

REAL ESTATE REGULATORY AUTHORITY, BIHAR

Before the Single Bench of Senior Land Revenue Officer, RERA, Bihar.

RERA/SM/747/2025

Authorised Representative of RERA Complainant

Vs

M/s Shital Buildtech Pvt Ltd Respondent

Project: Green City NGRP

Present: For Complainant: Ojaswi Ishani

For Respondents: Mr. Sharad Shekar. Adv

28.07.2025 <u>ORDER</u>

1. Hearing taken up. Learned legal representative Ojaswi Ishani appears on behalf of the RERA. Learned counsel Mr. Sharad Shekar appears on behalf of the respondents.

2. A Suo Motu proceeding has been initiated against the promoter in respect of the project "Green City NGRP" on the basis of field inspection made by RERA Team in collobration 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 above project has already been completed and its maximum plots have been sold. He also submitted that the respondent company has applied for registration of the project with RERA along with fee, since the project was under Non Planning area the application was rejected. They also submitted that respondent has almost executed absolute sale deed in favor of allottee of the project and obtained completion certificate from the empaneled Architect, in support of such argument the respondent have also attached a completion certificate.
- 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 the project "Shital Green NGRP" 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 geo-tag pertaining to the project land in contravention was placed on record. From the report it transpires that the project is situated in the Anchal Sonpur, Saran, Bihar measuring approx. 29179.53 Sqm which falls into the planning area. On inspection, it was found that several plots were demarcated into several plots that exceed 8 plots. Apart from that as an proof of advertisement a pamphlet was attached by the the inspection team which shows offer to sell the plots of the said project.
- 8. The Legal representative of RERA submits that the completion certificate submitted by the respondent is invalid and not proper. The complainant submits that neither the completion certificate has issuance date and nor it has any bearing of execution from the local authority empowered to issue the same at the time of issuance of the alleged completion certificate.
- 9. The complainant additionally states that the completion certificate submitted by the respondent pertains to Village Kasturchowk and Mohalla Nayagoan, linked to Khata No. 82. However, the land records obtained from the relevant administrative office indicate that the respondent's land is actually located in Saran, Mauza-Mahmoodchak, Anchal-Sonpur, with different khata and khesra numbers than those mentioned in the completion certificate submitted by respondent. The specific khata and khesra details are listed below.

KHATA	KHESRA	RAKWA	LANDOWNER
66	166	19.4 D	Shital Green
13	169	8.2 D	Shital Green
62	166	22.314 D	Shital Green
66			
63	167	11.157 D	Shital Green
2	270	14.876 D	Shital Green
2	270	14.876 D	Shital Green
2	270	6.275 D	Shital Green

- 10. She highlighted out that the respondent has deliberately submitted the same completion certificate that was previously used in another case related to Shital Green NGBP, Case No. RERA/SM/755/2025. This clearly indicates the respondent's intent to circumvent the legal process.
- 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, *Shital Green NGRP*, not only by offering units for sale but also by advertising, at 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 *Shital Green NGRP*.
- 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 raised by the respondent are found to be baseless and devoid of merit.

- 18. The other pleas advanced by the respondents, whether in their reply or in their objection to the rejoinder, 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.

- With respect to the quantum of punishment, it shall be calculated on the 21. 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. 43000. As per the report placed by the circle officer, the total land in question is 82.222 D which is equivalent to 26.31104 katha. Thus, the land cost is approximately Rs. 11,31,636. 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. 7,54,424. Accordingly, the total estimate cost of the project will approximately expand to Rs. 18,91,060.93 Thus, the Authority hereby imposes a penalty of Rs. ₹ 1,89,106.09, 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 namely Shital Green NGRP., of the respondent M/s Shital Buildtech Pvt Ltd.

- 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