

**BEFORE THE MAHARASHTRA
REAL ESTATE REGULATORY AUTHORITY, MUMBAI**

Virtual Hearing held through video conference as per
MahaRERA Circular No.: 27/2020

1. REGULATORY CASE NO. 312 OF 2024

PROMOTER NAME

HAGWOOD COMMERCIAL
DEVELOPERS PRIVATE LIMITED

PROJECT NAME

PROZONE PALMS

MAHARERA PROJECT REGISTRATION NO. P50500004915

ORDER

(In an extension application)

December 26th, 2024

(Date of hearing –10.12.2024 matter reserved for order)

Coram: Manoj Saunik, Chairperson, MahaRERA

Director Sudhanshu Chaturvedi present for the promoter.

1. The applicant is the promoter/developer within the meaning of Section 2(zk) of the Real Estate (Regulation and Development) Act, 2016 ("**said Act**") of Real Estate Regulatory Authority ("**RERA**") and had registered the project "**PROZONE PALMS**" under section 5 of the said Act bearing MAHARERA Registration No. **P50500004915** (hereinafter referred to as the "**said Project**").

2. The promoter has filed an extension application no. EXT50500024442 on 30.07.2024 (hereinafter referred to as "**said extension application**") seeking for extension of the said project under section 7(3) of the said Act which was heard by this Authority on 10.12.2024 wherein the following roznama was recorded:

"Promoter states that project is at Nagpur and further states that part OC has been obtained till 11th Floor. That because of the dispute with Airport Authority of India for the top three floors the case is pending with Nagpur bench of the Bombay High court. Promoter seeks extension due to the litigation and seeks extension till the matter is resolved. Promoter states that upto 11th floor not all allottees have taken possession due to litigation. Promoter seeks extension for top three floors. Extension is granted till 31.07.2027.

Matter is reserved for order."

3. Before moving ahead, the Authority notes the registration details already on record. The promoter while seeking registration of the said project had submitted the date of completion as 31.12.2018. MahaRERA granted three (3) extensions on the ground of Covid-19 pandemic which were granted to all the projects registered with MahaRERA and qualifying under Notifications / Orders Nos. 13, 14 & 21 dated 02.04.2020, 18.05.2020 & 06.08.2021 along with extensions granted under section 6 and section 7(3) of the Act whereby the date of completion was extended up to 31.07.2024. The promoter states that the project is completed, and part occupancy certificate (OC) is already received upto eleven floors out of fourteen floors. The promoter seeks extension for obtaining OC for balance three floors. In view of the above, the promoter has applied for extension vide the said extension application herein under section 7(3) of the said Act for the period from 01.08.2024 to 31.07.2027.

4. Thus, the issue before this Authority is with regard to grant of extension under Section 7(3) of the said Act. In this regard it is pertinent to note that the promoter this time has not been able to obtain 2/3rd majority consents of the allottees of the said project. In this context the relevant extract of Section 7(3) is reproduced hereinbelow for ease of reference:

“7 (3) The Authority may, instead of revoking the registration under sub-section (1), permit it to remain in force subject to such further terms and conditions as it thinks fit to impose in the interest of the allottees, and any such terms and conditions so imposed shall be binding upon the promoter.”

On the plain reading of Section 7(3) of the said Act, it is clear that instead of revoking the registration this Authority can impose certain terms and conditions as it thinks fit to let the registration remain in force.

5. The following observations are noteworthy before examining the issue of grant of extension under Section 7(3) of the said Act of registration of the said project:

- a. That part OC has been obtained till 11th floor. However, not all allottees have taken possession due to pending litigation in the project.

- b. The promoter submits that there is a litigation pending in Nagpur High Court against Airport Authority of India (AAI) for obtaining NOC top three floors.
 - c. That the promoter seeks extension till the litigation is resolved and NOC is obtained from AAI.
6. In view of the above, the issue of the extension under Section 7(3) of the said Act as sought by the promoter without 2/3rd consents of the allottees needs to be examined in light of the above-mentioned fact. The Authority would like to bring on record the statements of objects and reasons of the said Act which are reproduced hereinbelow for ease of reference:

“An Act to establish the Real Estate Regulatory Authority for regulation and promotion of the real estate sector and to ensure sale of plot, apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector and to establish an adjudicating mechanism for speedy dispute redressal and also to establish the Appellate Tribunal to hear appeals from the decisions, directions or orders of the Real Estate Regulatory Authority and the adjudicating officer and for matters connected therewith or incidental thereto.”

On perusal of the above it is clear that the whole aim of the said Act has been to promote the real estate sector in an efficient and transparent manner and protect the interest of the consumers (*including home buyers / allottees*). Thus, by not extending the registration of the said project the same will come to a halt. The promoter shall not be able to take actions for efficient completion as may be required in view of the lack of registration. Such an action will only be detrimental to the interest of the consumers (*including home buyers / allottees*). Thus, the balance of convenience lies in allowing the extension with such condition so as to ensure completion. Further, the Authority also notes that this extension under Section 7(3) needs to be granted so that the completion of the said project is not interrupted. Thus, the Authority grants the extension to the registration of the said project from **01.08.2024 to 31.07.2027**. Needless to say, this extension will be without prejudice to the rights of the allottees under the

said Act. In view thereof, this Authority allows the said extension application keeping the rights of the allottees intact with certain directions hereinbelow.

FINAL ORDER

The said extension application is **allowed** and the extension for the said project is granted from 01.08.2024 to 31.07.2027 with the following conditions:

- A. The promoter shall complete the construction work and obtain occupancy certificate (OC) for the said project. Needless to say, the allottees of the said project shall co-operate with the promoter. That the rights of the allottees under the said Act shall however remain intact.
- B. The promoter is directed to submit within 15 days of this order date the PERT CPM / BAR charts about the milestones to be achieved with respect to the completion of the said project. The same shall also be shared with the Allottees of the said project.
- C. The promoter herein is also directed to submit monthly progress reports of achievements of such milestones and/ or delay if any, to MahaRERA, the association of allottees, if any formed and the allottees of the said project.
- D. That upon receipt of the part / full OC the promoter shall inform this Authority about the same and update all progress on the said project registration webpage from time to time.

Manoj Saunik
Chairperson, MahaRERA