



BEFORE THE HARYANA REAL ESTATE REGULATORY AUTHORITY, GURUGRAM

Suo Motu complaint No.	RERA-GRG-2544-2022
Registration No.	15 OF 2019 dated 01.04.2019
Name of promoter	M/s Mahira Buildtech Pvt. Ltd.
Name of project	Mahira Homes 103
Location of project	Sector 103, Gurugram
Date of order	11.03.2024

ORDER

1. The Director of Town & Country Planning, Haryana (DTCP) granted license no. 31 of 2019 dated 01.03.2019 under the Haryana Development and Regulation of Urban Areas Act, 1975 & Haryana rules 1976 made thereunder for setting up of an affordable group housing colony over an area measuring 5.40347 acres in the revenue estate of village Daultabad and Tikampur, Sector-103, Gurugram Manesar Urban Complex to the following entities:

- i. Bijender Singh-Surender Singh- Dayanand Ss/o Sh. Ratan Singh
- ii. Mahesh Kumar- Satish Kumar- Shiv Kumar Ss/o Bisan Swaroop
- iii. Raj Rani Wd/o Bisan Swaroop
- iv. Kuldeep S/o Dharam Singh
- v. Gianwati Wd/o Jagdish
- vi. Rajesh- Rajeev Ss/o Jagdish
- vii. Anand Swaroop- Shree Kishan Ss/o Nawal Kishor
- viii. Sita Ram- Rambir @ Rajbir- Laxminarayan and Krishan Ss/o Abhay Ram

in collaboration with **M/s Mahira Buildtech Pvt. Ltd.**, 302 A, 3rd Floor, Global Foyer, Sector-43, Gurugram-122001.

2. The aforesaid license is granted for a period of five years and is valid upto 28.02.2024.
3. In pursuance to the above license, the promoter company i.e., M/s Mahira Buildtech Pvt. Ltd. made an application for registration of the real estate project under Section 4 of the Real Estate (Regulation and Development) Act, 2016 (henceforth called Act of 2016) to the Authority and after due consideration, the project was conditionally registered with the Haryana Real Estate Regulatory Authority, Gurugram (henceforth referred to as the Authority) with the following details:

S. No.	Particulars	Details
1.	Registration No.	GGM/321/53/2019/15 (15 of 2019)
2.	Date of registration	01.04.2019
3.	Expiry of registration	28.02.2023 + 6 months COVID 19 extension =27.08.2023
4.	Name of promoter	M/s Mahira Buildtech Pvt. Ltd.
5.	Name of project	Mahira Homes 103
6.	Area of project	5.40347 acres
7.	Nature of project	Affordable Group Housing Colony
8.	Location of project	Sector 103, Gurugram
9.	Number of towers	8 residential towers + 60 shops
10.	Number of units	800

4. However, due to various grave violations by the promoter company, i.e. M/s Mahira Buildtech Pvt. Ltd., the Director Town & Country Planning vide its order dated 17.05.2022 blacklisted the developer company, its directors,

shareholders, and other authorized signatories from grant of license under the provisions of Act 8 of 1975 in the future. The orders stated that:

"Whereas, on account of committing various grave violations in license no. 128 of 2019, 31 of 2019, 24 of 2020 and 66 of 2021 granted for development of affordable group housing colony in Sector 63-A, 103,95 & 104, Gurugram, forged and fabricated bank guarantees and also forged signatures of the bank officials /officer on the bank guarantees which was submitted by CZAR Buildwell Pvt. Ltd., at the time of grant of license no.66 of 2021 and replacement of old bank guarantees in lieu of fresh bank guarantees submitted in three other licenses as indicated above which were issued to Mahira Buildtech Pvt. Ltd. and CZAR Buildwell Pvt. Ltd. It has been accordingly decided to blacklist the developer company i.e Mahira Buildtech Pvt. Ltd. and CZAR Buildwell Pvt. Ltd., its Directors, shareholders and other authorized signatory from grant of any new license under the provisions of Act8 of 1975 in future. Accordingly, all concerned are hereby directed not to process any application of above said company, its Directors and shareholders for grant of license under the Act ibid."

5. As the promoter was blacklisted for committing various grave violations of the terms of the license, the Authority took suo-motu cognizance of the issue relating to the affairs of the promoter of the project and initiated inquiry under Section 35 of the Act of 2016 and accordingly, to protect the interest of the allottees, issued letter dated 19.05.2022 directing LDM, Canara Bank, Gurugram to freeze the bank accounts of the promoter in all projects including "Mahira Homes 103" which were covered in the blacklisting order dated 17.05.2022.
6. For the purpose of conducting a preliminary inquiry, Engineering Executive and Executive Engineer (Monitoring) of the Authority visited the site of the project on 18.05.2022 and a report about the physical status of construction

was submitted by them to the Authority. As per the report submitted, the physical progress of the project was approximately 15-20% and progress of construction works on the site of the project did not seem commensurate to the payments withdrawn from the bank accounts. The Authority further observed that neither the QPRs (quarterly progress reports) nor the audited statement of accounts had been submitted by the promoter with the Authority in terms of Section 4 of the Act, 2016.

7. Keeping in view the reasons recorded above, the Authority vide its notice dated 27.05.2022 (received by the promoter on 30.05.2022) called upon the promoter to furnish the following information within 7 days from the issuance of the notice:

- a. The total amount so far collected/realized from the allottees.
- b. Allottee-wise schedule of payment received.
- c. Amount of work done so far at the site.
- d. Percentage of physical progress achieved.
- e. Land cost of the project and proportionate land cost of a percentage of physical progress.
- f. The details of the Bank Accounts where the amount realized from allottees has been deposited/received.
- g. The withdrawals from the separate RERA Account where 70% of the amount to be realized from allottees is mandatory to be deposited.
- h. The proof of having withdrawn from the separate account after it is certified by an engineer, an architect, and a chartered accountant in practice that the withdrawal is in proportion to the percentage of completion of the project.
- i. The details of the balance available in the separate RERA Account and whether it is the remaining amount in the separate RERA Account out of seventy percent of the total amount realized from the allottees after withdrawals as per provisions of Section 4(2)(I)(D).



- j. Duly certified and signed by a chartered accountant, a statement of accounts and annual audited accounts of the project for FY 2019-20 and 2020-2021.
- k. Certificate of the Chartered Accountant that amounts collected for this project and the withdrawals have been in compliance with the proportion to the percentage of completion of the project.
- l. Wherever there has been deviation/variation from the provisions of Section 4(2)(l)(D) and the explanation relating to the same.
- m. Copy of documents submitted to Director Town & Country Planning, Haryana in compliance with rules in part IV of the Haryana Development and Regulation of Urban Areas Rules, 1976.

The Authority gave an opportunity of hearing to the promoter on 10.06.2022.

8. The Authority in its proceedings of the hearing dated 10.06.2022 observed that the reply to the notice submitted by the promoter was not in order. Hence the Authority, exercising its powers under Section 36 of the Act of 2016 on being satisfied that an act in contravention of the Act, 2016 or Rules or Regulations made thereunder had been committed and continued to be committed, ordered restraining the promoter for making withdrawal from bank accounts i.e. Master Account/Separate RERA Account and the free account or any amount until the conclusion of its enquiry or further orders. The promoter was further restrained from creating any third party rights by way of mortgage/ loan or any other manner on the project land, sold and unsold units further, and appointed M/s Grand Mark & Associates to conduct a forensic audit of the project account on the points mentioned above.
9. On perusal of the forensic audit report dated 05.12.2022 submitted by M/s Grandmark and Associates, grave lapses/ violations on the part of the promoter were observed as listed below:

1. The promoter opened accounts firstly with PNB on 28.03.2019 and later with ICICI Bank on 08.07.2019 without getting prior approval from RERA for opening of bank accounts with ICICI Bank.
 2. The developer commenced receiving payment from customers in PNB A/c from 28.03.2019 and collected Rs. 6,90,000/- as prelaunch money before the date of RERA registration i.e., 01.04.2019.
 3. The developer is in default of operating dual accounts with two banks at the same time as PNB a/c was in operation from 28.03.219 to 28.02.020 while ICICI bank a/c are in operation from 08.07.2019. dual accounts were in operation for 7 months and 23 days.
 4. Total funds received of Rs. 1,224,232,411/- in 70% RERA account has been transferred by the developer to 30% free account on the basis of written requests made from time to time.
 5. Excess drawn funds from the 70% RERA account and 30% free account is Rs. 47,36,87,860/- and Rs. 26,97,68,232/- respectively.
 6. The developer also failed to comply with the submission of the Quarterly Progress Report & annual audited report for the project.
10. However, the DTCP Haryana vide Endst No. dated LC-4498/LC/3759/LC3772/LC-4178/AO (III)/2022/5129 dated 21.07.2022 withdrew the blacklisting order dated 17.05.2022 subject to the following conditions:
- a. The colonizer shall follow construction-linked payment in all these projects and shall not demand any additional installment till proportional constructions against payments already received by it are completed at the site to the satisfaction of STP, Gurugram.
 - b. The cancellation of allotment made by the colonizer against non-payment by allottees on account of disproportionate demands made by it shall be withdrawn by the colonizer within a week and an ATR in this regard shall be filed with STP, Gurugram.



c. The colonizer shall install a signboard at the site showing the detail of flats mortgaged in favor of DTCP.

11. Therefore, on perusal of the comments and final proposal/recommendations of the forensic auditor and expert consultant, it was observed that the interest of the allottees who have invested in the project will be served only if the construction work is resumed immediately. Further DTCP, Haryana vide its order dated 21.07.2022 ordered withdrawal of its earlier order dated 17.05.2022 regarding blacklisting of the firm M/s Czar Buildwell Pvt. Ltd. Accordingly, the Authority had decided to de-freeze the bank accounts of the project "Mahira Homes 103" on the request of the promoter vide on 19.04.2023 subject to the following conditions:

- i. The promoter shall bring back the unauthorized withdrawn into the separate RERA account so that the residential component of the project is financially viable.
- ii. The promoter shall submit all requisite certificates from chartered accountant, engineer and architect for withdrawal of funds to the authority and the concerned bank, and funds of the account may only be withdrawn after following provisions of law.
- iii. The promoter shall not be allowed withdrawing any amount from RERA or free account till he incurred proportionate cost on construction on site and any amount to the contractor shall be paid on actual basis after physical verification by monitoring consultant, to be appointed by the authority.
- iv. The promoter shall only make withdrawals from the separate RERA account in proportion to the percentage of completion of the project after it is certified by an engineer, an architect, and a chartered accountant and the withdrawal shall be in proportion to the percentage of completion of the project.

- v. The promoter shall deposit back the loan amount paid to its group company and associates and other non- project- related withdrawals to the separate RERA account within six months.
- vi. The promoter shall enter into an agreement for sale as prescribed in the Haryana Real Estate (Regulation and Development) Rules, 2017, and amended as per requirements and approved by the authority with the allottees within three months.
- vii. The promoter shall not make any non- project- related expense from the separate RERA account.
- viii. The promoter shall immediately start the construction work on the site in the interest of the allottees and for completion of the project.
- ix. The promoter shall submit a monthly physical progress report to the authority.

Accordingly, the letter to de-freeze the bank accounts of the project was dispatched to the concerned bank on 19.04.2023.

12. The promoter failed to submit the compliance report of the conditions mentioned in the order of de-freeze of the bank accounts of the project, the Authority had issued a show cause notice dated 19.10.2023 to the promoter as why penal proceedings shall not be initiated against them for non-compliance of conditions mentioned in the de-freeze of the bank accounts order dated 19.04.2023, and the bank accounts of the project shall not be frozen again. An opportunity of hearing was provided to the promoter on 06.11.2023.

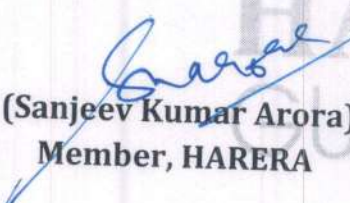
13. Since the promoter has neither complied with the conditions mentioned in the order dated 19.04.2023 regarding the de-freeze of bank accounts of the project nor submitted any reply to the show cause notice dated 19.10.2023, the Authority in its proceedings dated 06.11.2023 decided to freeze the bank accounts of the project again and further restrained the promoter from creating any third- party rights on the project till further order.

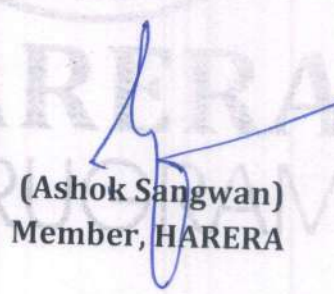
14. Further, on 06.11.2023, the Authority had issued a show cause notice to the promoter for revocation of registration of the project "Mahira Homes 103" with an opportunity of hearing on 11.12.2023.
15. On 11.12.2023, it was decided to put the matter on file regarding decision on revocation of registration of the project.
16. Meanwhile, a meeting was held with officials of the National Institute of Financial Management, Faridabad to discuss the matter on 30.10.2023. Further, vide their communication dated 02.11.2023, the Director DTCP, Haryana, decided to award consulting assignment on financial aspects relating to licenses granted to Mahira Group in Haryana. The Authority shared the details of the projects pertaining to the promoter with the National Institute of Financial Management.
17. It was decided by the Authority to afford final opportunity of hearing to the promoter before revocation of the registration of the projects in continuation of the notice dated 06.11.2023 as none was present on behalf of the promoter during the said hearing. The said notice was issued on 21.02.2024 for a hearing on 11.03.2024.
18. On 11.03.2024, Shri Pintu, Director (no authority letter was produced by him to enable him to appear on behalf of the company) appeared on behalf of the promoter along with Advocate Shri Rishabh Gupta. Neither the director nor the Advocate had anything to say in the matter except seeking an adjournment without any basis. No reply was submitted to the show cause notice.
19. The Authority observes that the promoter has not only committed brazen violation of the Act of 2016 but is also responsible for breach of faith with respect to the innocent allottees who invested their hard-earned money into the project in the hope of obtaining an affordable home. Many such allottees are suffering irreparable harm as they are living in rented accommodation and are paying EMIs to the banks. The respondent


- 19 promoter is a persistent defaulter and has defied and disregarded the lawful
20 directions of the Authority.
20. The Authority after going through the above factual matrix of the matter and
21 details brought on record in the foregoing paras, is satisfied that the
22 promoter has willfully violated the provisions of Section 3, Section
23 4(2)(l)(c), Section 4(2)(l)(d), the Haryana Real Estate Regulatory Authority,
24 Gurugram (Quarterly Progress Report) Regulations, 2018 and the Haryana
25 Real Estate Regulatory Authority, Gurugram Real Estate Bank Accounts for
26 the Registered Projects Directions, 2019. The promoter has further
27 unlawfully diverted the amounts deposited by the innocent home-buyers
28 into its own related companies. In view of the above, the Authority deems it
29 fit to revoke the registration of the project "Mahira Homes 103" issued to
30 M/s Mahira Buildtech Pvt. Ltd vide Registration No. 15 of 2019 dated
31 01.04.2019 under the provisions of Section 7(1)(a),(b) and (d) of the Real
32 Estate (Regulation and Development) Act, 2016, Haryana Real Estates
33 (Regulation and Development) Rules, 2017 and Regulations of the Haryana
34 Real Estate Regulatory Authority, Gurugram. The Authority directs under
35 Section 7(4)(a) of the Act of 2016 that the promoter shall be debarred from
36 accessing its website in relation to that project and the name of the
37 promoter shall be specified in the list of defaulters on the Authority's
38 website. It is further directed under Section 7(4)(c) of the Act of 2016 that
39 the concerned banks holding the project bank accounts shall freeze the
40 accounts of the project till further orders. It is further directed under Section
41 7(4)(d) of the Act of 2016 that the respondent promoter or any of its
42 agencies is restrained from removing any material from the site of the
43 project.
21. The promoter is further directed to submit within a period of three weeks
44 certified copies of :

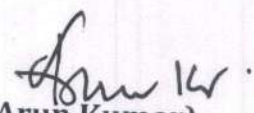


1. Complete list of allottees (along with address, email id & contact number), unit number, amount received from each allottee and balance outstanding amount.
 2. Complete set of sanctioned drawings, working drawings and structural drawings including the drawing for services and common facilities.
 3. The list of contractor/service providers engaged for completion of work on site along with a copy of the work order given to each contractor/service provider and detail of amount already paid to them.
 4. Bank account statements of the project duly certified by the authorized director of the promoter company.
22. Further that the promoter shall continue to remain liable for his obligations under section 12, 14 and 18 of the Act of 2016 and the above revocation is without prejudice to the right of the Authority to initiate penal proceedings against the promoter under section 63 of the Act of 2016.
- A copy of this order shall be endorsed to all other Real Estate Regulatory Authorities of the States and Union Territories of the country.


(Sanjeev Kumar Arora)
Member, HARERA


(Ashok Sangwan)
Member, HARERA


(Vijay Kumar Goyal)
Member, HARERA


(Arun Kumar)
Chairman, HARERA

