HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

COMPLAINT NO. 1081 of 2020

HRERA, Panchkula ...COMPLAINANT

VERSUS

Parsvnath Developers Ltd. ....RESPONDENT

CORAM: **Dr. Geeta Rathee Singh** **Member**
Nadim Akhtar **Member**

Date of Hearing: 21.11.2023

Hearing: 20th

Present: - None.

ORDER (NADIM AKHTAR- MEMBER)

This suo-motu complaint was registered in respect of registration no.132 of 2017 dated 28.08.2017 granted for a group housing project namely "Parsvnath Preston" measuring 6.73 acres, which lapsed on 31.12.2019.

2. The Authority on 30.01.2023 had observed that since the registration already stands lapsed therefore the promoter is directed not to sell any unsold

inventory or create any third party rights in the project. Further, as the registration stands expired on 31.12.2019 and the promoter has neither applied for extension nor submitted any information/documents pertaining to the completion of the aforesaid project within the time period of registration, therefore, the Promoter was directed to show cause as to why the registration granted be not revoked as per provisions of Section 7 of the Real Estate (Regulation & Development) Act, 2016.

2. Thereafter, on 05.07.2023 and 21.08.2023, the matter was adjourned on the request of counsel of respondents Adv Rupali Verma.

3. Now, vide reply dated 24.08.2023 the promoter has submitted the following:-

a) That they were granted registration on 28.08.2017 which was valid upto 31.12.2019. Subsequently, vide letter dated 18.11.2021 they applied for extension of registration in terms of Section 6 of the RERA Act, 2016 and the same is still pending before the Authority.
b) That on 30.01.2023, this complaint was listed before this Hon'ble Authority. However the same could not be attended due to some technical clutch and on the said date, this Hon'ble Authority has issued show cause notice as to why the RERA registration should not be revoked.
c) That on 25.04.2023, they appeared and sought time for filling reply to the observations made by the Authority.
d) That after obtaining the RERA registration in the year 2017 with respect to the said Project, the company had resembled all the resources for completion of the said Project and started the work at the project site. The company was having substantial inventory in the said project which was planned to be sold in the market in order to create liquidity in the said project. However, due to the bad condition of the market, the further sale of the flats could not take

place and further the outstanding of the dues was also not cleared by the Buyers despite of various reminders and demands sent to the buyers from time to time. Hence all such situation caused liquidity issue in the said project which resulted into the delay in completion of the Project.

e) That the entire nation was trembled down with the sever effect of pandemic Covid-19 whereas the National lockdown was declared by the central Govt. w.e.f. March, 2020 and the same was remained in effect till September, 2020 in complete manner. It is stated that again the second wave of covid-19 pandemic hit the nation in the year 2021 whereas no person left to be affected with the ill effect of the same and everyone have lost the life of their near and dear. During such pandemic periods every sector of economy like business, companies, industries, shops, individuals etc. suffered a lot and the financial capacities of each one is affected. That during such period labourers had gone to their native places and other resources required for construction was also not available. Hence all such adverse conditions resulted delay in completion of the project.

f) That substantial number of buyers have approached different foras and court/ authorities seeking refund of the amount deposited by them with interest whereas the orders have been passed thereby directing to refund the amount alongwith interest which also affected the liquidity of the company as the company is bound to make compliance of the orders passed by the Court/Commissions/ Authority.

g) That after grant of RERA Registration till now, almost 70 number of bookings have been cancelled where the amount deposited by the customers have been refunded. In addition, still some cases are going on relating to the said project whereas the customers have sought refund of the amount with interest and not

interested in continuing with the booking of the flat. Therefore they are also clearing the outstanding dues against their respective booking.

h) That as on date a sum of Rs.4.45 crore stands outstanding which is payable against the flats booked by the customers. That all such situation forced the company to change the planning of the said Project and therefore applied for the revised Building plan of the said Project under licence no. 1205/2006. The company decided to surrender the part of the land admeasuring 2.67 acre and therefore filed its application with respect thereto. The said application was principally approved by the DCP Haryana. Further in addition to this the Company has also handed over the land admeasuring 4.10 acre to the Govt. for Sector Road, therefore the entire planning of the project was changed and the company had to submit its revised plans for approval.

i) That the revised zoning plan has been approved by the DTCP vide letter dated 21.04.2023 and in terms of the same the company will be filing the revised Building plan with the Authority for its approval after completing all the requisite formalities of the department which may take another 3-4 months for approval. Hence with all bonafide beliefs and in the interest of the project as well as the allottees, the promoter has requested not to revoke the RERA Registration under the provisions of section 7 read with section 8 of RERA Act, 2016 and keep the extension application pending till such time as the company is making all its best endeavors to get the plan sanctioned at the earliest in order to complete the construction accordingly.

j) That the company has been making all best efforts to complete the project at the earliest therefore has joined hands with one reputed Investor in order to complete the Project at the earliest and the work shall be started once the revised Building Plan is sanctioned. In addition to this, the Promoter is not evading from its own liability towards completion of the Project and trying to

put all endeavors towards completion of the Project. Moreover, the Promoter is trying to settle the dispute with the Buyers.

k) That an application for extension of the RERA Registration is pending since November, 2021 which could not be granted or allowed till now due to various reasons not attributable to the company at all. Hence all such period lapsed without any fault at the end of the company should not be reckoned and should be considered as zero period while granting the extension and the RERA registration granted for the said Project should not be revoked. Further, the grant of extension of the RERA Registration by the Hon'ble Authority shall boost up the Project and encourage the Buyers for making the payment of the outstanding amount so that the construction could be speeded up and completed at the earliest. In view of the above submissions, the promoter has requested the Authority to consider their request and not to take any action under the provisions of section 7 read with section 8 of the RERA Act, 2016 with regard to the revocation of the RERA Registration and further keep the extension application of RERA Registration of the said Project pending till such time.

3. In view of the averment of respondent at (k) above, the Authority observes that the case relating to the extension of registration submitted on 18.11.2021 was placed before the Authority in its meeting held on 29.11.2023 wherein it was observed that *the item was withdrawn with the permission of the chair as the matter has already been considered by the Authority while hearing suo motu complaints.*

4. Further, the Authority vide its orders dated 29.11.2023 in the present complaint, has already directed Sh. Sanjeev Jain, Managing Director of the company to submit a comprehensive action plan for development of the project and also the source from which funds will be arranged. It was also observed that further decision will be taken after furnishing of this information. Thereafter, no reply has been

received from the promoter. Today also, no one has appeared on behalf of the respondent/Promoter. Therefore, the Authority hereby directs the promoter to show cause as to why penalty proceedings U/s 60 and 61 read with Section 63 for contravention of the provisions of the Act and not complying with the orders of the Authority be not initiated.

4. Adjourned to **12.02.2023**.

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DR. GEETA RATHEE SINGH
[MEMBER]

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NADIM AKHTAR
[MEMBER]