Authority which is in public domain. Any change of account requires approval of Authority. However, Mr. Jain explained that HDFC Bank had suddenly closed the accounts w.e.f. 31.03.2024. In order to protect the interest of allottees and to transfer 70% amount for project infrastructure, METL had opened accounts in ICICI Bank.
9. After consideration, Authority decided to allow change of bank accounts in ICICI bank with following conditions:-
- Bank account change details will be got published in two leading newspapers.
 - All the allottees will be informed through letter/ e-mail under intimation to Authority.
10. Adjourned to 09.10.2024



[Handwritten signature]
14/8/24

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 (Shubham)