BEFORE THE MAHARASHTRA REAL ESTATE REGULATORY AUTHORITY, PUNE

SUO MOTU ADVERTISEMENT/ **PUNE CASE NO.1240F 2023**

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MahaRERA on its own Motion

Complainant

Versus

(1) Image Realty LLP. (2)M AND H Happy Homes Pvt.Ltd. MahaRERA Agent Registration No. A52100037015

.... Respondent-Promoter Respondent-Agent

Projects -MahaRERA Project Registration No. 1.P52100030142, 2.P521000300651 3. P52100030086

Coram:Shri.F.D.Jadhav, Dy.Secretary-Cum-Head

Appearance :-Mr. Shikhar Soumya, A.R. for Respondent-Promoter.

Mr. Yatin Arora for Respondent-Agent.

3rd November,2023 (Through Video Conferencing)

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The present case has been initiated by MahaRERA suo-motu against the respondents for publishing advertisement of the aforesaid registered real estate projects in website https://vanaha-shapoorji.com/discovery/ wherein the MahaRERA Project Registration numbers and Ouick Response (QR) Code were not included, thereby violating the provisions of Section 11(2) of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred to as "Act, 2016) and the directions issued by the Maharashtra Real Estate Regulatory Authority under MahaRERA Order No.46/2023, dated 29.05.2023 read with MahaRERA Order No.46A, dated 25.07.2023 and MahaRERA Order No. 46B, dated 21.08.2023.

In pursuance of the aforesaid advertisement and in exercise of the powers delegated by MahaRERA under Section 81 of "Act 2016" vide No.MahaRERA/Secy/SCN/1142/2023, dated 24.08.2023,show cause notices, dated 13.09.2023 and 18.09.2023 were issued to the Respondent-Promoter and Respondent-Agent respectively, for taking action of imposing penalty against them under Section 61, 63 and 65 of the Act, 2016 for violation of provisions of Section 11(2) and for violation of the MahaRERA Order No.46, 46A and 46B respectively.

In response to the show cause notice, dated 13.09.2023, the respondent-promoter filed his reply, on 15-09-2023 thereby contended that the website wherein the impugned advertisement was published, does not belong to the promoter, but it belongs to the respondent-agent. It has been further contended by the respondent-promoter that immediately upon receipt of the letter issued by them to the channel partner, channel partner has communicated them vide letter dated 14-09-2023 about the non-compliance by them of the directions pertaining to QR Code and MahaRERA Registration number and such omission occurred due to technical error.

The respondent-agent has also submitted his reply, dated 22.09.2023 to the said show cause notice, dated 18.09.2023, whereby the respondent-agent has admitted the non-inclusion of the MahaRERA Project Registration numbers as well as QR Code in the advertisement published by them in the aforesaid website. The respondent-agent has contended that non display of QR Code and MahaRERA Registration numbers in respect of the above projects in the advertisement was purely due to some incomprehensible technical glitch, unintentional and without ulterior motives and intents.

Notice of hearing, dated 31.10.2023 was issued to both the respondents. Mr. Shikhar Soumya, A.R. has appeared on behalf of Respondent-Promoter, whereas Mr. Yatin Arora, A.R. has appeared on

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behalf of the Respondent-Agent. Heard both the respondents at length.Mr. Shikhar Soumya has reiterated the contentions raised in the reply by the respondent-promoter and submitted that channel partner is responsible for publishing the said advertisement without including MahaRERA Registration numbers as well as QR Code of the aforesaid projects. Mr. Yatin Arora also reiterated the contentions raised in the reply by the respondent-agent. He has admitted to have published the said advertisement in their website without mentioning the MahaRERA Registration numbers and QR Code of the real estate projects. This channel partner has prayed for condonation and non application of penal action in the matter.

As stated hereinabove, the respondent/promoter has specifically his reply that the website being http://vanahastated in shapoorji.com/discovery/on wherein alleged advertisement was published, does not belong to the promoter. The promoter's official website for the http://shapoorjirealestate.com/residential/vanaha-springs. project is the website http://vanaha-According to this promoter shapoorji.com/discovery/on belongs to their channel partner M/s.M& H Happy Homes Pvt. Ltd bearing MahaRERA Registration No.A52100037015. It is the contention of the respondent/promoter that immediately on receipt of this show cause notice from MahaRERA, they communicated the non compliance of the requirements prescribed by MahaRERA while publishing advertisement to the channel partner. In reply, the channel partner communicated to the promoter that the omission happened due to technical error and channel partner apologized for the error. The channel partner in his reply dated 22-09-2023 has also been admitted their mistake while publishing the advertisement. According to them non display of QR code and MahaRERA Registration number of the aforestated project in the advertisement was purely due to some incomprehensible technical glitch, unintentional and without ulterior motives & intents.

At this juncture it is relevant to refer Rule 14 (2) of MahaRERA Real Estate (Regulation and Development) (Registration of Real Estate Project) etc., Rules-2017, which runs as follows.

Rule-14 (1)

(2) "Every registered real estate agent shall quote his number of their registration all the documents relating to advertisement, marketing, selling or purchase issued by the real estate agent along with the number of registration certificate of the real estate project".

8. In the MahaRERA order No.46B dated 21-8-2023 it has been specifically mentioned that the directions issued by Authority in MahaRERA Order No.46/2023 and 46A/2023 dated 29-5-2023 and 5-07-2023 respectively shall mutandis apply to all the Registered Real Estate Agents.

It is thus pertinent to note that with effect from the date of coming into force of this Order 46B, the directions mentioned in all the Orders issued by Authority shall be followed by every Registered Real Estate Agents. The first direction/clause (a) of the Order 46/2023 states that the Real Estate Agents shall prominently display QR code on each and every Real Estate promotion/advertisement published after 1st, August, 2023 and the above mandate shall apply to the medium more specifically listed in MahaRERA order No.46/2023 dated 29-5-2023. The direction No.2 or clause (b) speaks that the QR code publish shall be legible and readable and detectable with software application and shall be published besides MahaRERA Project Registration Number. The QR code must be published besides the MahaRERA registration and website address.

10. In this matter it is a case of the respondent/promoter that he is not at fault and the advertisement in question was published by the channel partner. According to promoter channel partner has given this

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advertisement without his authority, approval and knowledge. The channel partner i.e. Respondent No.II has also unhesitantly and clearly admitted that violation of the rules as well as Orders prescribed by MahaRERA is violated by him. In other words, the channel partner explicitly states that respondent/promoter is not liable or responsible for any wrong committed in this matter. On the contrary it is the contention of the respondent-agent in this matter that while publishing the advertisement violation is occurred due to his mistake. In view of this clear admission by the channel partner, respondent/promoter cannot be held liable for any breach of the provisions of the law as well as the Orders passed by MahaRERA Authority viz. Order No.46/2023 and 46B dated 21-8-2023.

11. In view of voluntary, unequivocal and specific admission by the channel partner it can be said that this channel partner is liable for publishing the advertisement without quoting the number of registration certificate of the real estate project and QR code. As such it has been proved that this Agent is in default as enunciated under Rule-14 (2) of the aforestated Rules 2017 read with Section 65 of the Act, 2016. It has also been proved that this Agent has also violated directions issued by the MahaRERA vide order No.46B read with MahaRERA order No.46/2023 dated 29-05-2023.

12. Considering the facts viz a viz law discussed hereinabove as well as the Order No.46, 46A and 46B issued by MahaRERA, it can be said that it has been proved beyond doubt that the respondent agent has violated the provisions of Rule-14 (2) of Rules 2017 and directions issued in the MahaRERA order No.46B with MahaRERA order No.46 for publishing the advertisement without MahaRERA registration number and QR code and thus this is a fit and suitable case to impose penalty.

In view of the above, the penalty of Rs.25,000/- under Section 65 of the Act, 2016 is imposed upon the respondent-agent for violation of Rule 14(2) of the Rules, 2017.

- Penalty of Rs.25,000/- is also imposed on the respondent-agent for violation of the directions issued by the MahaRERA Authority by Order No.46/2023, dated 29.05.2023 read with Order No.46B/2023, dated 21.08.2023.
- 15. Both the said penalties shall be payable by the respondent-agent within 15 days from the date of this order, failing which respondent-agent shall be liable to penalty of Rs.250/- per day, in addition, till the realization of entire amount.
- 16. The Technical and Finance Department of the MahaRERA Authority shall verify the payment of the said penalty before processing any applications by the respondent agent for renewal, corrections, change of name etc., with respect to his license as a real estate agent.

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⁽ F.D.Jadhav) Dy.Secretary-Cum-Head, MahaRERA, Pune