

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

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

REGULATORY CASE NO. 373 OF 2025

PROMOTER NAME GODREJ SKYLINE DEVELOPERS LIMITED

PROJECT NAME GODREJ PARK GREENS

MAHARERA PROJECT REGISTRATION NO. P52100019639

ORDER

(In an extension application)

June 05th, 2025

(Date of hearing –16.05.2025-matter reserved for order)

Coram: Manoj Saunik, Chairperson, MahaRERA

Mr. Ranjan Sengupta 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 “Godrej Park Greens” under section 5 of the Act bearing MAHARERA Registration No. **P52100019639** (hereinafter referred to as the “**Project**”).
2. The promoter has filed an extension application no. EXT52100027807 on 08.03.2025 (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 16.05.2025, wherein the following roznama was recorded:
“Mr. Ranjan Singh Gupta appeared for the promoter. The promoter is seeking extension till 30.03.2028. Heard the promoter at length. 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 project had submitted the date of completion as 31.03.2023. 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 extension under section 6, whereby the date of completion was extended upto 30.03.2025. The promoter states that the delay in execution of the project was primarily attributable to the unprecedented impact of the COVID-19 pandemic. The nationwide lockdowns and restrictions imposed during the pandemic led to the suspension of construction activities for several months. Further, there was a significant disruption in the supply chain, resulting in non-availability and delayed procurement of construction materials. The project also faced an acute shortage of labour, as a majority of the workforce returned to their native places during the lockdown and did not return immediately thereafter. In addition to the above, the non-performance and delays on the part of contractor and vendor further aggravated the situation, thereby cumulatively contributing to the overall delay in project execution. Hence, the promoter has applied for extension vide the extension application herein under section 7(3) of the Act for the period from 31.03.2025 to 30.03.2028.

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 Promoter submits the reasons for delay in the completion of the project as follows:
 - b. Impact of covid-19 on the project progress:

The COVID-19 pandemic significantly impacted the project's progress during FY 2020–21 and FY 2021–22. Construction activities were disrupted due to supply chain interruptions, acute labour shortages, and health and safety concerns. The initial delays caused by lockdowns had a cascading effect on subsequent work stages, leading to demobilization, labour idling, and inefficiencies. Key challenges included delayed material procurement, difficulty in remobilizing labour, reduced workforce due to safety protocols, and non-performance of contractors and vendors, all contributing to the overall delay in project execution.

c. Supply chain disruptions:

Following the COVID-19 lockdowns, severe supply chain disruptions affected the timely delivery of key construction materials. The installation of aluminium windows was delayed due to interstate movement restrictions and import bans (notably from China), while tiles could not be sourced from Gujarat for similar reasons. Government circulars dated 23rd and 27th March 2020 imposed these restrictions, which directly impacted project timelines.

d. Abnormal variation in material prices & labour wages:

Sharp fluctuations in raw material prices due to global supply chain disruptions affected contractors' budgets and delayed material procurement. Additionally, strikes by the Pune RMC Association and Pune Crushers Association led to severe delays in construction due to the non-supply of raw materials and ready-mix concrete (RMC).

e. Labour shortage:

The project faced significant labour shortages during the first and second waves of COVID-19, particularly affecting finishing works. Pre-COVID, the site had a daily target of 356 labourers, which could not be met, resulting in slow progress.

f. Construction ban:

As per PCMC's order dated 13th November 2023, construction activities were temporarily banned due to poor Air Quality Index (AQI) levels. This ban disrupted ongoing work and led to delays in labour remobilization.

Despite proactive steps by the Developer – such as retaining labour on-site and offering support – the compounded impact of these disruptions posed major challenges to timely completion of the project.

g. Non-performance of principal contractor (M/S Viraj):

M/s Viraj Projects India Pvt. Ltd., appointed to execute core and shell works for Towers B1, B2, and B3, failed to deploy adequate manpower and consistently underperformed. Despite financial support and labour incentives extended by the Developer post-COVID, the Vendor could not meet the expected productivity. The persistent underperformance of the contractor, combined with earlier disruptions, has significantly impacted the project timeline.

h. Delay in achieving milestones by vendor:

Despite being granted an Extension due to COVID-19, the Vendor failed to complete core and shell works on schedule due to persistent manpower shortages and non-performance.

i. Issuance of non-performance notice to vendor:

The Vendor repeatedly failed to meet contractual obligations, including inadequate manpower, machinery, and poor management of labours and suppliers. Despite multiple warnings and assurances, no improvement was seen, forcing the Developer to issue Show Cause Notices and ultimately terminate the contract.

j. Non-payment to sub-contractors and labour:

The Vendor failed to pay local subcontractors and labourers, leading to work stoppages, material supply blockades by unions, and several days of construction halts. This severely impacted other ongoing work and resulted in labour attrition. The Vendor's financial distress was confirmed by a notice from the Asst. Labour Commissioner for unpaid dues to contract labour. Due to these breaches and delays solely attributable to the Vendor, the Developer is unable to complete and hand over the project within the stipulated MahaRERA timelines and is compelled to seek an extension.

k. Major setback in timelines due to vendor termination and material demobilization:

The Developer terminated the contract with the Vendor due to repeated breaches and willful non-performance. This led to a significant delay caused by the sudden withdrawal of the Vendor's manpower and resources, severely impacting the project schedule.

1. Litigation and Work Progress Impact:

Post-termination, the Vendor filed two petitions (CARBP Nos. 31331 & 31264 of 2023) under Section 9 of the Arbitration and Conciliation Act before the Hon'ble Bombay High Court. The petitions sought to restrain the Developer from using or removing the Vendor's machinery and materials scattered across the project site. The Court appointed a Commissioner to inventory the Vendor's materials. However, identification was hindered due to the Vendor's non-cooperation and scattered equipment across multiple locations. The Developer proposed four consolidation sites; the Vendor selected one but failed to fully collate the materials.

Interim reports noted ongoing inventory delays due to the Vendor's willful non-compliance. The Court's consent order dated 10 November 2023 mandated the Vendor to remove identified materials promptly. Despite this, the Vendor continued to delay removal, raising baseless allegations and obstructing site access.

The Vendor's non-compliance persisted through December 2023 and January 2024, further halting site activities. The Vendor's conduct escalated to endanger workers and residents, prompting the Developer to file a police complaint in February 2024.

Only by December 2024 was all Vendor material finally identified, reconciled, and removed to a warehouse near the site, allowing work to resume. Removal of the Vendor's tower crane required additional time due to technical complexities.

Chronology of Key Events:

- i. Oct 2019: LOI issued to Vendor for B1, B2, B3 towers and part MLCP.
- ii. Dec 2020: Original contract completion (only 34% work done).
- iii. Jun 2021: Contract extended to June 2021.
- iv. Feb 2023: Complete work stoppage by Vendor.
- v. Oct 2023: Contract terminated for non-performance.

- vi. Nov 2023: Vendor filed injunction restraining removal of materials.
- vii. Dec 2023: Court directed Vendor to remove materials by Feb 2024.
- viii. Feb 2024: Vendor failed to comply with court orders.
- ix. May 2024: Developer engaged third party to remove Vendor materials.
- x. Dec 2024: Complete clearance of site from Vendor's materials.

No construction work could proceed on B1-B3 towers from February 2023 to December 2024 (23 months), severely impacting overall project timelines.

m. Deployment of alternate contractor to meet RERA timelines:

Due to the Vendor's poor performance and unforeseen challenges, the Developer engaged alternate contractors to ensure timely project completion. This strategic move mitigates risks and aims to uphold commitments to customers by enhancing efficiency and quality. Switching vendors involved significant labour, material, and logistical expenses, including re-mobilization, re-testing, and re-validation of prior work. Despite these costs, the Developer remains committed to delivering a high-quality project.

n. Commencement of outstanding activities and way ahead:

By December 2024, site logistics were finalized, allowing the Developer's team to resume and complete all pending construction, testing, and validation work critical for project handover.

o. Discovery of unattended issues:

On review, over 10,000 unfinished tasks left by the Vendor were identified. Addressing these is essential to avoid future costly repairs, client dissatisfaction, and potential legal and reputational risks.

p. Commitment to delivering high-quality product:

The Developer is committed to providing a seamless, quality product exceeding customer expectations by implementing rigorous quality assurance, inspections, and proactive communication with stakeholders.

q. Ensuring customer satisfaction:

To maintain trust and loyalty, the Developer is enhancing production processes, quality controls, and customer feedback mechanisms, investing in technology and training to deliver reliable, superior products.

r. Revised timeline for project completion:

Despite delays, the Developer commits to completing and handing over apartments by March 2028.

s. Steps taken to meet revised RERA timelines:

- i. Engaged experienced civil contractors with proven track records to complete pending work efficiently.
 - ii. Established a dedicated Quality Assurance team to detect and rectify defects and ensure high standards.
 - iii. Implemented precise monitoring of the updated timeline with real-time progress tracking and proactive issue resolution.
 - iv. Incentivized contractors via rate revisions to accelerate construction without compromising quality.
 - v. Reaffirmed commitment to timely delivery and customer satisfaction by continuously improving processes and maintaining transparency.
- t. The Promoter submits that the application for extension should be considered without the requirement of obtaining 51% consent from the allottees, as the Promoter is fully committed to completing the project and handing over possession to the allottees.
- u. That more than 86% of the project has already been completed, and additional labour resources have been engaged on-site to ensure timely completion within the revised timeline.
- v. That if the extension is not granted, access to the separate MahaRERA bank account will be restricted, hindering timely payments to contractors, material suppliers, and government authorities, thereby making it impossible to complete the project and obtain the occupancy certificate.
- w. That the promoter undertakes to comply with all conditions and restrictions imposed by MahaRERA to ensure project completion within the extended period.
- x. The Promoter submits that the required percentage of consents from the allottees could not be obtained as some allottees have apprehensions that providing their consent for the extension of the project completion date may lead to the loss of their right to file complaints against the Promoter

before the Authority, dismissal of complaints already filed, or denial of relief in pending complaints. These concerns have contributed to the inability to secure the requisite 51% consent from the allottees.

y. The promoter has sought extension till 30.03.2028.

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. However, in the interest of the allottees, the Authority grants extension from **31.03.2025 to 30.06.2027** instead of the proposed 30.03.2028, keeping in view that over 86% of the project is complete, the Promoter has mobilized additional resources, and the reduced timeline aims to strike a balance between enabling project completion and safeguarding the legal remedies available to the allottees. 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.

FINAL ORDER

The extension application is **allowed**, and the extension for the project is granted from **31.03.2025 to 30.06.2027** 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.

Manoj Saunik
Chairperson, MahaRERA