

**BEFORE THE HARYANA REAL ESTATE REGULATORY
AUTHORITY, GURUGRAM**

Complaint no. : 4863 of 2020
Date of first hearing : 11.02.2021
Date of decision : 04.10.2021

HARERA, Gurugram
R/o New PWD Rest House, Civil Lines,
Gurugram.

Complainant

Versus

M/s Navraj Infratech Pvt. Ltd.
M/s Navraj Farms Pvt. Ltd.
412, 4th floor,
Vipul Trade Centre,
Sector-48, Gurugram-122001

Respondent

CORAM:

Shri KK Khandelwal
Shri Samir Kumar
Shri Vijay Kumar Goyal

Chairman
Member
Member

APPEARANCE:

None

ORDER

1. This matter relates to advertise, market, book, sell or offer for sell or invite persons to purchase in any manner any plot, apartment or building, as the case may be in any real estate project or part of it, in any planning area without registering the real estate project with the Real Estate Regulatory Authority established under the Real Estate (Regulation and Development) Act, 2016.



2. The particulars of the project have been detailed in the following tabular form:

S.No.	Heads	Information
1.	Project name and location	Avenue 34 and Sector-34, near dpgitm college, Gurugram
2.	Name of the developer	M/s Navraj Infratech Pvt. Ltd. and M/s Navraj Farms Pvt. Ltd
3.	Nature of the project	Residential plotted colony
4.	Area of the project	3 acres
5.	No. of plots	131
6.	Registered/ not registered	Not registered

3. It has come to notice of the authority that the promoter has given advertisement on networking and messaging applications i.e., Facebook and WhatsApp for selling of plots in the project named "Avenue 34". As on today the area of the land being developed exceeds 500 square meter in the project. Therefore, the project is not exempted under section 3(2)(a) of the Real estate (Regulation and Development) Act, 2016 and



as per proviso of section 3(1) of the Real Estate (Regulation and Development) Act, 2016, the promoter is mandated to register their project with this authority. However, it was also observed that the advertisements on the social media and messaging apps did not display RERA registration no/website address, which is mandatory condition precedent to market, advertise or to sell any real estate project. On the basis of the advertisement, the engineer executives of the authority visited the site of the project on 19.12.2020 and it was observed that promoter has prepared layout plan for marketing of the project and same was show at site. Further the work for construction of roads is progressing at site and structure work on 3-4 plots have also been started. Photographs of the project site has been placed on record.

4. As per section 3(1) of the Real Estate (Regulation and Development) Act, 2016, prior registration of real estate project with the Real Estate Regulatory Authority is mandated. However, the promoter has not applied for registration of their real estate project with the Haryana Real Estate Regulatory Authority, Gurugram till date. This advertising, marketing, booking, selling or offering for sell or inviting persons to purchase in any manner any plot, apartment or



building, as the case may be in any real estate project or part of it, in any planning area without registering the real estate project with the Real Estate Regulatory Authority established under this Act is violation of section 3 (1) of the Act ibid which provides as under: -

"No promoter shall advertise, market, book, sell or offer for sale, or invite persons to purchase in any manner any plot, apartment or building, as the case may be, in any real estate project or part of it, in any planning area, without registering the real estate project with the Real Estate Regulatory Authority established under this Act.

5. In reference to the above a show cause notice no. RERA-GRG-4863-2020 dated 11.01.2021 to M/s Navraj Infratech Pvt. Ltd. was issued for above violations of the Real Estate (Regulation and Development) Act, 2016 and the promoter was directed to submit a reply and appear before the authority on 11.02.2021 as to why penal proceeding may not be initiated for not getting the project registered.
6. Thereafter, the Mr. Ravinder Singh advocate along with the director Mr. Naveen Yadav of M/s Navraj Infratech Pvt. Ltd. appeared before the authority for personal hearing on 11.02.2021 and stated that the project is not being developed



by them and also requested for adjournment to file a detailed reply to the show cause notice whereas no reply was filed by the promoter in regard to the matter.

7. In order to confirm the marketing/advertisement/ sale/ purchase in the project, a representative of the authority was sent to book a plot in the project. Thereafter a plot of 200 sq yard was booked on 05.03.2021 by depositing a check of Rs 13,20,000 in favour of M/s Navraj farms Pvt. Ltd. and the receipt of the same was placed on record. The advertisements were carried out by M/s Navraj Infratech Pvt. Ltd. and booking was done by M/s Navraj Farms Pvt. Ltd whereas on scrutiny of the master data of the companies on the website of Ministry of Corporate Affairs, it was found out that the shareholders of both the companies are same i.e., Mr. Naveen Kumar and Mrs. Sunita.

8. Thereafter in the hearing dated 21.06.2021 Mr. Rohan Rao (Executive) on behalf of M/s Navraj Infratech Pvt. Ltd appeared before the authority and requested for the adjournment as they were in the process of changing the advocate. As per the request made by the promoter, adjournment was granted by the authority. Further in the hearing dated 05.07.2021 Mr. Yatish Goel advocate appeared



on the behalf of the promoter and submitted the reply stating that M/s Navraj Infratech(P) Ltd. has "never "advertised, marketed, booked, sold or offered for sale or invited persons to purchase in any manner, any plot, apartment or building in the project "Avenue 34" located in Sector- 34, Gurugram, hence the Company M/s Navraj Infratech Pvt. Ltd. has not contravened section 3(1) of the Act in any manner whatsoever". Considering the submissions made by the LR on behalf of the promoter and the evidence placed on record, authority accordingly decided implead M/s Navraj Farms Pvt. Ltd. in the matter as booking was accepted by them. The LR was also directed to submit details of assets of both the companies and individual assets of the directors before the next date of hearing in the matter. The estimated cost of the project as determined by the authority comes to be Rs. 24 crores and the directed to submit estimated cost of the project or may respond to the estimated cost of the project whereas no details were submitted by the promoter in context to above direction.

9. Thereafter a reply was filed by the promoter M/s Navraj Farms Pvt Ltd. on 19.07.2021 stating that the company is neither the promoter nor connected said project in any



manner. The company is neither the registered owner of the alleged project land except one acre of land, nor has carried out any development on said land and said one acre land is lying vacant. Further the promoter claims that the M/s Navraj Farms Pvt. Ltd. has never advertised, marketed, booked, sold any plot in the project.

10. The authority on the above submissions is of the considered view that it cannot be denied that the project is being advertised/ marketed by the promoter as the facts claimed by the promoter in the reply dated 19.07.2021 is contradictory as the promoter have not submitted any relevant supporting document such as sale deed of the land, shajra plan and demarcation plan which bifurcates the project land as well as the said one acre land which the promoter claims that they only own one acre land which is left vacant. Further if land on which the project is being developed doesn't belong the promoter than in which legal capacity the promoter has collected the cheque of Rs. 13,20,000/ against the 200 sq yard plot being developed in the project. Further the advertisements and marketing plan being shared on the messaging apps clearly specify that the promoter is advertising the project.

11. On consideration of the circumstances, the evidence, site reports and other records and submissions made by the promoter during the course of hearing, authority is satisfied that the promoter has violated the provisions of section 3 (1) of the Real Estate (Regulation and Development) Act, 2016. This, omission of the promoter is punishable under section 59 (1) of the Act *ibid.* section 59(1) provides as under:

"If any promoter contravenes the provisions of section 3, he shall be liable to a penalty which may extend up to ten per cent. of the estimated cost of the real estate project as determined by the Authority."

12. Hence, the authority hereby decided to impose a penalty of Rs 25 lakhs/- (Twenty-Five lakhs) which equally be distributed on both the promoters i.e., Navraj Infratech Pvt. Ltd. & Navraj Farms Pvt. Ltd. and which shall be deposited in the authority within one month and shall be credited in the government account within a prescribed period as per rules. The promoter is again directed to apply for registration within a period of one month from the date of this notice otherwise it may further attract penalty in terms of section 59 (2) of the Act. Further the promoter is hereby directed not to carry any such malpractice in future projects and should mandatorily comply

with all the provisions of this Act. In the event any such non-compliances of the provisions of the Act comes to the notice of this authority then stringent action shall be taken against the promoter including but not limited to facing legal consequences applicable as per the Act.

13. The matter be disposed off.


(Samir Kumar)
Member


(Vijay Kumar Goyal)
Member


(Dr. KK Khandelwal)
Chairman

Haryana Real Estate Regulatory Authority, Gurugram
Dated: 04.10.2021

HARERA
GURUGRAM

