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 26.08.2026.

Item No. 330.15

Continuation of registration under Section-7(3) of RERA Act, 2016.

Promoter: **Armaan Enclave.**

Project: **"Armaan Enclave" an Affordable Residential Plotted Colony (under DDJAY-2016) being developed by Armaan Enclave over an area measuring 5 situated in the revenue estate of Village Jhanjhari, Sector-45, Karnal.**

Reg. No.: **HRERA-PKL-KRL-521-2023 dated 29.11.2023 valid upto 30.07.2025.**

Temp ID: **1348-2023.**

Present: **Sh. Gurdeep (Partner) and Adv. Neeraj Puri on behalf of the promoter.**

1. Vide letter dated 29.12.2025, the promoter had applied for continuation of registration of captioned project under Section- 7(3) of the RERA Act, 2016 for 1 year. The following were submitted by the Promoter:

    i. Extension fee of ₹1,15,000/- via DD dated 23.12.2025.

Particulars	Percentage
Percentage of works completed at the time of last extension	0%
Percentage of Development Works executed as per Architect's Certificate	82%
Percentage of Development Works executed as per Engineer's Certificate	82%
Percentage of Development Works executed as per CA's Certificate	82%
Auditor Fee (₹41,300/-) Payment Details	₹ 41300
Public Notice Fee (₹10,000/-) Payment Details	₹ 10000

    ii. Promoter had applied 152 days after the expiry of RC.
    iii. QPRs uploaded upto 30.09.2025.

iv. Architect Certificate shows percentage of work completed regarding Construction of Building Work till 10.12.2025 as 82%.
v. A copy of renewal of licence No. 35 of 2009, which is renewed upto 10.07.2028.
vi. CA Certificate showing percentage of completion of construction work as 82%.
vii. Form REP-V.
viii. Photographs of the project.
ix. Promoter in his explanatory note states that due to reduced cash inflows and extended monsoon season in Rewari region, project could not be completed within the originally declared timeline.

2. Public notice for inviting objections from the general public and allottees was issued on 28.01.2026 M/S Kamal Batra & Associates were appointed as Auditors on 29.01.2026.

3. Vide letter dated 10.03.2026, the Auditor has submitted the following:-

1. A bank account number 923020069405187, under the scheme- Current Account for Escrow Arrangements, is maintained with Axis Bank, Shakti Colony, Mall Road, Karnal, Haryana, for collection of amounts from the plot allottees. The bank account statement is made available from 16.12.2023 till 22.08.2025

2. A bank account number 923020068936350 (70% bank account), under the scheme- Current Account for RERA, is maintained with Axis Bank, Shakti Colony, Mall Road, Karal, Haryana, for collection of amounts from the plot allottees. The bank account statement is made available from 13.12.2023 till 29.07.2025

As explained to us, ₹ 30,44,000/- received from some of the allottees in the month of December 2023 has been deposited in this bank account instead of the Escrow Bank account, which is a violation of the provisions of the RERA Act. This amount was not deposited back to the Escrow Account and the same has been taken into consideration for the CA certificate for the period from November to December 2023.

3. A bank account number 923020068936350 (30% bank account), under the scheme- Curent Account for RERA, is maintained with Axis Bank, Shakti Colony, Mall Road, Karnal, Haryana, for collection of amounts from the plot allottees. The bank account statement is made available from 13.12.2023 till 29.07.2025

4. The CA certificates from November 2023 to June 2024 is not as per the prescribed form 3.

5. No Accounting data where the record of the bank account statement is made pertaining to the receipts from the plot allottees and the expenses for which payment is made was provided by the Auditee. Only the excel sheets having the name and amounts received from the plot allottees is provided.

4. The above-said Audit report was sent to the promoter on 18.03.2026 for comments and vide reply dated 05.05.2026, the promoter has submitted the following:-

We, on behalf of the Armaan Enclave Promoter, respectfully submit this representation in relation to the audit conducted under the provisions of the Real Estate (Regulation and Development) Act, 2016 for the project.

Haryana Real Estate Regulatory Authority Panchkula

2/10

At the outset, it is submitted that the Promoter is not satisfied with the conduct and manner in which the audit has been carried out, for the reasons detailed herein below:

*1. **Lack of Cooperation and Fair Opportunity***

That during the course of the audit proceedings, the Auditor failed to extend adequate cooperation to the Promoter. Despite repeated requests, sufficient opportunity was not granted to present records, reconcile figures, and clarify Issues. The audit process was conducted in a unilateral manner without ensuring proper participation of the Promoter.

*2. **Non-consideration of Documents and Submissions***

That the Promoter had furnished various documents, explanations, and supporting records; however, the same have either not been duly considered or have been disregarded while forming the _audit observations, resulting in an inaccurate representation of facts.

*3. **Absence of Proper Verification and Reconciliation***

That several observations in the audit report appear to have been recorded without complete verification or reconciliation of data. As reflected in the audit material itself (particularly pages 3 to 5), there exist discrepancies between figures in CA certificates and bank statements, and no proper reconciliation has been carried out

*4. **One-sided and incomplete Assessment***

That the audit has been conducted in a one-sided manner without giving due justice and fair hearing,

*5. **Deficiencies in Documentation Review***

That the audit findings themselves record reliance on incomplete or insufficient documentation (such as absence of proper accounting records and reliance on excel sheets). which indicates that the audit exercise was not carried out with due diligence.

*6. **Conduct Raising Serious Concern***

That during the audit proceedings, the conduct of the Auditor has raised serious concerns regarding professional propriety. The Promoter has experienced circumstances indicating that certain undue expectations/benefits were informally indicated, which is wholly unacceptable and contrary to law and ethical standards.

*7. **Resultant Prejudice to the Promoter***

That due to the above deficiencies and conduct, the audit findings have caused prejudice to the Promoter and cannot be treated as a fair and unbiased assessment of compliance under the Act.

PRAYER

In view of the above facts and circumstances, it is most respectfully prayed that this Hon'ble Authority may kindly:

a) Take cognizance of the issues raised regarding the conduct of the Auditor;

b) Direct a fresh independent audit by another Auditor;

c) Grant the Promoter an opportunity to submit complete records and clarifications;

d) Pass any other order(s) as deemed fit in the interest of justice.

5. The application has been examined, and the following shortcoming has been noticed:

-

i. Promoter has not submitted an affidavit stating that no unit has been sold/booked after lapse of RERA Registration.

Haryana Real Estate Regulatory Authority Panchkula

ii. Engineer Certificate showing percentage of work done with reference to total estimated cost not submitted.

iii. Late fee is deficit by ₹57,500/- and penalty of ₹28,750/-

6. On 24.06.2026, the Authority observed that since the Promoter has raised allegations against the scrutiny and conduct of the Auditor therefore the Authority decided that the Auditor M/S Kamal Batra & Associates and the promoter be personally present on the next date of hearing. The promoter is also directed to remove the above said deficiencies before the next date of hearing. The office is directed to send a copy of these orders to the Auditor M/S Kamal Batra & Associates and the promoter through a registered post.

7. The orders of the Authority were conveyed to the promoter and Auditor M/S Kamal Batra & Associates telephonically and through e-mail on 23.07.2026.

8. On the last date of hearing, i.e., 29.07.2026, the promoter and the Auditor M/s Kamal Batra & Associates were again directed to be personally present on the next date of hearing. The office is directed to send a copy of these orders to the Auditor M/s Kamal Batra & Associates and the promoter vide e-mail and through registered post.

9. Vide reply dated 30.07.2026, the Auditor M/s Kamal Batra & Associates had submitted the following:-

> *Your good self has ordered that the Auditor and the Promoter be personally present on the date of hearing i.e. 29.07.2026.*
>
> *I respectfully submit that I have recently been diagnosed with Chicken Pox (Varicella). As you may be aware, Chicken Pox is a highly communicable viral disease, and medical advice is to remain in isolation and avoid physical interaction with others until complete recovery. My treating doctor has advised me not to meet anyone for approximately 15 days to prevent the risk of transmission.*
>
> *In the interest of the health and safety of all concerned, I humbly request that the scheduled meeting may kindly be postponed for a period of 15 days. This would not only enable my complete recovery but also eliminate any possibility of exposing others to the infection*
>
> *I sincerely regret the inconvenience caused due to these unavoidable circumstances and request your kind understanding and cooperation.*
>
> *Meanwhile, so that the matter is not delayed, I am submitting my point-wise reply to the allegations hereunder for your kind consideration.*
>
> ***Preliminary Objections***
>
> **1.** *At the very outset, the Respondent Auditor categorically, unequivocally and unconditionally denies each and every allegation, averment, insinuation and imputation contained in the representation submitted by the Promoter.*
>
> **2.** *The representation is wholly misconceived, factually incorrect, legally untenable, unsupported by any documentary evidence and liable to be rejected at the threshold. It is conspicuously devoid of specific particulars and consists primarily of sweeping allegations without identifying any document, communication, date, witness or contemporaneous material in support thereof.*
>
> **3.** *The allegations appear to have been raised only after adverse audit findings were communicated and are nothing more than an attempt to divert attention from the deficiencies, discrepancies and statutory irregularities noticed during the audit. Instead of addressing the findings on merits by producing cogent evidence, the Promoter has sought to*

Haryana Real Estate Regulatory Authority Panchkula

4/10

question the Independence and Integrity of the Auditor without any factual foundation.

4. *It is respectfully submitted that the law recognises an Auditor as an Independent professional whose primary duty is to report facts objectively and without fear or favour. An Auditor is not expected to tailor findings to suit the expectations or convenience of the auditee.*

5. *The present representation proceeds on an erroneous assumption that whenever audit findings are averse to the Promoter, the audit itself must necessarily be defective. Such an assumption is contrary to law, contrary to established auditing principles and contrary to common sense.*

Reply to Allegation No. 1 Alleged Lack of Cooperation

The allegation is false, baseless and emphatically denied.

Throughout the audit, repeated opportunities were granted to the Promoter to produce books of account, bank statements, vouchers, agreements, reconciliations and supporting documents.

The letter for the conduct of the Audit was issued by your office and sent to our email id on 29.01.2026. On the very same day, a phone call was made to Mr. Gurdeep on the contact number mentioned on the letter. He provided the contact number of Mr. Neeraj Puri, their representative, who was entrusted by Mr. Gurdeep for the Audit.

On the very same day, a call was received from him and a Whatsapp message was sent to him (Whatsapp screenshot enclosed), to produce the relevant documents related to the project. The documents as asked in the message sent to him is as under:

- *Documents related to the project like registration certificate, renewal documents, extension documents, RERA approval, sanctioned maps etc.*
- *All Bank accounts statements- 70% and 30% bank accounts or any other bank accounts maintained related to the concerned project.*
- *CA certificate for withdrawal of money from the bank accounts.*
- *List of all the plots/flats.*
- *List of the allottees along with the power of attorney/ letter of allotment.*
- *Money received from the allottees*
- *Plots/Flats surrendered/cancelled*
- *Tally data*

Repeated Whatsapp messages were sent to him on 30.01.2026, 03.02.2026. 05.02.2026 (Whatsapp screenshots enclosed) to convey the availability of the requisite record at the site of the project.

Then, after 5 days, I was made assured that the relevant records are available at the site by Mr. Neeraj Puri and the Accountant/Supervisor of the project, Mr. Sudhir, shared the location on 05.02.2026 and I visited the site on 06.02.2026.

To my surprise, not even the bank statements were in the possession of the Accountant/Supervisor and hence, no accounting record was available at the site and the only statement said by Mr. Sudhir was that all the records are with our CA.

The same situation was conveyed to Mr. Neeraj Puri over the call and I categorically pointed out to him that you have wasted my day even after repeated reminders and clear communication as to what documents/information is needed to conduct the Audit. He said that the same statement as Mr. Sudhir said that the records are with the CA and he is not available today. He assured me that the records will be sent on the email to me at the earliest.

Then I messaged him on Whatsapp on 07.02 2026(Whatsapp screenshots enclosed) to send the record on my email address. Then reminders for the same were sent on 09.02.2026, 10.02.2026 and 11.02.2026.

He sent the bank account statements in pdf format on 11.02.2026 (Whatsapp screenshot enclosed) and then a call was made to him conveying that the bank account statements are

Haryana Real Estate Regulatory Authority Panchkula

not readable due to bad scanning and standalone bank account statements does not produce any record related to the plot wise confirmation of the receipt of the amount from respective allottees.

On 12.02.2026, he sent the bank account statement in excel sheet format and the RERA record in excel sheet (Whatsapp screenshot enclosed). On 13.02.2026, he was communicated that the excel sheets does not contain the bank statements aligned with the plot numbers. Whatsapp screenshot enclosed)

On 14.02.2026, the observations were sent to him (Whatsapp screenshot enclosed-Annexure 7) and the same stood still and are a part of the Audit report.

On 16.02.2026, another reminder was sent to him to provide the reply to the observations, if you have any and also conveying that I will be issuing the report on Wednesday, 18.02.2026. (Whatsapp screenshot enclosed).

After 4 days, on 20.02.2026, CA certificates were provided (Whatsapp screenshot enclosed) with no supporting documents to substantiate the same. The same was conveyed through the call to him and he assured to provide the supporting documents on Tuesday, 24.02.2026.

On the very same day, the refined audit observations were sent to him (Whatsapp screenshot enclosed) and sent a message to produce the supporting documents on Tuesday and also that the report would be finalised on Tuesday and I shall not wait beyond that.

On 24.02.2026, he again asked for more time citing some excuse. (Whatsapp screenshot enclosed).

On 26.02.2026, he, along with Mr. Sudhir, Accountant/Supervisor, visited my office and again could not produce the relevant complete records. He again assured to produce the record in a week's time.

As the due date to furnish the report was coming near i.e. 29.02.2026 (one month from the issue of letter by your office), I facilitated the Promoter by sending you an email on 26.02 2026 citing that due to my current involvement in several pressing professional engagements, I am unable to devote the necessary time and attention required to complete the report to the standard expected.

Again, calls were made on 05.03.2026 to Mr. Neeraj Puri (Whatsapp screenshot enclosed) and no positive reply was received from him.

And after a month of repeated reminders and ample opportunities provided to Mr. Neeraj Puri, I furnished the Audit Report on 09.03.2026.

The screenshots of the Whatsapp chat clearly and undoubtedly justify that more than the required number of opportunities were provided to the Promoter to get the Audit completed within the time frame.

The contemporaneous record conclusively proves that, despite numerous requisitions and repeated follow-ups, the auditee persistently failed to furnish the complete records. Those records that were eventually produced were furnished only after unwarranted and prolonged delays. Such conduct not only obstructed the smooth conduct of the audit but also squarely disproves the baseless allegation that the audit observations were made without affording adequate opportunity. Having failed to discharge its own obligation to produce complete records, the Promoter cannot now attempt to attribute its own default to the Auditor. The doctrine that no person can take advantage of his own wrong squarely applies. The allegation therefore deserves outright rejection.

Reply to Allegation No. 2

Alleged Non-Consideration of Documents

The allegation is incorrect and misleading.

Every document produced during the audit was duly examined.

However, an Auditor is under a professional obligation to evaluate the authenticity, completeness and reliability of documents before relying upon them.

Documents which were incomplete, internally inconsistent, unsupported by primary evidence or incapable of verification could not be accepted merely because they were

Haryana Real Estate Regulatory Authority Panchkula

produced.
The grievance of the Promoter is not that documents were ignored. The real grievance is that unsupported explanations were not accepted.
There is a fundamental distinction between consideration of evidence and acceptance of evidence.
The Auditor considered every document. The Auditor simply declined to accept those documents which failed the test of credibility.

Reply to Allegation No. 3

Alleged Failure of Verification
The allegation is demonstrably false.
Every audit observation has been recorded only after examining the records that were actually made available.
Where reconciliation remained incomplete, the underlying cause was the Promoter's inability or failure to produce complete supporting records.
The Auditor cannot manufacture evidence where none exists. Nor can an Auditor certify transactions merely because the Promoter asserts them to be correct.
Professional standards require verification—not assumption.

Reply to Allegation No. 4

Alleged One-Sided Audit
The allegation deserves to be rejected as legally unsustainable.
The principles of natural justice require an opportunity to explain. They do not require the Auditor to accept every explanation irrespective of its evidentiary value.
As demonstrated in Point 1, the Promoter was afforded sufficient opportunities.
The explanations furnished were duly evaluated. Those explanations which were unsupported by documentary evidence were rightly rejected. Merely because an explanation is rejected after due consideration does not render the audit one-sided.
Acceptance of such a proposition would destroy the very concept of independent auditing.

Reply to Allegation No. 5

Alleged Improper Review of Records
The allegation is entirely misconceived.
The Auditor examined every record that was produced.
It is pertinent to highlight here that the mere maintaining data in excel sheets does not amount to proper maintenance of accounting records. Moreover, the Promoter could not reconcile the amounts reflected in the excel sheets with the amounts received in the bank statement.
Even the amounts spent for the project were not reconciled with the amounts reflected in the bank account statement.
However, where complete books of account, statutory registers, reconciliations or supporting evidence were unavailable and no accounting data was produced, the Auditor necessarily recorded the limitations encountered during the audit. The responsibility for maintaining proper books rests upon the Promoter.
The Auditor's duty is to report deficiencies- not to conceal them.
The Promoter cannot now convert its own failure into an allegation against the Auditor.

Reply to Allegation No. 6

Alleged Improper Conduct
This allegation is reckless, defamatory and wholly unsupported by any evidence whatsoever.
Significantly, the Promoter has failed to disclose:

- *the date of the alleged incident;*

7/10

Haryana Real Estate Regulatory Authority
Panchkula

- *the place where it allegedly occurred;*
- *the identity of any witness;*
- *any written communication;*

The allegation is therefore nothing more than an unsubstantiated assertion.

It is a settled principle that allegations affecting the reputation and professional integrity of an individual must be supported by cogent evidence. The Promoter has produced none.

The Respondent reserves all rights available under law, including proceedings for defamation and such other remedies as may be advised, in the event these reckless allegations continue to be propagated.

Reply to Allegation No. 7

Alleged Prejudice

The allegation is equally misconceived.

The audit merely records factual observations emerging from documents.

If those observations disclose discrepancies or statutory non-compliances, the resulting consequences flow from the underlying facts—not from any alleged misconduct of the Auditor.

An Auditor's duty is to report the truth as reflected in the records. The Auditor owes no obligation to suppress adverse findings merely because such findings may be inconvenient to the Promoter.

Suppression of Material Facts

The representation is conspicuously silent regarding:

- *repeated requisitions issued during the audit (explained at length in Point 1);*
- *incomplete production of records;*
- *delayed responses;*
- *inconsistencies noticed during verification;*
- *failure to reconcile financial data despite opportunities.*

Such suppression is material and materially affects the credibility of the representation.

The Promoter has approached the Statutory Authority without placing the complete factual matrix on record and has instead relied upon selective and self-serving disclosures while suppressing material facts. Such conduct is contrary to the settled principles governing proceedings before Statutory Authorities and a complaint founded upon suppression or selective disclosure of material facts deserves outright rejection.

Abuse of the Process

The present representation is nothing more than a calculated attempt to divert the Authority's attention from the substantive findings of an Independent Audit by converting a matter of statutory compliance into a personal grievance against the Auditor.

Significantly, the Promoter has failed to identify a single audit observation that is factually incorrect, unsupported by records, or contrary to law. Instead, the representation is replete with sweeping, unsubstantiated, and generalized allegations directed against the Auditor, evidently with the sole objective of discrediting the audit rather than addressing its findings. Such an approach is legally untenable. Mere allegations against the Auditor cannot substitute a reasoned rebuttal of the audit observations, nor can they diminish the evidentiary value of findings that are firmly supported by contemporaneous records and documentary evidence. The conspicuous failure of the Promoter to controvert the audit findings on their merits, despite more than ample opportunities, is a circumstance that warrants the drawing of an adverse inference against the Promoter.

Haryana Real Estate Regulatory Authority ★ Panchkula ★

It is therefore respectfully submitted that the representation deserves to be rejected as being devoid of any substantive rebuttal to the audit findings and founded solely upon an attempt to shift attention away from the material irregularities brought on record by the Audit.

PRAYER

In view of the facts and submissions made hereinabove, it is most respectfully prayed that this Hon'ble Authority may be pleased to:

1. *Reject the allegations made against the Respondent Auditor as being false, vague, unsupported and devoid of merit.*
2. *Hold that the audit was conducted Independently, Impartially and in accordance with the applicable legal framework and professional standards.*
3. *Disregard the allegations contained in the representation while adjudicating the substantive issues arising from the audit.*
4. *Pass such further orders as this Hon'ble Authority may deem fit and proper in the facts and circumstances of the case.*

ABOUT OUR PREVIOUS ASSIGNMENTS

It is respectfully submitted that our firm has previously been entrusted by your esteemed authority with the conduct of audit assignments on four separate occasions. Each of these assignments was carried out with the highest standards of professional diligence, independence, integrity, and adherence to the applicable auditing standards and the terms of reference.

During the course of those audit engagements, the audits were conducted in a cordial, cooperative, and professionally conducive environment. At no point was any grievance, objection, or complaint raised by the promoters or any other stakeholder regarding either the manner in which the audits were conducted or the professional conduct of the audit team.

Furthermore, the audit observations and findings reported during those assignments were duly considered, accepted, and acted upon by both the promoters and the appointing authority, reflecting the credibility, objectivity, and professional quality of the audit work performed.

This consistent history of successful audit engagements demonstrates our firm's unwavering commitment to maintaining the highest standards of professional ethics, impartiality, and technical competence while discharging its responsibilities. It also establishes that our conduct throughout previous assignments has been professional, fair, objective, and in accordance with the principles governing independent audits.

PERSONAL HEARING

It is respectfully submitted that, in the interest of ensuring a fair, meaningful, and constructive opportunity of being heard, we request that a personal hearing may kindly be granted by your goodself.

It is further requested that the personal hearing may preferably be conducted without the presence of the promoter or other interested parties. This request is made solely with a view to facilitating a focused and objective discussion on the issues under consideration. Based on the experience of the earlier proceedings, there is a reasonable apprehension that the presence of the promoter may result in reiteration of the same allegations and counter-allegations that have already been placed on record, thereby diverting the proceedings from the factual and documentary aspects of the matter and making it difficult to arrive at a reasoned conclusion.

A one-to-one interaction with the officers of your esteemed authority would enable us to present the relevant facts, documentary evidence, and point-wise clarifications in a systematic and uninterrupted manner. Such a course would, in our respectful submission, assist the authority in objectively appreciating the issues involved and arriving at an informed and impartial decision based solely on the merits of the case.

9/10

Haryana Real Estate Regulatory Authority Panchkula

We assure your goodself of our fullest cooperation and remain committed to extending every assistance required for an expeditious and fair disposal of the matter.

10. Vide reply dated 28.07.2026, the promoter has also submitted the following:-

i. Has submitted an affidavit stating that no unit has been sold/booked after lapse of RERA Registration.
ii. Engineer Certificate showing percentage of work done.
iii. Late fee of ₹57,500/- and penalty of ₹28,750/- vide DD No. 002433.

11. The orders of the Authority were conveyed to the promoter and the Auditor telephonically on 19.08.2026.

12. Today the Authority observed that the Auditor is still not personally present before the Authority. The Authority after consideration directs both the promoter and the Auditor to appear personally on the next date of hearing. The office is directed to send a copy of these orders to the Auditor M/s Kamal Batra & Associates and the promoter vide e-mail and through registered post.

13. Adjourned to **30.09.2026**.

Haryana Real Estate Regulatory Authority
2531
Despatche No.
Date 21/9/26
PANCHKULA

True copy

Secretary (Acting),
HRERA, Panchkula

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

S/op

LA-Dhruv

Kal 24/9/26
(LA Dhruv on leave)

190