



HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

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Resolution passed by the Haryana Real Estate Regulatory Authority,
Panchkula in its special meeting held on 04.12.2020.

Item No. 117- Spl I

Promoter : JOP International Ltd.

Project : "JOP Palms" – Group Housing Project on land
measuring 6.89 acres situated in Sector 28, Rohtak.

Temp ID: RERA-PKL-806-2020

1. When the matter had come up for hearing on 13.07.2020, the Authority had passed the following orders: -

"An application for registration of the project named "JOP Palms" situated in Village Garhi Bohar, Sector-28, Rohtak is pending consideration of this Authority since May, 2018. The license of the project has not been renewed by the Town and Country Planning Department because of non-payment of over dues EDCs amounting to Rs. 25 crores.

2. The overall project is comprised of 442 apartments. 218 apartments have been sold. A large number of complaints have been received by the Authority from the allottees for the reason of delay in completion of the project.

3. According to the promoters, they have made their best efforts to complete the project and have invested their personal money also but on account of slowing down of real estate market, neither additional apartments are getting sold nor existing allottees are making payments of the balance dues, therefore, they are facing serious financial problems.

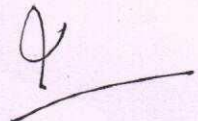
Therefore, despite their best efforts desirable pace of development is not taking place in the project.

4. *This matter has been listed for hearing before the Authority ten times since May, 2018. The principle problem is that on account of non-deposit of EDCs, license of the promoters has not been renewed and the promoters are facing serious financial difficulties. Further due to slow progress, even existing allottees are not making further due payments. For these reasons, the project is also not being registered by the Authority.*

5. *The Government of India has created a Stress Fund for assisting the stuck projects for assisting them in completion. The promoters of the project have come before the Authority with a request to register the project and to recommend sanction of loan of Rs. 15 crores from the Stress Fund to enable them to complete first phase of the project comprised of 258 apartments, with the help of which they will be able to handover the possession to the 218 allottees. The promoters have submitted a project report before the Authority which will be presented before the financial institutions/banks for sanctioning their loan.*

6. *The Authority realizes that this is a stuck project. Unless financial assistance is provided to it, the entire project will go in doldrums and the interest of 218 allottees will suffer further, and they may face indeterminate loss.*

7. *Keeping in view the above, the Authority considers it appropriate to grant conditional registration to the project with the sole objective to facilitate the receipt of 15 crores loan to be invested on the first phase of the project for completion of 258 apartments. Accordingly, conditional registration is hereby granted to the project subject to the following conditions/stipulations: -*



i) *The promoters shall open a dedicated RERA account in which all existing available funds in respect of the project will be credited.*

ii) *If the loan of Rs. 15 crores is sanctioned, that also will be deposited in the dedicated RERA Account.*

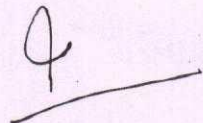
iii) *Another dedicated RERA Account will be opened by the promoters in which all of the money received henceforth from the allottees shall be credited. The entire money so received from the allottees shall be transferred to the Town and Country Planning Department for discharging overdue EDC liability. It has been submitted by the promoters that against 25 crore EDC to be paid, approximately 30 crores are receivable from the allottees of the project. The promoters have committed before the Authority that out of the receivable amount from the allottees, overdue EDC will be paid.*

iv) *A monthly schedule of completion of the project shall be presented to the Authority assuming the date of sanction of loan as the zero date.*

v) *The said schedule of completion of the first phase comprised of 218 apartments of the project shall be communicated to the 218 allottees for their information.*

vi) *After registration is granted, a suo motu case shall be instituted in respect of the project by the Authority and monthly progress of the project shall be reviewed by the Authority till completion of the project. The Authority will appoint an expert agency on behalf of the Authority which will submit the site report after every two months.*

vii) *For availing of the loan, only unallotted apartments of the project may be hypothecated as collateral security to the banks and the financial institutions. The apartments already allotted to the allottees or the land on which the*



common services are to be installed shall not be offered as collateral security.

8. *The Authority realizes that this conditional registration is being granted in the interest of the allottees and after being fully aware of the fact that the license of the project has not yet been renewed. In this regard, the Authority observes that after creation of third-party interest, the renewal of license remains a relationship between the promoters and the concerned Department. Non-renewal of the license for whatsoever reasons should not & cannot adversely affect the rights of the allottees who have invested their hard-earned money on the basis of license granted by the State Government and the plans etc. approved by them. The Town and Country Planning Department may recover their dues from the promoters in an appropriate manner which not should adversely affect the rights of the allottees. In fact, the Authority by way of this order, is facilitating recovery of over dues of EDCs of the State Government due to which license has not been renewed.*

9. *The promoters shall submit the requisite information on the next date of hearing. After which, final decision regarding grant of conditional registration will be taken.*

10. *Adjourned to 27.07.2020."*

2. Thereafter, when the matter next came up for hearing on 27.07.2020, following additional observations were made by the Authority: -

"....

2. *In furtherance of the last orders, Sh. Bharat Aggarwal, director of the company informed that as regards the stipulation relating to the opening of the bank accounts they would open two dedicated accounts, one in which all the receivables from the customers on account of EDC will be*

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deposited and transferred to DTCP, the second in which all the receivables from the customers other than EDC as well as lender bank's receivables will be deposited. Further, when phase I will be completed, the bank will have the first charge on the customers' money. The Authority asked the promoter to submit his proposal in writing for consideration of the Authority."

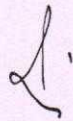
3. Thereafter, the matter has been considered by the Authority listed on 17.08.2020, 24.08.2020, 31.08.2020 and 14.09.2020 and finally on 14.09.2020, when it was decided that a draft order in the matter shall be prepared by CTP for consideration by all the Members of the Authority.

4. Today, the draft order was considered by the Authority. The Authority is of the view that in addition to the conditions already listed to be incorporated in the registration certificate, the Authority may also recommend to the lending institutions that this Authority has not gone into the details of the project report. Due diligence may be carried out by the lending institutions at their own level while considering the application of the promoters for sanction of loan. Further, this Authority should be kept informed when loan is sanctioned so as to ensure that the entire loan money is credited into the dedicated RERA Bank Account for spending on completion of first phase of the project.

5. A copy of this order be endorsed to the Town and Country Planning Department for their information.

6. Chief Town Planner shall prepare the registration certificate duly incorporating therein all the conditions listed above.

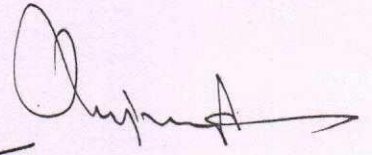
7. Disposed of accordingly.



Dilbag Singh Sihag
Member



Anil Kumar Panwar
Member



Rajan Gupta
Chairman