



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

RERA/SM/750/2025

Authorised Representative of RERA Complainant
Vs
M/s Niddhivan Homes Pvt. Ltd ... Respondent

Project: Niddhivan Homes

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

30.07.2025

ORDER

1. Hearing taken up. Learned legal representative Mr. Shiv Sang Thakur appears on behalf of the RERA. Nobody appears on behalf of the respondents.
2. A Suo Motu proceeding has been initiated against the promoter in respect of the project “Niddhivan Homes” situated in the mauza “Rasulpur” 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 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 the instant case, previously a show cause dated 12/06/2025 was sent to company namely Niddhivan Homes through director namely Surendra Kumar on M3/25, 1st Floor, Rajendra Smriti Sadan, Boring Road, near Basawan Park, Behind Hari Lal Sweets, Patna- 800001. It was in response of this show cause an advocate namely Mr. Manoj Kumar Singh appeared who admitted that the address in the show cause was of company namely Niddhivan Homes Developers Pvt Ltd and not Niddhivan Homes and that they had no association with the company namely Niddhivan Homes. The counsel appearing further submitted that no director namely Surendra Kumar is attached with the company namely Niddhivan Homes Developers Pvt Ltd and that the director of the company is Vinod Kumar Yadav. The counsel appearing on behalf of Niddhivan Homes Developers Pvt. Ltd prayed for dropping the proceedings.
4. The learned representative of RERA submitted that the error has occurred in writing different name of the director and that the name of the company was half written but the same was a typographical error. The counsel further submits that the intention of the notice was the show cause was to send notice to Niddhivan Homes Developers Pvt. Ltd which was evident from the correct registered address of the company on the show cause notice. The counsel further submits that the counsel appearing on behalf of Niddhivan Homes Developers Pvt. Ltd has subtly not given any response with respect to the company's association with the project in question in their reply. Moreover, the complainant submits that the respondent submitted contradictory statement stating on one hand that they had no association with the company namely Niddhivan Homes yet prayed for disposing of the matter.
5. That the bench while observing the fact that the registered address of both the company is same and that the typographical error of not writing the name of the company in full was immaterial, yet considering the fact

that the name of the director was written wrongly and on ground of natural justice directed the complainant to issue fresh show cause notice to the respondent company through its director namely Vinod Kumar Yadav.

6. The complainant submitted that subsequent notice was issued on 25.07.2025. It is important to note here that it was evident that the respondent company namely Niddhivan Homes Developers Pvt. Ltd has received the notice on their registered company address and has the constructive notice of the case initiated against the project namely Niddhivan Homes. The respondent cannot bypass the liability of submitting reply with regard to its association with the project on account of typographical error. Furthermore, since Niddhivan Homes Developers Pvt. Ltd has already appeared through counsel and the learned counsel for the respondent company has filed his vakalatnama in the instant case, there should not have been any need to issue separate notice to the respondent company. Yet on account of natural justice the bench directed to issue fresh notice. Despite issuance of subsequent notice, the respondent company did not bother to show up and no representation came on behalf of the respondent in the subsequent proceedings. The bench thus, had no options other than to proceed ex-parte.
7. 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 prior registration of the project "**Niddhivan Homes**" with the Authority before undertaking any development, marketing, or sale activities.

8. 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.
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 on the demarcated land situated in mauza namely Rasulpur. The report submitted by the concerned Circle Officer, Sonpur (Saran) has stated that advertisement through signboard existed at the site. The report yet could not ascertain the estimated cost of the project.
11. Heard the parties, 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, "*Niddhivan Homes*" by advertising through the mode of signboard at the demarcated land clearly stating the name of the project. 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.
14. 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 "Niddhivan Homes".
15. 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.
16. 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.
17. 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 up to 10% of the estimated cost of the real estate project as determined by the Authority.

18. 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 kml report generated after site visit, the total land in question is 1814.82 sq. mt. which is equivalent to 14.35 katha. Thus, the land cost is approximately Rs. 5,74,000. 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. 3,82,666.67. Accordingly, the total estimate cost of the project will approximately expand to Rs. 9,56,666.67. Thus, the Authority hereby imposes a penalty of **Rs. 95,666.67**, in accordance with Section 59(1) of the Act, which is **10%** of the estimated cost of the project.
19. 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.
20. 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 Niddhivan Homes of the respondent - M/s Niddhivan Homes Developers Pvt Ltd.

21. 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.
22. 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**