

# Uttar Pradesh Real Estate Regulatory Authority

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

No. 8568/UPRERAPRJ6483/PMD-T/Cell/P.R./NCR/2022-23

Date: 22/07/2022

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

1. The project 'Utopia Estate' Reg. No. UPRERAPRJ6483 (herein referred as 'Project') is a group housing Project located at Ansal Aquapolis Integrated Township, Dundahera, district Ghaziabad being developed by M/s Sai Adhiraaj Land & Promoters Pvt. Ltd. (herein referred as 'Promoter'). The development work of the Project, comprising 1 tower having 184 units, commenced in April 2016.
2. The completion date of the Project, as declared by the promoter at the time of registration of the project with U.P. RERA, hereafter called as "Authority", lapsed on 28<sup>th</sup> March 2022.
3. The Promoter failed to adhere to the timelines declared by it for the completion of the project and the physical progress of the project is only about 40 percent whereas the declared date of completion i.e., 28<sup>th</sup> March 2022 has already lapsed. The recourse available for the development of the remaining balance development of the project subsequent on lapse of registration is available only under section 8 of the RERA Act.
4. The Promoter along with the association of allottees has expressed its intent to complete the Project under the appropriate provisions of RERA Act and has approached the Authority for guidance and appropriate directions in the matter.
5. Since it is not permissible for the Promoter to get further 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 through the competent authority or the association of the allottees or in any other manner as may be determined by the Authority.
6. The Authority directed the Promoter to submit the completion plan of the project with the written consent of majority of the allottees of the Project through their association before it could consider



its request of authorizing it for undertaking the remaining development work of the Project as per relevant provisions of the Act.

7. The allottees of the Project have formed an association under the name "Utopia Social Welfare Society" (herein after called as Association) and got the same registered under the Societies Registration Act, 1860 on 22<sup>nd</sup> March 2022 at Reg. No. GBN/14087/2021-2022. The Association also approached the Authority requesting it to extend its good offices and facilitate the completion of the Project so that allottees of the Project could get the possession of the units allotted to them.
8. Subsequently, a series of meetings were held with the Promoter and the Association at the end of the Authority to understand the issues and to arrive at a completion plan for the balance development work in the Project. During the meeting of committee constituted as per G.O. dated 26<sup>th</sup> June 2020 on 7<sup>th</sup> April 2022 under the chairmanship of Hon'ble Member Smt. Kalpana Mishra with the Promoter and the Association in attendance, a consensus was reached between the parties on the proposal submitted by the promoter to complete the remaining development work in the project under 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 more than 95 percent of the allottees of the project to its proposal for completing the remaining development work.
9. In the abovesaid meeting, the committee discussed the merits of the proposal submitted by the Promoter with the consent of the AoA and took note of the consensus reached between the Promoter and AoA for carrying out the remaining development work in the Project. The committee also considered the fact that more than 95 percent of the allottees had given their consent to the joint proposal. Keeping in view the interests of the allottees of the Project, the committee decided to recommend the proposal, submitted by the Promoter and consented by the AoA, to the Authority for according approval to take up the Project under Section 8 of the RERA Act.
10. The proposal of the Promoter was examined in the Project Management Division of the Authority. The Project Management Division has highlighted the following salient facts / points as contained in the proposal submitted by the Promoter:
  - (i) The Project Utopia Estate is a group housing Project located at Ansal Aquapolis Integrated Township, Dundahera, district Ghaziabad.
  - (ii) The Promoter purchased FSI from M/s Ansal Properties and Infrastructure Limited for two towers i.e., Tower D-13 and Tower D-14. However, it registered only one tower i.e., Tower D-13 with U.P. RERA. The Promoter informed that there are no bookings or construction in the Tower D-14. The Promoter informed that there are no dues payable to either M/s Ansal Properties and Infrastructure Limited or Ghaziabad Development Authority.





- (iii) The sanctioned map of the Project was originally valid till 15<sup>th</sup> February 2022; however, on account of extension on validity of sanctioned maps by the Government of Uttar Pradesh for a period six-months, the revised validity of the sanctioned map is till 15<sup>th</sup> August 2022.
  - (iv) The Promoter informed that there is 1 tower i.e., Tower D13 in the Project comprising 184 units.
  - (v) Out of 184 units, 48 units have been sold and 136 units are yet to be sold.
  - (vi) The Promoter informed that total estimated cost for completion of the Project is Rs. 35.47 cr.
  - (vii) The Promoter informed that the balance receivables from existing allottees is Rs.8.14 cr and the estimated value of unsold inventory is Rs. 65 cr. Additionally, the estimated value of saleable parking area is Rs. 4.14 cr. Overall the total estimated cash inflows in the Projects are Rs. 77.28 cr.
  - (viii) The Promoter informed that as on date of the proposal submission, there is a balance of Rs. 0.26 cr in the separate project account. Additionally, the Promoter assured to infuse Rs. 3 cr into the Project from the date of the order, of which Rs. 0.75 lakhs shall be deposited within 1 month. An additional infusion of Rs. 2 cr has been proposed after 3 months from the date of the order. Any future shortfall in cash inflows shall be met by diluting other assets of the promoter.
  - (ix) The Promoter informed that it has approached SBI Capital Markets for sanction of loans under SWAMIH fund, which, if approved, would further augment availability of funds for the project.
  - (x) The Promoter submitted activity-wise milestones for the completion of remaining development work in the Tower D-13. In nutshell, the promoter assured to complete the project, including amenities and other support infrastructure, by December 2023.
  - (xi) The Promoter submitted that the demand from existing allottees in the Project would be linked to construction milestones and shall be 5% of the value at the completion of said milestone.
11. The Promoter submitted an affidavit dt. 24<sup>th</sup> March 2022 assuring to complete the remaining development work in the Project by December 2023 and in case of non-adherence to stated milestones, the Authority may take suitable action against the Promoter.
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13. The Project was inspected by the Technical Division of the Authority in February 2022, wherein it has been reported that the overall physical progress of the Project is around 30 percent. About 40 percent of structure and 30 percent of brick work had been completed till the date of inspection.
14. 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 4<sup>th</sup> July 2022. 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, 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 project 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.
15. Therefore, with a view to facilitate the completion of the project in a time bound manner and 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 and 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 following terms and conditions:
  - a. The AoA shall submit, within 30 days of the order, a general body resolution of the AoA giving their explicit consent to authorize the Promoter(s) to undertake the remaining development and construction work of the Project.
  - b. The Promoter shall have to adhere to the construction milestones submitted by it and complete the balance development work in the Project by December 2023. The Promoter shall submit an affidavit within thirty days of this order declaring to 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(s) shall complete the Project as per the completion plan submitted by it and agreed to by the Association.
  - d. 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 to 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. 0.75 cr within 30 days from the date of issue of this order and an additional Rs. 2.25 cr during the next 60 days, as undertaken by it, in the separate account of the project before collecting the balance receivables from the allottees.

Provided further that any withdrawal from the separate account shall be as per the provisions of the Act, i.e., 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.

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.

- e. The Authority shall review the compliance of proposed capital infusion by the promoter i.e., deposit of Rs. 3.0 cr within 3 months from the date of the order as directed under paragraph 15 (d) above and in case of failure of the promoter to comply with the same, the Authority may decide to withdraw this order of authorization under Section 8 and initiate further necessary proceedings for completion of this project as provided under the relevant provisions of the Act.**
- f. 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.
- g. The Promoter shall ensure that proposed sale price cannot be lower than the floor price considered 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.
- h. The Authority hereby constitutes a Project Advisory and Monitoring Committee under the chairmanship of Smt. Kalpana Mishra, 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.

- i. **The Authority will review the progress of the Project every three months and if the progress of the project is found unsatisfactory at the time of such review, the Authority may permit the Promoter to continue with the development of the work under the Project with the condition that it will make for the shortfall within the next three months. Further, if the progress of the Project remains unsatisfactory at the end of next three months, the Authority may decide to withdraw this order of authorization under Section 8 and initiate further necessary action under the relevant provisions of the Act. The conditions under paragraph 15 (e) are in addition to the condition incorporated herein.**
- j. 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(s) 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.
- k. The Association and the Promoter(s) 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(s) shall be amicably settled through the good offices of the Project Advisory and Monitoring Committee constituted by the Authority in this behalf.
- l. The Promoter(s) 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.
- m. The Promoter(s) 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.
- n. The Promoter(s) 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.





- o. The Promoter(s) 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.
- p. The AoA, the Promoter(s), 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.
- q. Since the Project is being rehabilitated under Section 8 of the RERA Act by the Promoter(s) 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(s), 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.

Similarly, the enforcement of orders, passed by the Authority on the complaints of the allottees, shall be kept on hold and the complainant-allottees shall be advised to approach the Authority for the same after completion of the development work under the project.

- r. The Promoter(s), 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 is 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- Smt. Kalpana Mishra, 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 Sai Adhiraaj Land & Promoters Pvt. Ltd.
- 13- Utopia Social Welfare Society

  
**(Rajesh Kumar Tyagi)**

Secretary