HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

1. COMPLAINT NO. 1319 OF 2020

Bijender Singh ....COMPLAINANT

VERSUS

1. Bhoomi Green Infrastructure Co.
2. M/s GLM Infratech Pvt. Ltd.
3. Col. Surinder Singh Deswal ....RESPONDENT(S)

2. COMPLAINT NO. 1320 OF 2020

Punam ....COMPLAINANT

VERSUS

1. Bhoomi Green Infrastructure Co.
2. M/s GLM Infratech Pvt. Ltd.
3. Col. Surinder Singh Deswal ....RESPONDENT(S)

3. COMPLAINT NO. 559 OF 2018

GLM Buyers Welfare Association ....COMPLAINANT

VERSUS

1. Global Land Masters Infratech Pvt. Ltd. Erstwhile Bhoomi Infrastructure Company and Ors
2. Karman Raghu Patel
3. Sohal Navin Gala
4. Sunil Keshavji Gala
5. Mr. Suresh Ambavi Vavia
6. UHBVN

....RESPONDENT(S)

CORAM: Parneet Singh Sachdev Chairman
Dr. Geeta Rathee Singh Member
Chander Shekhar Member

Date of Hearing: 24.10.2024

Hearing: 30th in Complaint No. 1319 & 1320 of 2020.

37th in Complaint No. 559 of 2018.

Present: - Mr. Bijender Singh, for the complainant in person (in complaint no. 1319 & 1320 of 2020)
Mr. B.K. Sood, Authorized representative of complainant association (in complaint no. 559/2018)
Mr. S.S. Deswal, Managing Director for respondent no. 2 & 3 (in complaint no. 1319 & 1320 of 2020)
Mr. S.S. Deswal, Managing Director for respondent no. 1 (in complaint no 559/2018)
Ms. Isha Goyal, counsel for respondent no.5 (in complaint no 559/2018)
None for respondent no. 2 to 4 & 6 (in complaint no. 559/2018)

ORDER (PARNEET S SACHDEV – CHAIRMAN)

1. Vide last order dated 22.08.2024, the Authority observed as follows:

2. Further, respondent no. 1 is directed to place on record proof of release of amount of Rs. 300 crores to him before Authority. Thereafter said amount will be credited into escrow account in the ratio of 70:30 as por provisions of RERA Act. Out of total amount 30% of total amount will be used by respondent for paying all the other expenses such as govt dues, bank dues etc and 70% of the money will be exclusively used for the construction and completion of the project as per provisions of RERA Act. Respondent before releasing any fund with regard to 70% ratio of construction amount will seck prior permission of the members of supervising committee as made below in para 3. Further, respondent will also place on record all the proof of payment made out of 30% amount of escrow account including payments towards government dues as well as bank dues etc. Respondent will ensure that all the relevant permissions required such as renewal of license, revalidation of building plans are renewed/revalidate by the concerned Authority which will ultimately lead to commencement of construction and development works of the 4 towers in question in first phase.

3. Authority further directs that the escrow account will be operated by a supervising committee which shall also monitor the progress of the project viz-a viz construction development at site. Association is directed to suggest two names of member allottess with authorization letter to become part of this committee. Members of this committee will be two member allottess suggested by association; respondent no.1 and one nominee official of the Authority, to ensure proper working of this committee. The committee will submit the progress report of the project to Authority before each date of hearing.

2. Today, Sh. S.S. Deswal, Managing Director for Respondent No. 1, apprised the Authority that, as stated in the last hearing, a representation was filed in the registry on 17.07.2024 in compliance with the order dated 04.04.2024. He introduced Mr. Navin Sharma, an authorized representative and lender facilitator from the investor company, Clairfield International Finance Group. Mr. Deswal

submitted that the promoter company has signed an MoU with the investor company, and a copy of this document has already been placed on record, as noted in the previous order. He further asserted that the interests of the allottees are paramount and assured the Authority of his commitment to comply with all directions regarding the completion of the four towers. Additionally, he indicated that a written submission was filed on 02.04.2024 with the registry, including a demand draft (DD) for Rs. 3,20,000, made payable to the Authority in compliance with the order dated 01.02.2024.

3. He further informed the Authority about efforts made to establish a viable plan of action with the investor to complete the project. He assured that the four towers would be de-mortgaged and cleared of all encumbrances in the interest of the allottees, addressing dues to banks and other creditors. A major obstacle to securing investment was the pending litigation with former partner Mr. Virender Gandhi in Panchkula Court, the Hon'ble Punjab and Haryana High Court, and the Hon'ble NCLT, Chandigarh and that he has resolved these litigations through settlement with the ex-partner, resulting in withdrawal of cases on 09.03.2024 and 13.03.2024.

4. Today, he requested the Authority to pass a conditional order for transfer of project to him upon the deposit of Rs. 300 crores in the escrow account. This conditionality is sought to provide security for the investor's interests in the project. The Authority notes that during the last hearing Mr Deswal had never spoken about the finance availability to him contingent upon any condition. This

time he has arbitrarily sought to place a condition upon the Authority. Such averments are not only illegal, but reveal his intent of not being genuine in arranging for finance or to help in finishing the project. The Authority will always pass orders as per law and facts. Moreover, he has not placed upon record any document to show how any due diligence had been done by him or how the so called investor has funds availability. Not one agreement with the so called investor has been placed on record.

5. Sh. B.K. Sood, authorized representative of the complainant association, submitted in response to the above-stated averments that the respondent no. 1 has failed to comply with previous directives of the Hon'ble Authority. Despite previous orders, the respondent mortgaged land and structures belonging to allottees and has not provided information on de-mortgaging the four towers handed over to the complainant association, nor have they submitted the required undertaking or revised MOU with the proposed investor. Furthermore, while the MOU required an initial loan installment of Rs. 300 crore to be deposited by 06.10.2024, no confirmation has been received yet.
6. He also highlighted that under clearance from the Ministry of Environment & Forests, the respondent was permitted to construct 768 units in 12 towers. Of the 456 units already under construction, 59 were allocated to ex-partners, with an additional 156 from the remaining 312 units. Given this distribution, he argued that any investor would be hesitant to invest unless the Authority cancels the 216 units allotted to ex-partners, who, as co-promoters, are equally responsible for the

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delay faced by the allottees over the past 15 years. He requested the cancellation of these 216 units and a directive for the respondent to refund the ex-partners' investments with interest.

7. Further, he contended that such action would improve project viability for investors and enable the association to sell the cancelled and non-paying member units. Additionally, he requested the Authority to consider contributions made by allottees towards completing the existing towers and suggested that if the Authority sets a basic sale price and reconstitutes the monitoring committee, the association could manage completion effectively. In the plea, he also emphasized that respondent no. 1 has consistently failed to meet commitments made to the Authority over the last six years, and all actions appear to be aimed at delaying progress, thereby thwarting the association's genuine efforts to complete construction of the four towers under the Authority's oversight.

8. Isha Goyal, counsel for respondent no. 5, appeared and expressed concerns regarding the request for cancellation of the 36 flats allocated to former partners. She submitted that, at present, she lacks specific instructions on the matter but will obtain instructions concerning a potential settlement.

9. The Authority observes that nearly two months have passed since the last order, and respondent no. 1 has yet to fully comply with the previous directions. Nonetheless, with the primary objective of protecting the allottees' interests, the Authority issues the following directives:

i. Respondent No. 1 is granted a final opportunity to deposit Rs. 300 crores in the escrow account by 15.11.2024. Failure to comply with this directive will result in strict action by the Authority.

ii. Respondent No. 1 is further directed to arrange and provide all necessary approvals, renewals, and plans relevant to the commencement of construction, including securing all licenses required for the project's continuation to the RWA.

iii. The complainant association (RWA) is instructed to submit records detailing allotments, including a list of allottees and the payments made thus far, to provide a clear picture of the allottees' status in the project.

9. Case is adjourned to **05.12.2024** for further proceedings.

CHANDER SHEKHAR
[MEMBER]

DR. GEETA RATHEE SINGH
[MEMBER]

PARNEET SINGH SACHDEV
[CHAIRMAN]