



REAL ESTATE REGULATORY AUTHORITY, BIHAR
Before the Single Bench of Senior Land Revenue Officer, RERA, Bihar.

RERA/SM/752/2025

Authorised Representative of RERA	Complainant
	Vs	
M/s Saran Properties Pvt Ltd	Respondent

Project: Plotted Development

Present: For Complainant: Ojaswi Ishani
For Respondents: Raju Kumar, Adv.

28.07.2025

ORDER

1. Hearing taken up. Learned legal representative Ojaswi Ishani appears on behalf of the RERA. Learned counsel Mr. Raju Kumar appears on behalf of the respondents.
2. A Suo Motu proceeding has been initiated against the promoter for "Plotted Development " on the basis of field inspection made by RERA Team in collaboration with District Administrations, Saran which is not registered with the Real Estate Regulatory Authority, Bihar as required under the provisions of the Real Estate (Regulation and Development) Act, 2016. It is submitted by the Learned Counsel for Authority that a show cause notice dated 12.06.2025 has already been served upon the promoter. It has been further brought to the Authority's attention that the promoter is engaged in the development, advertisement, marketing, offering for sale, and selling of plots in the said project without registration, thereby acting in contravention of Section 3 of the Act.

3. In reply to the above show cause issued to the respondents, the measure thrust of the respondents was to take the plea that the landowner Shri Kundan Kumar S/O Lalit Mohan has brought 30.440 Decimal of land and the land transactions of plot number 15 and 16 were carried out over different years were made solely to meet personal financial needs, such as family obligations, repayment of loans and essential expenses. And that the plot 19 is raw land. No development work like layout, roads, waterline, or sewerage has been initiated or proposed and these both parcel of land does not come under the purview of RERA Act. Further he submits that that the Instagram account “Saran Properties” allegedly used and published the said content unlawfully, and it was accessed by an unknown person. The promoter never authorised such publication.
4. The legal representative of RERA to corroborate the above submission further submits that the promoter has willfully failed to comply with the mandatory provisions of Section 3 of the Real Estate (Regulation and Development) Act, 2016, despite being fully aware of the statutory requirement of prior registration of their plotted development" with the Authority before undertaking any development, marketing, or sale activities.
5. It is further submitted that the promoter’s actions not only undermine the intent and purpose of the Act, which is to bring transparency, accountability, and consumer protection in the real estate sector, but also prejudice the interests of allottees who may be induced into transactions without the safeguards offered by a registered project.

6. The non-compliance demonstrates a deliberate disregard for regulatory norms and warrants initiation of proceedings under Section 59 for penal consequences, and if required, further investigation under Section 35.
7. The technical report along picture of the geo-tag pertaining to the project land in contravention was placed on record. From the report, it transpires that the total area of land of the respondent is 70645 Sqm is situated at .Mauza Ratanpura, Anchal Saran Sadar, in Saran, Bihar, and the promoter was advertising the said project on site as well as on different online platforms. The details of the director were fetched from Zaubacom and other advertisements for the said plot from Instagram.
8. Further, the Legal Representative of authority submits that from the Jamabandi, it is evident that the parcel of land is in the name of Kundan Kumar, who is the director of Saran Properties Pvt Ltd, and Tula Bhagat. From the record, it transpires that Plot no 19,15,16 bearing Khata No 87 and 272, which in total is 11.553 and 31.22 Decimal respectively, was mutated in the names of different purchasers from 2022 to 2025.

KHATA NO	KHESRA NO	RAKWA	SOLD TO
87	19	11.553	Soni Singh (2023) Indu Devi (2023) Sudama Ray (2023) Priti Devi (2023) Akbari Khatun (2023) Mrityunjay Kumar (2024) Lalbabu Yadav (2025)

272	15,16	31.22	Dilip Rai Sanjay Kumar Singh Pankaj Kumar Amarendra Kumar Kundan Kumar Pappu Kumar Munna Kumar Daya Shankar (2022)
-----	-------	-------	--

9. She further submits that the plea of the respondent that plot no 19 is raw land and was never mutated is extremely ambiguous and untenable, as it is evident from the face of the record only that, it was sold to different people till 2025. Likewise, plot 15 and 16 were mutated in the names of different people in the year 2022, which is a clear violation of section 3 of the RERA Act 2016. The team's submission of an Instagram advertisement linked to the project and containing promotional material demonstrably bears the name of Saran Properties as the advertiser. If the respondent now contests that the advertisement was not placed by them, it is significant that no FIR or formal complaint has been lodged by them against the Instagram account or page, despite the alleged misuse of their name and reputation. This failure to take remedial legal action strongly suggests malicious intent, aimed solely at evading accountability and placing themselves outside the statutory regime. That the respondent's averments lack credibility, as they are contradicted by land mutation records and promotional documentation

10. The authority observes that the respondent has advertised the same over a long period on an online platform for public view.
11. Heard the parties.
12. The Authority has perused the materials placed on record and taken note of the submissions made by the parties.
13. The term Advertisement has been defined under Section 2(b) of the Real Estate (Regulation and Development) Act, 2016 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.”

14. The materials submitted on record in the form of an advertisement, clearly establishes that the respondent actively developed and promoted its project, Plotted Development, not only by offering units for sale but also by advertising on various platforms. Such promotional activity, undertaken without prior registration as required, constitutes a violation of Section 3 of the Real Estate (Regulation and Development) Act, 2016. Consequently, the advertisement in question squarely falls within the definition provided under Section 2(b) of the Act.

15. As asserted in their defense, the respondents have failed to produce any credible or substantive evidence to rebut the materials available against them, or to justify the brochure placed on record in the form of an advertisement promoting the unregistered project.
16. The respondent has actively promoted and facilitated the sale of plots in a project that is not registered with this Authority, thereby violating the provisions of Section 3 of the Real Estate (Regulation and Development) Act, 2016.
17. The technical report placed on record including geo-tagged images of the site, signage boards, and a detailed categorization of plots in support of the brochure clearly establishes that the project was being marketed and promoted in a structured and commercial manner. This directly attracts the applicability of Section 3 of the Real Estate (Regulation and Development) Act, 2016. The respondent's plea is devoid of any substantive averments or credible evidence to demonstrate that the contents of the report is imaginary. Accordingly, the objections and grounds raised by the respondent are found to be baseless and devoid of merit.
18. The other pleas advanced by the respondents in their reply are devoid of any merit and are therefore rejected.
19. The Authority is of the considered view that the actions of the respondent amount to clear violation of the mandatory requirement of prior registration of the project under Section 3 of the Real Estate (Regulation and Development) Act, 2016. Such conduct not only

undermines the intent of the statute but also attracts penal consequences as provided under Section 59.

20. In view of the above findings, it is established that the respondent company has contravened the provisions of Sections 3 of the Real Estate (Regulation and Development) Act, 2016. Accordingly, for contravening the said provisions and in consideration of safeguarding the interests of genuine homebuyers and to safeguard the objective and spirit envisaged under the RERA Act, the Authority imposes penalty against the promoter under Section 59(1) of the Act which states that on contravention of Section 3 of the Act, the promoter shall be liable to a penalty which may extend upto 10% of the estimated cost of the real estate project as determined by the Authority.
21. With respect to the quantum of punishment, it shall be calculated on the basis of minimum value rate (mvr) rate prevailing at the concerned place in absence of the exact knowledge of the estimated cost of the project. As per the prevailing mvr rate according to the bihar government website in the area situated near the project, the residential main road value per katha is Rs 185000. As per the report placed by the circle officer, the total land in question is 42.13 D. Thus, the land cost is approximately Rs. 77,94,050. Since, the cost of the land and cost of development of the project in contemporary scenario even in cases of plotted development is usually in ration of 3:2, thus it could be said that the development cost will approximately be around Rs.51,96,033. Accordingly, the total estimate cost of the project will approximately expand to Rs.12,990,088. Thus, the Authority hereby

imposes a penalty of Rs. ₹ 12,99,008, in accordance with Section 59(1) of the Act, which is 10% of the estimated cost of the project

22. The penalty amount, as mentioned above, shall be paid by the respondent company within sixty (60) days from the date of issuance of this order. Failure to comply with this direction will attract further action under Section 59(2) of the Real Estate (Regulation and Development) Act, 2016.
23. The Authority further directs the office to issue a letter to the I.G. Registration, Bihar to issue letter to all the concerned DSRS's / Sub-Registrars of Patna to impose a blanket ban on execution of sale deed for the project of Plotting developments by Saran Properties Private Limited.
24. The Concerned Circle Officer is directed to not to proceed with the mutation of any plot falling within the area of the said project land till further order by the Authority.
25. The office is directed to act accordingly and issue necessary directions to all concerned mentioning the full details of the Project including land details.

With these observations and directions, the matter is disposed of.

Sd/-
(Amarendra Shahi)
Senior Land Revenue Officer
RERA, Bihar