HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

COMPLAINT NO. 559 OF 2018

GLM Buyers Welfare Association ....COMPLAINANT(S)

VERSUS

Global Land Masters Pvt. Ltd. erstwhile M/s Bhoomi Infrastructure Company

....RESPONDENT(S)

CORAM:	**Rajan Gupta**	**Chairman**
	Anil Kumar Panwar	**Member**
	Dilbag Singh Sihag	**Member**

Date of Hearing: 19.08.2020

Hearing: 13th

Present: - Mr. Shekhar Verma, Counsel for the complainant

Mr. Kashmir Singh, president of complainant association

Mr. Jaswant Singh, Mr. Surjeet Bhadu, Counsels for the respondent

<u>ORDER</u> (ANIL KUMAR PANWAR - MEMBER)

1. This Authority with an endeavor to get the project completed and make it feasible to deliver possession to the allottees so far created by the promoter, has given an option to the association of allottees (complainant association) to take over the project and complete it. Necessity for handing over the project to the association arose because the promoter had expressed his inability to complete the project.

2. Certain directions were issued vide order dated 24.07.2020 to the complainant association for demonstrating its seriousness in taking over the project. The complainant association for this purpose was required to show compliance on the following points:

> (i) "They shall form an association of at least 2/3rd number of total existing allottees of the project and such association shall be got registered with the concerned Assistant Registrar Cooperative Societies and a Memorandum of Association may be placed before this Authority showing that the association has been duly acknowledged by the competent authority and it can now legitimately claim a right on behalf of existing allottees to undertake remaining construction work of the incomplete tower;
>
> (ii) The association shall open an Escrow Account and deposit therein such initial amount as is sufficient per decision of the Management of the Association for starting the construction work;
>
> (iii) An affidavit shall be filed stating the details of association formed by the allottees and reflecting the names of the members and the names of members of the governing body of the association;
>
> (iv) A detailed report shall be filed indicating the works that are required to be carried out in the incomplete tower and

proposed manner of execution for completion of the project;

(v) Assessment report from Engineer/ Architect shall be filed indicating the cost required to be incurred for completion of the incomplete tower;

(vi) Affidavit from the Members of the Residents Welfare Association (RWA) shall be filed stating that they are ready to take over the project for its completion and also to contribute funds for completion of the project. Such contribution shall include the amount spent by the allottees as well as the proportionate additional costs that are required to be incurred for the completion of the project."

An affidavit dated 10.08.2020 sent by the complainants' association was received in the office of the Authority on 14.08.2020. Said affidavit reveals that out of the total no. of 350 allottees, 221 have already become the members of the complainants' association and the said association has been got registered with the concerned Registrar vide Registration No. 2257. The affidavit further reveals that the complainants' association had obtained a report from Sh. Rajan Goyal, Engineers and Consultants, revealing that an amount of ₹66,98,94,452/- is likely to be incurred for carrying out the remaining construction works of Towers A-1, B-1, B-3 and C-1 which the complainants' association intends to take over for completion.

Learned counsel for the complainant association seeks two months' time for making remaining compliance for the purpose of delivering the project to them for completion.

3. At this stage learned counsel for the association has pointed out that respondent has not yet supplied the structural designs, sanctioned layout plans and building plans of the project to them. Hence, respondent be directed to supply the same. Accepting his request, the Authority directs the respondent to bring copy of approved layout plan, approved building plan and service plan estimates of the project on the next date of hearing for delivering the same to the complainant association.

4. It deserves to be mentioned that the Authority had ordered forensic audit of the accounts of the respondent company. The Auditor has submitted his interim report, which reveals that complete audit could not be carried out because the promoter company has not supplied him the complete records. The Auditor has sent a notice to the respondent company for providing him the following record:

i) Complete books of accounts in Tally or any other Software along with supporting documents, invoices, vouchers, list of bank accounts with bank statements, sales and purchase vouchers, expense records etc.

ii) Copies of contracts with vendors, contractors etc.

iii) In case of bank/other finance, all the documents such as agreement letter, sanction letter, loan account statements etc.

iv) Account statement of EDC/IDC from HUDA and schedule of payment.

v) Copies of audited balance sheets along with Auditors report and Income Tax Returns.

vi) Entire records of allotment of flats and receipt of money and other related documents including agreement cum allotment letters issued to allottees.

vii) Original project report along with any subsequent amendment details, if any.

viii) Details of amount due and received/amount due but not received form the allottees.

ix) Details of any disputes with regard to statutory dues/non statutory dues.

x) All statutory record books maintained under Companies Act.

The Auditor has reported that the promoter has only provided him the following documents:

i) Tally date from F.Y. 2014-15(31.12.2014) to F.Y. 2018-19 (31.03.2019)

ii) Audited balance sheets, Profit and Loss A/c from F.Y. 2014-15 to F.Y 2018-19.

5. In the aforesaid situation, the Authority deems it proper to direct the promoter company to produce on next date of hearing the original record pertaining to the documents, as required by the Auditor, for submitting a complete report. The concerned Auditor be also summoned for the next date

of hearing so that he is supplied the relevant record and apprises the Authority whether or not he requires any other record for submitting a complete report.

6. With these directions, case is adjourned to **15.09.2020.**

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RAJAN GUPTA
[CHAIRMAN]

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ANIL KUMAR PANWAR
[MEMBER]

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DILBAG SINGH SIHAG
[MEMBER]