

RERA freezes bank accounts of realtor

Bars Bookings In Housing Project

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Patna: The Real Estate Regulatory Authority (RERA) of Bihar on Saturday ordered freezing of the bank accounts of a Patna-based real estate company for allegedly making misleading statements in its replies to show-cause notices for not registering an ongoing project.

The Authority has also barred the company from booking any plot, house or bungalow in the project at Shivala Mor on Danapur-Bihta road. The action was initiated by RERA-Bihar chairman Afzal Amanullah under Section 36 (power to issue interim orders) of the RERA Act.

Amanullah said the Patna Green Housing Private Limited took tens of lakhs of money from buyers for construction on its 'Metro Green City' project at Shivala Mor since July 2017.

He said an investigating team would inquire into the affairs of the company, including financial irregularities.

RERA-Bihar member Rajiva Bhushan Sinha told this reporter that the promoter had been advertising its project without getting it registered with the Authority in flagrant violation of the RERA Act.

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AFZAL AMANULLAH
RERA-Bihar chairman

The promoter has also not prepared its balance sheet or profit and loss account since creation of the company three years ago, Sinha said.

“Many people have invested their money in this project which has not taken off so far,” Sinha said and added the company's bank accounts were frozen to protect the interests of the investors.

It is for the first time that the Bihar-RERA has virtually blacklisted a company since the RERA Act came into force in the state in May 2017.

So far, it had issued show-cause notices to more than 200 builders for not complying with the provision to get projects registered before issuing advertisements about them and accepting advance money from buyers.