### BEFORE THE MAHARASHTRA REAL ESTATE REGULATORY AUTHORITY, NAGPUR SUO MOTU ADVERTISEMENT CASE NO. 31 OF 2024

MahaRERA on its own Motion .... Complainant

Versus

1)Kedia Builders and Developers .... Respondent/ Promoter

2)Buildcraft Consulting Engineers LLP

## MahaRERA Project Registration No. - P50300033929

# Coram: Shri.Sanjay Bhimanwar, Dy.Secretary, MahaRERA

Mr.Vineet Ashok Kedia and Mr.Milind Kahale appeared for the respondent/ promoter.

#### ORDER

#### 09<sup>th</sup> July 2024

(Through Video Conferencing)

1. The Maharashtra Real Estate Regulatory Authority has delegated certain powers on me dated 26/04/2023 under Section -81 of the Real Estate (R&D)Act 2016(hereinafter called as " Act 2016").The said powers, inter alia, contains imposing of penalty under section-59 of the Act-2016 for contravention of section -3 of the Act,2016 by the promoter and to impose penalty under section-61 of the Act,2016 for contravention of section-11(2) of the Act,2016 by the promoter. In Exercise of the powers delegated to me under section 81 of the Act,2016, notices were served to the parties, heard the parties and thereafter matter is disposed of.

- 2. The MahaRERA authority has issued the directions by MahaRERA order No 46/2023 read with MahaRERA order No. 46A/2023 wherein with effect from 01.08.2023, promoter shall prominently display the QR Code on each and every real estate project promotion / advertisement published in the mediums, in the manner and at the place as more specifically mentioned in MahaRERA Order No.46/2023 dated 29.05.2023, failure to which a penalty under Section 63 of the Act, 2016 shall be imposed upon promoters for each such violation.
- 3. The Advertising Standards Council of India had issued an intimation letter dated 16/04/2024 to the Promoter and the Agent above named for issuing an advertisement on Website namely "
  <u>https://www.facebook.com/photo/?fbid=7464213250266943&set=q.188</u>
  <u>3405505266585</u>" dated 17/03/2024 in regard to their real estate project
  "Purvika Residency"registered with MahaRERA under project registration number P50300033929 situated at Amravati without incorporating MahaRERA Website Address and the Quick Response (QR) Code of the said real estate project and Agent registration Number in the said advertisement.
- 4. The Promoter, in spite of having received the intimation letter dated 16/04/2024 from the "Advertising Standards Council of India" failed to comply with MahaRERA regulation and modify or withdraw the said advertisement.
- 5. The Promoter, however, by its reply dated 08/07/2024 to the hearing notice and link dated 09/07/2024 had submitted that they had not received any intimation letter dated 16/04/2024 from the "Advertising Standards Council of India". The Promoter further submitted that the aforementioned project "Purvika Residency" had already been completed and received with occupancy certificate from the Amravati Municipal Corporation. The Promoter further submitted that Mr.Milind Kahale- Buildcraft Consulting Engineer LLP is a structural Engineer of the said real estate project and

not any real estate agent. The Promoter further furnished the Occupancy certificate issued by the Amravati Municipal Corporation, Form 4 and the certificate of structural engineer, in support.

- In this regard, a hearing was scheduled on 09/07/2024 through video conferencing as per the MahaRERA Circular No. 27/2020 and MahaRERA Order No. 593/2023, when the Promoter and the Agent/Structural Engineer appeared and made their submission.
- 7. During the hearing, the Promoter submitted that the aforesaid project" Purvika Residency" has already been completed and received with Occupancy certificate issued by the competent authority, Amravati Municipal Corporation, Amravati. The Promoter further submitted that Mr. Milind Kahale-Buildcraft Consulting Engineer LLP is structural Engineer of the aforementioned real estate project and not a real estate agent registered under MahaRERA.
- In this regard, it is necessary to pursue the provision of section 11(2) of the RERA which reads as under:

"11(2) The advertisement or prospectus issued or published by the promoter shall mention prominently the website address of the Authority, wherein all details of the registered project have been entered and include the registration number obtained from the Authority and such other matters incidental thereto."

9. In this regard, it is necessary to peruse the provisions of MahaRERA Order No. 46/2023 read with MahaRERA Order No. 46A/2023, which reads as under:

**MahaRERA Order No. 46/2023 dated 29.05.2023** -The Promoter shall prominently display QR Code on each and every project promotion/advertisement published after 01.08.2023. The QR Code must be published in a manner that is legible, readable, and detectable with software applications. The QR code must be published besides the MahaRERA Registration Number and the Website Address. The mandate

as mentioned above shall apply to the mediums of promotion/advertisement and in any other medium as may be directed by the Authority.

**MahaRERA Order No. 46A/2023 dated 25.07.2023** – (a)With effect from 01.08.2023, Promoter shall prominently display the QR Code on each and every real estate project promotion/advertisement published in the mediums, in the manner and at the place as more specifically mentioned in MahaRERA Order No. 46/2023 dated 29.05.2023. The above shall apply to the mediums of promotion/advertisement and in any other medium as may be directed by the Authority. b) Failure to comply with (a) above shall be construed as a violation of the directions issued in the abovereferred MahaRERA Order and penalty which may extend up to Rs. 50,000/- subject however to a minimum penalty which shall not be less than Rs. 10,000/- under Section 63 of the Act shall be imposed upon promoters for each such violation. \*

10. In this regard, it is necessary to peruse the provisions of Section 9(5); which reads as under:

"9(5) Even real estate agent who is registered as per the provisions of this Act or the rules and regulations made thereunder, shall be granted a registration number by the Authority, which shall be quoted by the real estate agent in every sale facilitated by him under this Act."

- 11. From the plain reading of the above-mentioned section, the Real Estate Agent is under obligation to mention the agent registration number in the advertisements issued by it.
- 12. In this regard, it is necessary to peruse the provision of Section 3(2)(b) of the RERA which reads as under:

"....no registration of the real estate project shall be required where Page 4 of 6

the promoter has received completion certificate for a real estate project prior to commencement of this Act."

- 13. From the plain reading of Section 3(2)(b), it clearly indicates that the provisions of this Act would not be applicable to the projects which are completed and have received a completion certificate.
- 14. Also, in this regard, it is necessary to peruse the Circular No 25 / 2019 which reads as under:

Real Estate Projects that are excluded from MahaRERA Registration. 3. Real Estate Projects where Promoter has received Completion certificate / Occupancy certificates / N/A (in case of plotted development from Competent Authority any time before Agreement for Sale / Sale Deed Registration. It clarifies that real estate projects where promoter has received completion certificate/occupation certificate/N.A. (in case of plotted development) from Competent Authority, any time before Agreement for Sale/Sale-deed registration, such real estate projects are excluded from MahaRERA Registration.

- 15. In the present case, the Promoter had published the Facebook advertisement dated 17/03/2024 in regard to their real estate project "Purvika Residency"registered with MahaRERA under project registration number P50300033929 situated at Amravati without incorporating MahaRERA Website Address and the Quick Response (QR) Code of the said real estate project and Agent registration Number in the said advertisement.
- 16. In this regard, however, it appears from the submission of the Promoter and the documents on record that the aforesaid project has already been completed and received with an occupancy certificate from the competent authority. On this background, considering the provisions of the Act, this Promoter cannot be held liable for violation of MahaRERA regulation in regard to the MahaRERA Website Address and the Quick Response (QR) Code of the said real estate project to be displayed in the advertisement.

- 17. Hence, the Promoter is not in violation of Section 11(2) of the Act and MahaRERA Order No. 46A/2023 dated 25.07.2023 read with MahaRERA Order No. 46/2023 dated 29.05.2023 for not mentioning/incorporating the MahaRERA Website Address and the Quick Response (QR) Code of the said real estate project in the said advertisement.
- 18. Further, in this regard, it appears from the documents on record that the aforesaid Agent/Structural Engineer is not a real estate agent as per the definition of Real Estate agent as mentioned in 2(zm) of the Act 2016 and hence, does not attract the provisions of Section 9 of the Act-2016. Therefore, there is no violation of Section9(5) of the Act-2016.
- 19. In view of the above, the present case stands closed.

Moorcent

(Sanjay Bhimanwar)

Dy.Secretary, MahaRERA,Nagpur.