

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

Complaint no. : 2275 of 2021
Date of first hearing: 21.06.2021
Date of decision : 04.10.2021

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

Complainant

Versus

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	Palm Exotica and Gairathpur Bas, Gurugram
2.	Name of the developer	M/s Navraj Farms Pvt. Ltd.
3.	Nature of the project	Residential Farmhouses
4.	No. of farmhouses	22
5.	Registered/ not registered	Not registered

3. It has come to the notice of the authority that an advertisement has been published on online portals i.e., www.plotsmarket.com and www.makaan.com for selling of residential farmhouses in the project named "The palm Exotica" situated Gairathpur Bas, Gurugram. The promoter has also published a detailed brochure describing all the specifications and facilities of the project which is being floating in the real estate market for the marketing/advertisement of the project. 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. As on today the no. farmhouses being developed exceeds eight in the project and therefore, the project is not exempted under section 3(2)(a) of the Real estate (Regulation and Development) Act, 2016

4. The brochure clearly describes the project in the following words **“The Palm Exotica Luxury Beyond Boundaries. Welcome to a life where you can live the abundant and exhilarating moments you have always craved for. The stunning contemporary design redefines the classic urban environment. Luxury amenities, distinctive lifestyle and an enlivened, welcoming mother nature complete your grand living experience, immerse yourself in the enchanting luxury and enjoy the best, life has in store for you at the Palm Exotica”**.
5. The brochure clearly describes the exotic amenities offered in project such as **tennis court, yoga deck, organic farming, 24/7 water supply, housekeeping services, outside kids playing area, 24/7 power backup, laundry services, aromatic plantations and rainwater harvesting etc. Further a marketing plan has also been published in the**

brochure along with the detailed specifications being offered in the farmhouses.

6. The brochure also describes about the developer i.e., “Navraj Farms Pvt. Ltd. has emerged as a leading real estate company in Gurgaon. Our brand navraj farms stands for quality, commitment and value for money”. The brochure has also detailed about the floor plans of the farmhouses and location map of the project.
7. 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.

8. In reference to the above, a show cause notice no. RERA-GRG-2275-2021 dated 21.05.2021 to the M/s Navraj Farms 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 21.06.2021 as to why penal proceeding may not be initiated for not getting the project registered.
9. Thereafter, Mr. Rohan Rao (Executive) appeared on behalf of the promoter for the personal hearing and stated that he has no knowledge about the project neither he is the concerned person to brief the issue. The representative on behalf of the company did not had any authorization to represent the case pending before the authority, nor any reply was filed by the promoter in the matter and it seemed that the promoter is not pursuing the matter seriously. Therefore, authority directed the promoter to file the reply in the matter and to authorize a concerned person having requisite information of



the project to represent the case before the authority. Further authority also directed the Engineer Executives of the authority to visit the site of the project and submit the status report of the project before next date of hearing.

10. The site of the project was visited by the Engineer Executives of the authority as a dummy purchaser on 22.06.2021 wherein Sh. Manoj Yadav meet on the project site. Sh. Manoj Yadav stated that he is the landowner along with two other members i.e., Sh. Raj Yadav and Sh. Naveen Yadav. Sh. Manoj Yadav took the engineer executives in the sample farmhouse developed on the project site and further the site of the project was visited along with him, and the detailed description of the site visit is as below:

- I. It was observed that promoter is developing 22 farmhouses (Size 1200-1400 sq. yards) over an area measuring 10 acres. The promoter at present has developed 2 farmhouses from which one is used as sample farmhouse for marketing of the project and the second farmhouse is handed over to an allottee who is residing there. Further, the structure work for third farmhouse is progressing.
- II. The work for internal roads and landscaping is complete and work for the community building has just started.
- III. The promoter is also developing farmhouses (size approx 1 acre) other than these farmhouses approximately over an area measuring 25 acres adjacent to 22 farmhouses land and as per the conversation with Sh. Manoj Yadav no approvals



has been taken for that project till date. The construction of road is progressing in this area of project.

IV. The promoter has developed his sales office in sector-69, Gurugram from where the executives on behalf of the company are sent with investors for the site visit of the project and all the booking of the units are done in the office itself.

11. Thereafter Mr Yatish Kumar Goel appeared on behalf of the promoter in hearing dated 05.07.2021 and made submissions that he has been engaged by the promoter only recently and files and papers have not been given to him by the promoter. He requested for a week's time for filing reply and same was granted by the authority and the matter was adjourned to 19.07.2021. Further in the hearing dated 19.07.2021 the LR on behalf of the promoter made a request for the inspection of file and same was allowed by the authority. Thereafter, the promoter had submitted a reply in the authority on 02.08.2021 stating that the promoter i.e., M/s Navraj Farms Pvt. Ltd. has no project by the name "Palm Exotica" sector-68, Gurugram. They have an agricultural land measuring 23 kanal 5 marla in the village Gairathpur Bas, Gurugram which is 10 km away from sector-68, Gurugram. They are carrying out organic farming and farming of medical



plants on the said land under the guidance and supervision of experts. In order to supervise the farming, the company has constructed one house for directors of the company and some relevant quarters for the workers working on the agriculture farm. The promoter 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 "Palm Exotica" located in sector-68, Gurugram

12. 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 02.08.2021 that no project has been launched by them in the name "Palm Exotica" are contradictory as a detailed brochure has been published by the promoter clearly depicting the project "Palm Exotica" and its services which is used for marketing of the project and the same has been placed on the record. Further as per site report of the project, it does not seem that the land is used for organic farming and sample farmhouse has been developed at the project site for the marketing of the project and as per the photographs placed on record, it is evident that the promoter is developing farmhouses in the project.




13. 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."

14. Hence, the authority hereby decided to impose a penalty of Rs 25 lakhs/- (Twenty-Five lakhs) on M/s Navraj Farms Pvt. Ltd. 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. 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.

15. The matter is disposed off.


(Samir Kumar)
Member


(Vijay Kumar Goyal)
Member


(Dr. KK Khandelwal)
Chairman जयते

Haryana Real Estate Regulatory Authority, Gurugram
Dated: 04.10.2021

HARERA
GURUGRAM