

## Uttar Pradesh Real Estate Regulatory Authority

Regional Office, H-169, Sector Gamma - 2  
Greater Noida City, Gautam Buddh Nagar - 201310

No. 794/UPRERAPRJ5399/PMD/P.R./NCR/2021-22

Date: 29/10/2021

### Order under section 8 read with section 11 and 37 of the RERA Act

1. The project 'La Casa Ansal Aquapolis' Reg. No. UPRERAPRJ5399 (herein referred as 'Project'), being developed by M/s Adwik Homes Pvt Ltd. (herein referred as 'Promoter'), is a group housing project located at Plot No. GH-01, Sushant Aquapolis, opposite Crossing Republic, Integrated Township, Dundaheada, Ghaziabad. The development work of the Project, comprising 1 tower of 4 blocks having 192 units, commenced in December 2013.
2. The completion date of the Project, as declared at the time of registration of the project with U.P. RERA, hereafter called as "Authority", lapsed on 29<sup>th</sup> June 2021.
3. The Promoter failed to complete the Project within the specified period i.e., 29<sup>th</sup> June 2021. Although the registration of the Project has lapsed, the Promoter still expressed its intent to complete the Project and approached the Authority for guidance and appropriate directions in the matter.
4. Since it is not permissible for the Promoter to get extension of registration of the Project under Section 6 of the RERA Act, the only course available to facilitate the completion of this Project is under Section 8 of the RERA Act, wherein it has been provided that upon lapse of the registration or on revocation of the registration under this Act, the Authority may consult the appropriate Government to take such action as it may deem fit including the carrying out the remaining development work by competent authority or the association of the allottees or in any other manner as may be determined by the Authority.
5. The Authority, using the enabling provisions of the Section 8 of the Act, offered to the Promoter to consider its request for permitting it to undertake the remaining development work of the project if it submitted a proposal to the Authority in this regard jointly with the association of the allottees of the Project.



6. The allottees of the Project have formed an association under the name "Adwik Tower StA, D10 Flat Buyers Welfare Association" (herein after called as Association) and got the same registered under the Societies Registration Act, 1860 on 11<sup>th</sup> August 2021 at Reg. No. GHA/05554/2021-2022. The Association also approached the Authority requesting it to intervene and facilitate the completion of the Project so that allottees of the Project could get the possession of the units booked by them.
7. Subsequently, a series of meetings were held with the Promoter and the Association to understand the issues and to arrive at an appropriate strategy for completing the balance development work in the Project. A meeting of the committee as envisaged under the G.O dated 26<sup>th</sup> June 2020 was held on 5<sup>th</sup> October 2021 under the chairmanship of Sh. Balvinder Kumar, Hon'ble Member, U.P. RERA. The meeting was attended by the Promoter and Association, wherein a consensus was reached between the parties on the proposal submitted by the promoter for completing the remaining development work in the project as per the provisions of Section 8 of the RERA Act and under the orders and supervision of the Authority. The Promoter also submitted the written consent of 62 allottees out of 119 allottees of the project for completing the remaining development work under Section 8 of the RERA Act.
8. The proposal of the Promoter and Association was examined in the Project Management Division of the Authority. The appraisal report of the Project Management Division, based on the information and assurances of the Promoter is as follows:
  - a. Project is a group-housing project located at Plot No. GH-01, Sushant Aquapolis, opposite Crossing Republic, Integrated Township, Dundaheda, Ghaziabad measuring 3200 sq mts. As per the Promoter, there is only one tower in the project comprising 4 blocks i.e Block A, B, C and D having 192 sanctioned units.
  - b. Project is being developed based on a FSI sale agreement with M/s Ansal Properties & Infrastructure Limited and there were no land dues pending to be paid to Ghaziabad Development Authority. The Promoter informed that there were no dues against land pertaining to M/s Ansal Properties & Infrastructure Limited.
  - c. Out of 192 sanctioned units in the project, 152 units were sold, and 40 units were unsold. However, the allotment of 31 units has been cancelled by the promoter and thus those units are now being considered as part of unsold inventory. Therefore, the total sold units would be considered as 121 units and total unsold units as 71 units.



- d. Estimated construction and development cost would be around Rs. 12.55 cr. The promoter accounted a sum of Rs. 9.8 cr as refund against 31 cancelled units and Rs. 2.38 cr as refund against re-allotted units. In addition, the promoter declared an amount of Rs. 2.2 cr of liabilities due to vendors etc. The promoter also informed that there were pending recovery certificates to the tune of Rs. 0.82 cr. Thus, the overall estimated cash outflow (excluding dues against recovery certificates) comes to Rs. 26.93 cr.
  - e. Balance receivables from existing allottees in the project is Rs. 14.91 cr and the value of unsold inventory is Rs. 29.41 cr. Thus, the overall estimated cash inflow comes to Rs. 44.32 cr.
  - f. An amount of Rs. 0.4 cr had been infused in the project during the previous months to ensure that construction work at the project site was not stalled. It further proposed to deposit Rs. 0.6 cr as upfront capital within 30 days of the opening of the separate project account. The Promoter assured to infuse additional funds as and when required for the completion of the Project.
  - g. Prima facie, the project has positive cash inflows and is also financially viable considering the balance receivables and the value of unsold inventory. The upfront capital infusion of Rs. 1 cr, which includes 0.4 cr already infused by the promoter and Rs. 14.91 cr of balance receivables from existing allottees is enough to cover the cost of balance construction and development cost of the Project i.e., Rs. 12.55 cr.
  - h. Demand for outstanding dues would be raised in five installments starting October 2021, wherein the first four installments would be bimonthly, and the final installment will be raised at the time of possession. The question relating to payment of interest on account of delay in possession to an allottee, if any, would be settled at the time of possession.
  - i. The promoter proposed to complete construction and development work in the Project by June 2022 and to meet shortfalls, if any, in the cash inflows for the Project over this period.
9. The Project has also been got inspected by the Technical Division of the Authority in September 2021, wherein it had been stated that the overall physical progress of the project is around 65 percent and structural work / plastering and brick work have been completed.
  10. The proposal of the Promoter and the Association was considered by the Authority, along with other relevant facts and documents available at its level, in its meeting held on 12<sup>th</sup> October 2021. The Authority, after careful and thorough deliberation on the proposal submitted by the Promoter and consented to by the Association and perusal of the recommendations of its Project Advisory &



Monitoring Committee based on the report of its officers and the Project Management Division, arrived at the considered view that the proposal of the Promoter consented to by the Association is, prima facie, convincing, and can be accepted in fulfillment of its mandate to facilitate the completion of the Project under the present conditions i.e. where the registration has lapsed and the Authority needs to facilitate the remaining development work in order to protect the interests of the allottees of the Project.

11. Therefore, with a view to facilitate the completion of the project in a time bound manner, to protect the interests of the allottees, the Authority, using the powers conferred upon it under section 8 of the RERA Act read with section 37 of the Act, other enabling provisions of the Act, the Rules and the Regulations made thereunder, and as per the principle laid down by the Hon'ble Bombay High Court in the Neelkamal Realtors and others vs the Union of India and the Others and in conformity with the State Government order dated 26<sup>th</sup> June 2020 stipulating the guidelines to be followed in such matters, resolved to authorize the promoter, with consent of Association, to undertake the completion of the remaining development and the construction work of the Project, subject to the following terms and conditions:
  - a. The AoA shall submit, within 15 days of the order, a general body resolution of the AoA consented to by more than 50 percent of the allottees of the project giving their explicit consent to authorize the Promoter to undertake the remaining development and construction work of the Project. It is further emphasized that more than 50 percent of the allottees means all the allottees of the project irrespective of the fact whether any of them is a member of the "Adwik Tower S1A, D10 Flat Buyers Welfare Association" or not.
  - b. A notarized affidavit duly sworn by the Promoter for undertaking to complete the balance development work in the Project by June 2022 as given under paragraph 8 of the order. The Promoter shall contribute to the shortfalls in cash flows, if any, during the course of development and construction of the Project within the timelines as contemplated herein.
  - c. The Promoter shall complete the 4 blocks of the tower in the Project as per the completion plan submitted by it and agreed to by the Association.
  - d. The Authority hereby constitutes a Project Advisory and Monitoring Committee under the chairmanship of Sh. Balvinder Kumar, Hon'ble Member, U.P. RERA with Vice Chairman, Ghaziabad Development Authority, Finance Controller U.P. RERA, Technical Advisor U.P. RERA, Conciliation Consultant U.P. RERA, Consultant Project Management Division U.P.



RERA, concerned Bank / Financial Institution, the Association and the Construction Consultant appointed by the Authority as members for monitoring of the Project on monthly basis.

- e. The Authority will review the progress of the project on quarterly basis.
- f. The Authority, on its website, will shift the project to the special category of projects under Rehabilitation as per the provisions of Section 8 of RERA Act. The promoter shall continue to update the details of the project, including the quarterly progress report of the project, in stipulated time or as directed by the Authority.
- g. The Promoter shall open a separate account for the project in a scheduled bank which shall be updated on the webpage of the project under the relevant category. The promoter shall deposit all its contribution towards the project, as agreed with the AoA as per this Order, and also all the money received from the allottees as per builder buyer agreements, existing and prospective, or any other funds from any other source including the existing accounts of the Project, time to time, in the separate account and the same shall be utilized only for the work relating to the construction and development of the project and/or any other expenditure directly related to the development, construction and completion of the Project.

Provided that the promoter shall deposit an upfront amount of Rs. 0.6 cr within 30 days from the date of issues of this order, as agreed, in the separate account, before collecting the balance receivables from the allottees.

Provided further that any withdrawal from the separate account will be as per the provisions of the Act, only after it is certified by an engineer, an architect and a chartered accountant in practice that the withdrawal is in proportion to the percentage completion of the balance work of project. The Promoter shall upload the three certificates on the website of the Authority while filing the quarterly progress report of the project.

Provided further that the promoter shall get the separate account of the project audited at the end of the financial year and annual audit report shall be uploaded on the website of the Authority.

- h. The Association and the Promoter should suitably settle the issues of payment of interest for delay and charging in lieu of additional area, if any (other than area as mentioned in builder buyer agreements) to be charged as per the builder buyer agreement at the time of possession after the balance development work of the project is completed and the occupancy certificate has been applied for along with all required/statutory certificates and NOCs. Any dispute between



the AoA and the Promoter shall be amicably settled through the good offices of the Project Advisory and Monitoring Committee constituted by the Authority in this behalf.

- i. The Promoter shall approach the concerned competent regulatory / statutory authorities for seeking / renewing such permissions / approvals for completion of balance development work and for handing over possession of units to allottees as may be required.
- j. The promoter may appoint/engage such contractors, vendors or suppliers as may be necessary for the completion of the project, by following transparent method of tendering etc., as the case may be. The same will, however, be audited by the Construction Consultant appointed by the Authority for this project.
- k. The Authority shall appoint a Construction Consultant for the concurrent audit till the completion of the project. The cost thereof shall be met from the receipts of the project.
- l. The promoter shall be bound by the terms and conditions of the existing and future agreements for sale and shall be responsible for completion of the project as per the specifications and within the stipulated time.
- m. The promoter shall be responsible for all relevant statutory compliances in order to complete the balance development work and handover the possession of the units to the allottees.
- n. The AoA, the promoter, the allottees and all others connected with the development and completion of the project shall be bound by these orders and all other orders as may be issued by the Authority in this regard from time to time.
- o. The promoter shall ensure that proposed sale price cannot be lower than the floor price quoted by the promoter in their cash inflow. The promoter, however, shall not have any discretion to offer new rebates / discounts to any of the buyers, existing or prospective. All the matters relating to the sale price of the unsold units will be audited by the Construction Consultant who shall submit its report to the Authority at the end of every quarter.
- p. Since the project is being rehabilitated under Section 8 of the RERA Act by the Promoter with the consent of the majority of the allottees and the Association, it is understood that no allottee of the project shall withdraw from it during the course of the development of the remaining work of the project. However, if under extraordinary circumstances, some allottee of the Project withdraws from it, the amount due to be returned to such allottee shall not be returned from the separate account of this project, rather the same may be returned from the other sources of the



Promoter, or alternately the amount due to such allottees would continue to be a charge on the Project and will be returned after the completion of the Project along with interest admissible as per the orders of the Authority.

- q. The promoter, after completion of the project, shall apply to the competent authority for occupancy certificate as provided under local laws and offer possession to the allottees.

This order issued with the approval of the Authority.

  
(Rajesh Kumar Tyagi)

Secretary

**Number and date as above.**

Copy: To the following for information and necessary action at their end:

- 1- Hon'ble Chairman, Uttar Pradesh Real Estate Regulatory Authority.
- 2- Sh. Balvinder Kumar, Hon'ble Member, Uttar Pradesh Real Estate Regulatory Authority.
- 3- Hon'ble Members, Uttar Pradesh Real Estate Regulatory Authority.
- 4- Principal Secretary, Department of Housing & Urban Planning, Govt. of Uttar Pradesh.
- 5- Vice Chairman, Ghaziabad Development Authority.
- 6- Sh. R. D. Paliwal, Conciliation Consultant, Uttar Pradesh Real Estate Regulatory Authority.
- 7- Principal Advisor, Uttar Pradesh Real Estate Regulatory Authority.
- 8- Finance Controller, Uttar Pradesh Real Estate Regulatory Authority.
- 9- Technical Advisor, Uttar Pradesh Real Estate Regulatory Authority.
- 10- Consultant, Project Management Division, Uttar Pradesh Real Estate Regulatory Authority.
- 11- Manager, Concerned Bank/Financial Institution.
- 12- M/s Adwik Homes Pvt. Ltd.
- 13- Adwik Tower S1A, D10 Flat Buyers Welfare Association

  
(Rajesh Kumar Tyagi)

Secretary