

## REAL ESTATE REGULATORY AUTHORITY, BIHAR

Before the Single Bench of Secretary, Shri Alok Kumar, RERA, Bihar.

## RERA/SM/746/2025

Authorised Representative of RERA

... Complainant

Vs

M/s Shital Buildtech Pvt. Ltd

... Respondent

**Project: Shital Green City NGBP** 

Present: For Complainant: Mr. Shiv Sang Thakur

For Respondents: Mr. Sharad Shekher

30.07.2025

## **ORDER**

- 1. Hearing taken up. Learned legal representative Mr. Shiv Sang Thakur appears on behalf of the RERA. Learned Counsel Mr. Sharad Shekhar appears on behalf of the respondents.
- 2. A Suo Motu proceeding has been initiated against the promoter in respect of the project "Shital Green City NGBP" 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 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 notice issued to the respondent, the measure of the thrust of the respondents was to take plea that the project was under non planning area of mauza "Naya Gawn" during the initial days of the development. The counsel for the respondents submits that they have already sold various plots before the inclusion of the mauza in the planning area. The counsel further submits that the project has already received its completion certificate from empaneled architect dated 01.07.2021. The counsel further submits that previously a suo moto case was initiated against the project for which a penalty of Rs. 15.30 Lakh was imposed on promoter. The respondent has not submitted the earlier initiated case details but have attached the payment draft against the penalty.
- 4. The legal representative of RERA to corroborate the contention levied against 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 registration of the project "Shital Green City NGBP" with the Authority before undertaking any development, marketing, or sale activities after inclusion of the mauza in the planning area authority.
- 5. The legal representative of RERA has submitted the arguments on several points. Firstly, the respondents submits that through notification dated 31.01.2023, the mauza "Naya Gawn" was brought within the ambit of planning area of Sonpur Planning Area (Saran). Furthermore, the counsel submits various jamabandi of land parcel of the project in question which shows multiple mutation post inclusion of the mauza under planning area particularly in land parcel having details of Khata No. 989 and Plot No. 605, Khata No. 171, 211 and Plot No. 562, 561b respectively, Khata No. 652 and Plot No. 614. The complainant thus submits that the respondent while advertising the project has dealt in

selling and purchasing for the purpose of development of the project in question without registering the same under RERA Act, 2016 despite inclusion of the area under planning area authority post 2022.

- 6. Secondly, the complainant 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 alleged completion certificate.
- 7. Thirdly, the complainant submits that earlier suo-moto proceedings was initiated against the promoter and a penalty of Rs. 15.30 Lakh was imposed against the promoter in suo moto case no. RERA/SM/285/2018, RERA/SM/286/2018, RERA/SM/287/2018. The complainant submits that the payment receipt submitted by the respondent is incomplete and not clear. The complainant further submits that on verification, it was found that the respondent has only submitted payment of Rs. 8,16,000/against the total penalty.
- 8. The complainant 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.
- 9. 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.
- 10. 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 respondent has advertised through the medium of sign board and

- on YouTube of project. The report submitted by the concerned Circle Officer, Sonpur (Saran) shows multiple mutation post 2022.
- 11. Heard the parties and the Authority has perused the materials placed on record and taken note of the submissions made by the parties.
- 12. 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."
  - 13. The materials submitted on record in the form of a technical report., report from the concerned circle officer and advertisement, clearly establishes that the respondent actively developed and promoted its project, "Shital Green City NGBP" not only by offering units for sale but also by advertising, at various platforms. Such promotional activity with selling of the parcel of land, undertaken without prior registration as required despite inclusion of the project in planning area, 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.
  - 14. 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 reason of non-registration of the project after inclusion of the same in the planning area or regarding the

- advertisement made at the site and on YouTube promoting the unregistered project
- 15. 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.
- 16. The technical report placed on record including geo-tagged images of the site, advertisement, details of multiple mutation found 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 challenging the technical report 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.
- 17. Furthermore, the details provided by the respondent of the payment receipts are incomplete. The details of the cheque having cheque number 076579 is not clear. The photocopy of cheque number 076373 has been attached thrice which is nothing but an attempt to mislead the bench. The details provided by the representative of RERA shows that the total payment received was only against cheque no. 504912,504368, 505442 amounting to 8,16,000/-.
- 18. It was further observed that the completion certificate submitted by the respondent is not valid as per Bihar Building Bye Laws, 2014 and thus hold no value. The certificate does not have issuance date neither it has the signatures of the landowner or promoter for that matter. Most importantly, the completion certificate is wanting in the receiving of

- the local authority authorized to issue the same at the time of alleged issuance of the completion certificate in 2021.
- 19. 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.
- 20. The respondent has actively promoted through advertisement with an intention to facilitate 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.
- 21. The technical report placed on record including geo-tagged images of the site, signage boards 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.
- 22. 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.
- 23. 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 24. 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. 1,10,000. As per the report placed by the circle officer, the total land in question is 393.5486 D which is equivalent to 125.94 katha. Thus, the land cost is approximately Rs. 1,38,53,400/-. 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. 92,35,600. Accordingly, the total estimate cost of the project will approximately expand to Rs. 2,30,89,000. Since, the respondent did not fully comply with the earlier order of payment of penalty of Rs. 15.30 and have paid only 8,16,000, the same shall be deducted. Thus, the Authority hereby imposes a penalty of **Rs. 14,92,900**, in accordance with Section 59(1) of the Act, which is 10% of the estimated cost of the project after deduction of previous payment.
- 25. 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.
- 26. 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 City NGBP of the respondent - M/s Shital Buildtech Pvt Ltd.

- 27. 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.
- 28. 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