



HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

COMPLAINT NO. (Suo-Motu) (Monitoring) 147 of 2023

HRERA, Panchkula

...COMPLAINANT

VERSUS

Choice Real Estate Developers Pvt. Ltd.

....RESPONDENT

CORAM:	Parneet S Sachdev	Chairman
	Nadim Akhtar	Member
	Dr. Geeta Rathee Singh	Member
	Chander Shekhar	Member

Date of Hearing: 07.08.2024

Hearing: 7th

Present: Sh. Ravinder Singh on behalf of Respondent.

ORDER (Parneet S Sachdev-Chairman)

The present Suo-Motu complaint was registered against the respondent promoter u/s 35 of the RERA Act, 2016 to monitor the progress made after the grant of second extension on 9th February, 2022 relating to the registration of project.

A show-cause notice dated 16.01.2023 was issued to the promoter for explaining whether any development works have been executed between the 2nd extension granted from 31.03.2021 to December 2022 and the application for grant

for 3rd extension submitted on 05.12.2022 in the project namely; "Vipul Pratham Apartments"- Group Housing Colony on land measuring 6.369 acres forming part of a larger colony measuring 9.60 acres.

2. Authority decided to get the audit conducted of the project and appoint a Local Commissioner to report progress of project. Authority also directed the promoter not to sell any unsold inventory or create any third-party rights in the project till further extension is granted.

3. Public notices were issued on 23.08.2023 and no objections were received. Vide letter dated 08.09.2023, M/s Kant Goyal and Associates were appointed to audit the project and audit report was received on 06.10.2023. Vide letter dated 27.09.2023 M/s Pro-Tech Consortium were appointed as Local Commissioner and LC report was received on 16.10.2023. On 30.10.2023, after examining the auditor and local commissioner report, the Authority decided that *a copy of auditor's report and Local Commissioner report be sent to the promoter for comments, bank account of promoter be freezed and promoter be personally present on the next date of hearing i.e. 08.01.2024.*

4. Both the reports were sent to the promoter on 06.12.2023 and the promoter was directed to submit a reply within two weeks and the director of the company be personally present before the Authority on 10.01.2024. The promoter submitted his reply on 01.01.2024 which was placed before the Authority on 10.01.2024 in the agenda proceedings. *Since the promoter did not appear personally, on 10.01.2024 the Authority decided to impose costs of Rs. 50,000/- on the promoter. However, on the request of the promoter dated 04.01.2024, the agenda proceedings were adjourned to 28.02.2024.*

5. On 28.02.2024, Sh. Ravinder Singh appeared on behalf of the promoter and stated that promoter cannot appear personally on medical grounds. Hence, Authority decided to impose additional cost of Rs. 20,000/- on the promoter, and

Authority granted one last opportunity to the promoter to appear personally on the next date of hearing. Further, the promoter was directed to submit the penalty amount in the registry of the Authority and also submit information regarding the stage of development of the project, status of the Escrow account & amount received by the promoter from sale of units.

6. Vide reply dated 05.03.2024, the promoter submitted Rs. 70,000/- vide DD No. 264275 dated 02.03.2024 and vide reply dated 19.03.2024, submitted the:

1. Quarterly Report of Physical and Financial progress for quarter ending 31st December, 2023 certified by an Engineer, Architect and Chartered Accountant with respect to Vipul Pratham Apartments.

Internal Roads & Footpaths	5%
Sewerage (Chamber, Lines)	1%
Storm Water Drains	0%
Landscaping & Tree planting (playgrounds/parks)	0%
Building block	60%
Boundary Wall/gate	80%
Treatment and disposal of sewage and sullage water	0%
Water Supply	20%
External electrification/lighting	10%

2. CA certificate dated 17.02.2024 states that 'on the basis of verification of books of accounts and information provided to us by the promoter': (Rs. in Cr.)

Description	Progress as on 30.09.2023	Progress during the current Quarter	Cumulative progress as on 31.12.2023
<i>Details of amount received from sale of flats</i>	40.12	Nil	40.12
<i>Details of amount kept in separate account with ref. to 70%</i>	2.63	Nil	2.63

Note- For the quarter, the incremental collection amount (net) is NIL. Hence the amount kept under RERA Account with reference to 70% is also Nil.

Further, amount kept in separate account has been utilized towards cost of construction and land cost as per the Act and Rules.

7. On 10.04.2024, the promoter was directed to submit a realistic cash flow of the project, quarterly resolution plan and amount received from the allottees since institution of this project.

8. On 01.05.2024, Authority directed the respondent to submit an application for continuation of registration for 4th year and directed the office to examine the reply and place it before the Authority on the next date of hearing.

9. The promoter vide reply dated 01.05.2024 has submitted a quarter wise resolution plan stating that the project will be completed by October 2025 and work in progress of various facilities from April 23 to March 24 which is as follows:

Architect & legal fees:	15.51 lacs
Construction & civil work:	30.81 cr.
Electricity & sanitary expenses:	1.08 cr.
Other site expenses:	5.51 cr.
Advertisement expenses:	64 lacs
Total:	38.20 cr.

The promoter has also submitted CA certificate dated 26.04.2024:





Collection from customers	39.15 cr.
Promoter's contribution	33.97 cr.
Total inflow:	73.12 cr.
Construction and incidental expenses	38.21 cr.
Approval cost of land (IDC etc)	25.18 cr.
Advance to contractors &	
Landowners (net of payables)	9.73 cr.
Total outflow:	73.12cr.

- Another CA certificate states the following:

Date of registration:	20.08.2018
Opening balance as on 20.08.2018:	1,13,061
Promoter's contribution	69,25,000
Collection from customers	3,00,000
Total inflow:	72,25,000
Construction and other exp	72,12,998
Balance t/s to promoter's a/c	1,25,063
Total outflow:	73,38,061

10. The promoter is directed to submit detailed report regarding services laid down, percentage & cost of work completed. The promoter should inform how much work is done in the last quarter with photographs (with dates) and total units sold/remaining in the project. The Promoter should also submit an undertaking *that* they have complied with the provisions of Section 4(2)(1)D of RERA Act, 2016 which states *that 70% of the amount realized from the allottees, from time to time, shall be deposited in a separate account to be maintained in a scheduled bank as mentioned in REP-1.*

11. Adjourned to 19.02.2025.

			
Chander Shekhar	Dr. Geeta Rathee Singh	Nadim Akhtar	Parneet S Sachdev
Member	Member	Member	Chairman