



REAL ESTATE REGULATORY AUTHORITY, BIHAR
Before the Bench of Secretary, Shri Alok Kumar, RERA, Bihar.

RERA/SM/744/2025

Authorised Representative of RERA Complainant
Vs
M/s Divine Buildcon Pvt. Ltd. ... Respondent

Project: Gautam Budha Nagar

Present: For Complainant: Mr. Shiv Sang Thakur, LR
For Respondents: None

30.07.2025

ORDER

1. Hearing taken up. Learned legal representative Mr. Shiv Sang Thakur, LR appears on behalf of the RERA. None appears on behalf of the respondents.
2. A Suo Motu proceeding has been initiated against the promoter in respect of the project "Gautam Budha Nagar" situated in the mauza "Ismail Chak" situated in the Sonpur block under the planning area on the basis of field inspection made by RERA Team in collaboration with District Administrations, Saran (Chhapra) 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. The respondent was served notice on multiple occasions including show cause notice on 12/06/2025 and furthermore notices on 24/06/2025 and 30/06/2025. Despite several notices, the respondent did not turn up before the Bench for the instant case. On reason of non-appearance of the respondent, the RERA office was directed to take steps for publication of public notice for appearance of the respondent in leading newspapers to be published in Patna and the same published on 12/07/2025
4. The legal representative of RERA to corroborate the violation committed by the respondent 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 "Gautam Buddha Nagar" 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. The respondent despite several notices has not bothered to appear and hence the bench had no option other than to proceed ex-parte. From the report it transpires that the project in question has been developed in the mauza namely "Ismail

Chak” situated in the Sonpur block. Furthermore, the details were provided by the concerned Circle Officer and it was found that the advertisement was situated on parcel of land having details as follows: -

S. No.	Khata	Khesra	Name of landowner in Jamabandi	Decimal
1	02	209 and 2010	Ritesh Anand alias Chandan Kumar Sinha, S/o of Santosh Kumar	35.019 D
2	02	210, 209	Ritesh Anand alias Chandan Kumar Sinha, S/o of Santosh Kumar	41.543 D
3	02	208, 209	A B Devcon Pvt. Ltd through Ritesh Anand	33.817 D
4	02	208, 209	A B Devcon Pvt. Ltd through Ritesh Anand	37.19 D
5	02	210	A B Devcon Pvt. Ltd through Ritesh Anand	34.296

8. It is evident through multiple mutation seen in the jamabandi that the respondent has dwelled in selling and purchasing of the parcel of the land post advertisement
9. Heard the parties. The Authority has perused the materials placed on record and taken note of the submissions made by the parties.
10. 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.”

11. The materials submitted on record in the form of an advertisement, clearly establishes that the respondent actively developed and promoted its project, "Gautam Buddha Nagar", 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.
12. Since the respondent did not appear, they have failed in producing any credible or substantive evidence to rebut the materials available on record against them in the form of an advertisement promoting the unregistered project "Gautam Buddha Nagar".
13. 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.
14. The technical report placed on record including geo-tagged images of the site, signage boards, and a detailed categorization of plots 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.

15. 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.
16. 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.
17. 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.40,000. As per the report placed by the circle officer, the total land in question is 181.86 D which is equivalent to 58.2021 katha. Thus, the land cost is approximately Rs. 23,28,808.79. 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. 15,52,539.20. Accordingly, the total estimate cost of the project will approximately

expand to Rs. 38,81,347.99. Thus, the Authority hereby imposes a penalty of **Rs. ₹3,88,134.80**, in accordance with Section 59(1) of the Act, which is **10%** of the estimated cost of the project.

18. 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.
19. 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 "Gautam Buddha Nagar", of the respondent - M/s Divine Buildcon Pvt. Ltd.
20. 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.
21. 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/-
(Alok Kumar)
Secretary
RERA, Bihar