BEFORE THE MAHARASHTRA REAL ESTATE REGULATORY AUTHORITY, PUNE

. . . .

SUO MOTU ADVERTISEMENT/ PUNE CASE NO.125 OF 2023

MahaRERA on its own Motion

Complainant

Versus

Macrotech Developers Pvt. Ltd.
Square Yards Consulting Pvt.Ltd.

Respondent-Promoter Respondent-Agent

MahaRERA	Project	Registration No	os.(1)	P52100024215,	(2)
P521000002	.83, (3)	P52100020190,	(4)	P52100020172,	(5)
P521000201	.88, (6)	P52100020142,	(7)	P52100020156,	(8)
P521000194		P5210007082,	(10)	P5210007082,	(11)
P517000170	60				
MahaRERA F	eal Estate	Agent Registration	No.AC	09600037017	

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

Appearance :- Adv. Akansha Monga for Respondent-Promoter. Adv. Lakshya Ruhella for Respondent-Agent

ORDER

3rd November, 2023 (Through Video Conferencing)

1.

The present case has been initiated by MahaRERA suo-motu against publishing respondent-promoter respondent-agent for and the advertisement of aforesaid registered real estate projects on the website https://www.squareyards.com/projects-by-lodha-in-pune wherein the Project Registration numbers and Quick Response (QR) Code have not been included, thereby violating the provisions of Section 11(2), Section 10(a) of the Real Estate (Regulation And Development) Act, 2016 (hereinafter referred to as' Act, 2016), Rule 14 of the Maharashtra Real Estate (Registration of Real Estate Projects, Registration of Real Estate Agents, Rates of Interest and Disclosures on Website), Rules, 2017 (hereinafter referred to as "Rules, 2017) and the directions issued by the Maharashtra Real Estate Regulatory Authority under MahaRERA Order No.

46B/2023, dated 21.08.2023 read with MahaRERA Order No. 46/2023, dated 29.05.2023.

- 2. In pursuance of the aforesaid advertisement and in exercise of the powers delegated by MahaRERA under Section 81 of the Real Estate (R & D) Act, 2016 (hereinafter called as "Act 2016") vide No. MahaRERA/Secy/SCN/1142/2023, dated 24.08.2023, show cause notices, dated 13.09.2023 have been issued to both the respondents calling upon them as to why necessary action should not be taken against them for imposing penalty under Section 61, 63 and Section 65 read with MahaRERA Order No.46/2023, dated 29.05.2023, MahaRERA Order No.46-A, dated 25.07.2023 and MahaRERA Order No.46B/2023, dated 21.08.2023.
- The respondent-promoter has filed its reply, dated 25.09.2023, 3. whereby the respondent-promoter denied that there is any violation of the aforementioned MahaRERA Orders on their part. The respondentpromoter further contended that the channel partners associated with it were duly provided with the requisite details to be displayed on their respective websites in compliance of the Act and the orders issued by the Authority. The respondent-promoter further contended that on thoroughly investigating the charges of advertising their projects, both internally within their marketing and advertising team and among their channel partners especially with Square Yards Realty Pvt.Ltd., no such advertisement without the display of the Quick Response Code were came to be found. It is further submitted by the respondent-promoter that MahaRERA Order No.46B, dated 21st August, 2023 casts an independent and distinct liability upon the registered real estate agents to comply with the directions issued by the Authority while advertising/promoting the real estate projects registered with MahaRERA and necessary action ought to be taken against the registered real estate agent in the instant case for not complying with the regulations despite having all the requisite information available with them. It is further submitted by the promoter that their official website of the aforementioned projects reflects both the

Registration number as well as QR Code. With these submissions, the respondent-promoter prayed that no adverse order be passed against it.

5.

4. The respondent-agent has also filed its reply, dated 30.09.2023. It has been contended by the respondent-agent that the mandatory requirement for the display of QR Code on real estate projects was made mandatory through a circular issued on 21st August, 2023 and show cause notice for non-compliance was issued on 13th Sept. 2023, giving it a relatively short timeframe to ensure compliance across numerous projects listed on its website. It is further submitted by him that they are committed to complying with the circular's requirements and have already initiated the process of affixing QR Codes to the projects listed on their website. However, due to the sheer volume of projects, they anticipate that it will take some additional time to complete this task diligently and accurately.

5. Notice of hearing, dated 31.10.2023 was issued to both the respondents and they were called upon to attend the virtual hearing on 03.11.2023. Adv. Akansha Monga appeared for respondent-promoter. She has reiterated the contentions raised out by the respondent-promoter in its reply and submitted that the impugned advertisement has been published by the respondent-agent without approval of the respondentpromoter and therefore, respondent-agent is solely responsible for the violation of the relevant provisions and orders mentioned in the showcause notice. Adv. Lakshya Ruhella appeared on behalf of respondentagent. He has admitted to have published the impugned advertisement without mentioning Registration numbers of the projects mentioned therein and without including the QR Code. He has further submitted that the omission on the part of the respondent-agent was unintentional and prayed for leniency.

It has come on record that the respondent-agent has issued the impugned advertisement of the aforesaid real estate projects of the respondent-promoter on the website mentioned above without mentioning

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the registration numbers of the projects and without including the QR Code. The directions were issued by the MahaRERA under Order No.46/2023, dated 29.05.2023 read with Order 46A, dated 25.07.2023 that the promoter shall prominently display Quick Response (QR) Code on each and every project promotion/advertisement published after 1st August, 2023, the QR Code must be published in a manner that is legible, readable and detectable with software application and the OR Code must be published besides the MahaRERA Registration number and the website address. The mandate as mentioned in clause (a) above shall apply to the mediums of promotion/advertisement mentioned thereunder. The fourth medium shown thereunder is advertisement on websites/webpages of projects, which is relevant in the matter. MahaRERA has also issued Order No.46B, dated 21.08.2023, whereby the directions were also issued to the real estate agents to prominently display QR Code on each and every real estate project promotion/advertisement published in the mediums as more specifically listed in MahaRERA Order No.46/2023, dated 29.05.2023. It has been made clear in the said Order No.46B/2023 that the directions issued in MahaRERA Order No.46/2023 and 46A/2023 shall mutatis mutandis apply to all registered real estate agents. Therefore, by not including the QR Code in the impugned advertisement, the respondentagent has thus violated the directions issued by the MahaRERA.

6.

It can be seen from the record that the promoter has not breached any provision of law. According to him, without his authorisation, approval or knowledge, Channel Partner has given advertisement on website without including QR Code. Channel Partner has also admitted his fault as he has not included project registration numbers and QR Code in the advertisement of the projects on website. It unequivocally indicates the violation is on the part of the Channel Partner and not the promoter. In view of this, Channel Partner only has to be held responsible for violation of Rule 14 of the Rules, 2017 and for violation of directions issued vide MahaRERA Order No.46B, dated 21.08.2023. Thus taking into consideration the aforesaid facts on record and voluntary admission by respondent-agent for publishing the impugned advertisement without mentioning project registration numbers and QR Code, this is a fit case to impose penalty under Section 65 of the Act, 2016 against the respondent-agent for violation of Rule 14(2) of the Rules, 2017 and the Order No. 46/2023, dated 29.05.2023 read with Order No.46B/2023, dated 21.08.2023 issued by the MahaRERA. Since it is a violation solely on the part of respondent-agent, it is just and proper in the interest of justice that no penalty be imposed on the respondent-promoter.

7.

- In view of above, the penalty of Rs.25,000/- is imposed upon the respondent-agent under Section 65 of the Act 2016 for violation of Rule 14(2) of the MahaRERA Rules, 2017.
- Further the penalty of Rs.25,000/- is also imposed upon the respondent-agent for violation of directions issued by MahaRERA Order No.46/2023, dated 29.05.203 read with MahaRERA Order No. 46B/2023, dated 21.08.2023.
- 10. Both the said penalties shall be payable by the respondent-agent within a period of 15 days from the date of this order, failing which a further penalty of Rs.250/- per day on each count, in addition, would be imposed till realization of entire amount.
- 11. The Technical and Finance Department of the MahaRERA Authority shall verify the payment of the said penalty before processing any applications by agent for renewal of license, corrections, change of name etc., with respect to his registration as an agent.

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