

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

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

REGULATORY CASE NO. 388 OF 2025

PROMOTER NAME SUMER CORPORATION

PROJECT NAME SUMER LIFE CASA

MAHARERA PROJECT REGISTRATION NO. P51800026539

ORDER

(In an extension application)

July 17th, 2025

(Date of hearing –10.07.2025-matter reserved for order)

Coram: Manoj Saunik, Chairperson, MahaRERA

Advocate Parth Chande is 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 (“**Act**”) of Real Estate Regulatory Authority (“**RERA**”) and had registered the project “SUMER LIFE CASA” under section 5 of the Act bearing MAHARERA Registration No. **P51800026539** (hereinafter referred to as the “**Project**”).
2. The promoter has filed an extension application no. EXT51800024500 on 05.08.2024 (hereinafter referred to as “**extension application**”) seeking for extension of the project under section 7(3) of the Act, which was heard by this Authority on 10.07.2025, wherein the following roznama was recorded:
*“The learned advocate appeared and was heard on the extension application.
Matter is reserved for orders.”*
3. Before moving ahead, the Authority notes the registration details already on record. The promoter, while seeking registration of the project had submitted the date of completion as 31.12.2023. MahaRERA granted extensions on the ground of Covid-19 pandemic which were granted to all the projects registered with MahaRERA and qualifying under Notifications / Orders Nos. 21 dated

06.08.2021, whereby the date of completion was extended upto 30.06.2024. The delay in completion of the project has occurred due to circumstances beyond the control of the Promoter. A major cause has been the non-cooperation of the lender, who has failed to disburse the sanctioned funds despite repeated follow-ups, thereby halting construction activities. Additionally, legal constraints, including stay orders dated 21.01.2022 and 20.06.2022 issued by the Arbitrator, and a pending writ petition before the Hon'ble Bombay High Court, have further impeded progress. The Promoter has submitted a settlement proposal to the lender and remains committed to completing the project in a phased and timely manner. Hence, the promoter has applied for extension vide the extension application herein under section 7(3) of the Act for the period from 01.07.2024 to 31.12.2027.

4. Thus, the issue before this Authority is regarding grant of extension under Section 7(3) of the Act. In this regard, it is pertinent to note that the promoter this time has not been able to obtain 51% majority consent of the allottees of the 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."

Section 7(3) provides 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 submissions of the promoter are noteworthy before examining the issue of grant of extension under Section 7(3) of the Act:
 - a. The project has been delayed due to circumstances beyond the control of the Promoter.
 - b. One of the primary causes of delay is the persistent non-cooperation from the lender. Despite multiple communications and efforts made by the Promoter, the disbursement of sanctioned funds has not been realised, thereby severely impacting the progress of construction.

- c. In addition, the project has been affected by legal constraints. A stay order was issued by the Arbitrator on 21.01.2022 and again on 20.06.2022, restraining further development. Moreover, a writ petition bearing WP No. 975 of 2010 titled Sumer Corporation vs. State of Maharashtra & Ors. is currently pending before the Hon'ble Bombay High Court, which has contributed to the delay.
 - d. Due to past delays, the allottees have become apprehensive, resulting in reluctance to provide consent for extension, despite the extension being essential to ensure project completion.
 - e. The extension is crucial for maintaining the validity of the project registration. Without the extension, the registration will lapse, halting construction, stalling disbursement of home loans by banks, and preventing registration of new agreements for sale. This would lead to a severe cash flow crisis, adversely impacting the interests of allottees.
 - f. The promoter has submitted a settlement proposal to the lender and is awaiting approval. Upon receipt of necessary funds, the balance work will be resumed in a phased manner.
 - g. The promoter remains fully committed to the completion of the project.
 - h. In view of the exceptional circumstances narrated above, the Promoter prays for the grant of extension of project completion timeline till 31.12.2027.
6. In view of the above submission of the promoter, the issue of the extension under Section 7(3) of the Act, as sought by the promoter without 51% consent of the allottees, needs to be examined considering the above-mentioned fact. The Authority would like to bring on record the statements of objects and reasons of the 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."

7. The whole aim of the Act is 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 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 conditions 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 project is not interrupted. Therefore, in the interest of the allottees, the Authority grants extension from **01.07.2024 to 31.12.2027**. This extension will be without prejudice to the rights of the allottees under the Act. In view thereof, this Authority allows the extension application keeping the rights of the allottees intact with certain directions hereinbelow.
8. The Authority notes that the previous extension for the project expired on 30.06.2024, and the present application seeking further extension from 01.07.2024 to 31.12.2027 was filed on 05.08.2024—albeit within a little over a month from the date of expiry. However, despite this, the application was listed for hearing before the Authority only on 10.07.2025, i.e., nearly a year after the previous registration had lapsed. This inordinate delay in processing the application is attributable to the promoter's failure to promptly and fully comply with the statutory requirements and procedural mandates under the Act for seeking extension. Such non-compliance compromises regulatory discipline and introduces legal and financial uncertainty for the allottees, financial institutions, and other stakeholders. Therefore, while the Authority considers it appropriate to allow the extension of the project registration from 01.07.2024 to 31.12.2027 in the larger interest of project completion, a cost of Rs. 50,000/- is hereby levied on the promoter for the delay in seeking extension. This cost is intended to reinforce the importance of timely regulatory compliance and to deter recurrence of such lapses. The said amount shall be deposited with the Authority by way of demand draft in the name of "REAL ESTATE REGULATORY FUND" within thirty (30) days from the date of this

order. Failure to comply with this direction shall render the promoter liable for penalty under Section 63 of the Act.

FINAL ORDER

The extension application is **allowed**, and the extension for the project is granted from **01.07.2024 to 31.12.2027** with the following conditions:

- A. The promoter shall complete the construction work and obtain occupancy certificate (OC) for the project. The allottees of the project shall co-operate with the promoter. That the rights of the allottees under the 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 project. The same shall also be shared with the Allottees of the 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 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 project registration webpage from time to time.
- E. The promoter is hereby directed to pay a cost of Rs. 50,000/- (Rupees Fifty Thousand Only) for the delay in seeking extension.
- F. The said amount shall be deposited with the Authority by way of demand draft in the name of "REAL ESTATE REGULATORY FUND" within thirty (30) days from the date of this order. Failure to comply with this direction shall render the promoter liable for penalty under Section 63 of the Act.

Manoj Saunik
Chairperson, MahaRERA