



HARYANA REAL ESTATE REGULATORY AUTHORITY, PANCHKULA.

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Extract of the resolution passed by the Haryana Real Estate Regulatory Authority, Panchkula in its meeting held on 23.02.2022.

Item No. 166.12

(vi) Promoter : Ferrous Infrastructure Pvt. Ltd.

Project : "Ferrous City Dharuhera" – Group Housing Colony on land measuring 10.142 acres situated in Sector-19, Garhi Alawalpur, Dharuhera, Rewari.

Temp ID: RERA-PKL-776-2019

Present: (i) Advocate Sh. Sourabh Goel, Counsel for the promoter/applicant.

(ii) Advocate Rishabh Jain, Counsel on behalf of Association.

1. The Authority has already passed detailed orders in the matter in its hearing held on 13.09.2021 and 10.01.2022.

2. This is a matter of registration of project named "Ferrous City, Dharuhera" being promoted by M/S Ferrous Infrastructure Pvt. Ltd. A group housing colony on land measuring 10.142 acres in Sector-19, Dharuhera is being developed at the site. 548 apartments are being constructed out of which 434 have already been sold. According to the respondent company the project is almost complete, however, on account of non-renewal of their license and non-provision of essential external services by Town & Country Planning Department, project could neither be finished nor apartments handed over to allottees. Now, because of non-registration of the project, sale of remaining apartments has been halted and project is facing serious difficulties.

3. The authority in its last orders had observed that the current log jam in regard to non-renewal of license and subsequently non registration of the project with RERA needs to be broken:

- (i) By depositing license renewal fee of Rs. 31,16,716/- and EDC of Rs. 14.85 crores with the Town and Country Planning Department;



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(ii) Authority agrees with the promoter that against the right of Town and Country Planning Department for claiming due EDC and licence renewal fees, department owes a consequent duty to provide requisite infrastructure facilities to the project within a reasonable period of time. The department can claim payment of EDC as a matter of right, but they have to discharge their responsibility also in providing infrastructure facilities for which EDC was taken. The Authority would have accepted position of the department had they made some efforts for execution of EDC works. As has been stated, even process for acquisition of land for construction of roads etc. has not been commenced, nor have any tenders floated for laying infrastructure facilities like water supply, sewage treatment, storm water and electrical infrastructure etc.

(iii) The Authority is constrained to observe that if department had no plan and proposal for providing external infrastructure in foreseeable future, and even land acquisition process had neither commenced nor was likely to commence, then license for the project should not have been issued. By the act of granting licence and accepting EDC, department enters into an obligation for completing requisite external works within reasonable time frame.

In this case not to talk of reasonable time frame, department has not even declared any intention of commencing those works. The Authority would strongly recommend to the Town and Country Planning Department to urgently review this situation. Similar serious situation is being witnessed at several places in the State.

(iv) Authority proposes to register this project for facilitating sale of remaining inventory subject to the condition that entire sale consideration to be received from future allottees as well as from existing allottees will be deposited in a dedicated bank account which will be utilized only for payment of government dues and for completing remaining development works in the project. No money at all can be withdrawn by promoters for any other purpose. Receipt of such amount as well as its disbursal for carrying out development



activities and payment of Government dues will be supervised by Authority itself by appropriate means. Authority would also consider appointing its own Chartered Accountant to oversee receipt and utilization of such amounts.

Town & country Planning Department may submit their objections, if any to this course of action proposed to be adopted.

4. A copy of aforesaid order dated 10.01.2022 was forwarded to Town & Country Planning Department vide email dated 03.02.2022 for filing an affidavit stating therein the time frame within which the external services will be laid and one month's time was granted to file reply. However, no reply has been received from the department so far.

5. As far as the registration of the project is concerned, the promoters had not approached the Authority on their own to get the project registered, therefore, a suo-motu complaint No. 412 of 2019 was lodged, in response to which the promoters had filed this online application vide Temp. Id No. RERA-PKL-776-2019. This matter is now being pursued in furtherance of the said application of the promoters for registration of the project.

6. During the last hearing held on 10.01.2022, certain directions were given to the promoter for payment of requisite registration/late fee. Since promoter has already submitted an amount of Rs. 13,18,225/- as registration fees by way of DD No. 440 dated 20.12.2019 at the time of registration, therefore remaining amount of Rs. 17,41,430/- is due as late fee. The promoter has not yet complied with this direction.

7. If aforesaid directions are not accepted by department or the promoters, Authority would consider exploring possibility of handing over the project to association of the allottees for completion at their own level.

8. Sh. Rishabh Jain, Ld. counsel for allottees association stated that some complaints relating to this Project are pending before the Authority bearing complaint no. 654 of 2021 titled as Ferrous Allottees Association V/s Ferrous Infrastructure Private Ltd, which is next listed for hearing on 19.04.2022. He stated that the Association wishes to take over the project.



Authority asks Sh. Rishabh Jain, to file an application stating therein strength of the Association and how they propose to complete the project.

9. As requisite late fee has not been deposited by the promoter, Authority directs the promoter to show cause as to why their application for registration be not rejected. If the promoter has anything to say in this matter, he may file its reply before the next date of hearing. Department of Town and Country Planning is also granted one last opportunity to file their reply.

10. Adjourned to 04.04.2022.

True copy


Executive Director,
HRERA, Panchkula



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A copy of the above is forwarded to CTP, HRERA Panchkula, for information and taking further action in the matter.