

# Punjab Rera puts eight builders on notice for selling properties illegally

Munieshwer A Sagar

munieshwer.sagar@htlive.com

**CHANDIGARH:** Cracking down on illegal sale of properties in Zirakpur, New Chandigarh and Kharar, the Punjab Real Estate Regulatory Authority (Rera) has issued notices to eight builders for allegedly selling properties without mandatory registration of their projects with the authority.

In possibly a first-of-its-kind operation in the country by a real estate regulatory authority, decoy customers were sent to builders developing projects in the three townships. The decoy buyers sought to buy properties, both commercial and residential, from these builders.

“We were getting repeated complaints from home buyers that builders were offering properties in violation of the Real Estate (Regulatory and Development) Act and the Punjab Real Estate (Regulatory and Development) Rules. In order to verify these claims and information, we decided to send decoy customers in the field,” said a senior RERA official, not wishing to be named. The authority constituted teams and contacted build-

## NOTICES ISSUED UNDER REAL ESTATE ACT

- Starting February 28, eight notices were issued under Section 59 of the Real Estate Act, asking builders why action should not be taken against them for violating provisions of Section 3 of the Act.
- Section 3 states that no promoter can advertise, market, book, sell or offer for sale or invite persons to purchase in any manner any plot, apartment or building without registering it with the state Rera. This section covers both new and ongoing projects.
- If proven, a promoter can face a penalty that may extend up to



10% of the estimated cost of the real estate project as the authority determines.

- Repeated violations are punishable with imprisonment up to three years or with fine which may extend up to a further 10% of the estimated cost of the project, or with both.

ers’ representatives for buying properties.

“While in some cases, the builder representatives refused to sell properties stating these were not registered with Rera, in other instances, we were offered properties even when the project was not registered,” said the official.

The authority has phone recordings of the conversations

between the builder representatives and the decoy customers striking deals. “We are exploring different ways to clamp down on builders violating the Real Estate Act. Outsourced personnel are also being used for investigation,” the official added.

## BUILDERS UNDER NOTICE

Builders to whom notices have

been issued are Gomti Enterprises, Gupta Builders and Promoters Private Limited, Gursevak Singh, Sushma Buildtech Limited, Towncity Realtors Private Limited, Akal Tech Infralogis, Om Divine Developers and Infrastructure, and WWICS Estates Private Limited.

“We will be replying to the notice with clarifications as per the due process. We respect the Rera guidelines and will continue to abide by them,” said Prateek Mittal, executive director, Sushma Group.

“We have not received any notice yet. Our project has the Rera registration number. If there is any anomaly, we will respond accordingly,” said Digvijay Jamwal, head-corporate communication, WWICS Group.

HR Sarangal, deputy general manager, corporate, Gupta Builders and Promoters, said, “We have yet to receive notice from the authority. If and when we receive it, we will respond to it.”

“We have replied to the notice and will be meeting the authority officials next week,” said Saurabh Bajaj, general manager, Divine Group.