

REAL ESTATE REGULATORY AUTHORITY, BIHAR
Before the Single Bench of Mrs. Nupur Banerjee, Member

Case No: RERA/SM/386/2019

Authorised Representative of RERA **...Complainant**

Versus

M/s. Madhuban City Developers Pvt. Ltd. **...Respondent**

Project: Shiv Nagar & Shiv Nagar Colony, Phase - 3

Present: For Authority: Shri Rishikesh Rajan, Advocate.

For Respondent: None

07.05.2024

25-07-2024

ORDER

The matter was taken, learned counsel for Authority is present.
Learned counsel for Respondent is present.

The Real Estate Regulatory Authority, Bihar issued a Suo Motu show- cause notice on 02-05-2019 to the respondent company for contravention of section 3 of the Real Estate (Regulation & Development) Act 2016 by advertising and taking booking in the Project **Shiv Nagar & Shiv Nagar Colony, Phase - 3** without registering the project with RERA, Bihar. The promoters were directed to show cause as to why proceedings under Sections 35& 59 of the Real Estate (Regulation & Development) Act 2016 may not be initiated against them.

The respondent has failed to file reply and appear before the Authority despite several opportunities.

Perused the record. The Authority observes that the promoters have evidently advertised their project namely **Shiv Nagar & Shiv Nagar Colony, Phase - 3**

The technical wing of RERA has submitted its report dated 08-01-2024 with evidence and estimated cost of the project.

The Authority takes note that under the first proviso of Section 3 of the Act, all the ongoing real estate projects were required to register by 31st July, 2017 with the Real Estate Regulatory Authority, Bihar. Further, Section 3 of the Act provides that no promoter can advertise, market, book, sell or offer for sale or invite persons to purchase in any manner any plot, apartment or building as the case may be, in any real estate project or part of it, in any planning area within a State, without registering the real estate project with the Real Estate Regulatory Authority (RERA) established under this Act.

The term Advertisement has been defined in the section 2 (b) of the Act as follows: “Advertisement means any document described or issued as advertisement through any medium and includes any notice, circular or other documents or publicity in any form, informing persons about a real estate project, or offering for sale of a plot, building or apartment or inviting persons to purchase in any manner such plot, building or apartment or to make advances or deposits for such purposes.”

Thus, the Authority holds that the respondents have advertised their project without registering the same with the Authority and thereby violated the provisions of Section 3 of the Real Estate (Regulation & Development) Act, 2016.

In the light of observations made above, it is established that respondent company has contravened the provisions of Section 3 of the

Real Estate (Regulation and Development) Act, 2016 by not registering their project with the Real Estate Regulatory Authority, Bihar, the Authority has decided to levy a penalty as per Section 59(1) of the RERA Act, 2016. The penalty amount is Rs. 5,00,000/-, which is less than 1% of the total estimated cost of the project. This amount is to be paid by the respondent company within sixty days of the issuance of this order. Non-compliance with this directive will result in action under Section 59(2). The Authority further directs the respondent to get the project registered with R.E.R.A.

With these directions, the matter is disposed of.

Sd/-
Nupur Banerjee
Member