

# Punjab RERA cracks down on plot sales without approvals

Builder fined ₹1.5 crore, highest-ever by the authority

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The Real Estate Regulatory Authority (RERA) of Punjab has penalised Chandigarh-based Gupta Builders & Promoters (P) Ltd for selling real estate inventories at two of its projects without having even the basic statutory approval such as Change in Land Use (CLU), forget about registering with the RERA.

The full Bench of RERA has imposed a penalty of Rs 1.5 crore on the developer for its project 'New Chandigarh Smart City' in New Chandigarh, spread over 160 acres comprising residential and commercial components as well as school and a hotel.

This is highest-ever penalty imposed by the authority against any developer in the state.

The second project is 'City Central', being developed by the same promoter at Kishanpur, near Dhakoli in Zirakpur. The project involves six acres of land and included both residential and commercial space. Around 40% of the inventory has been already sold. The real estate regulator has imposed a penalty of Rs 75 lakh on the developer for this project.

"This is the first-of-its-

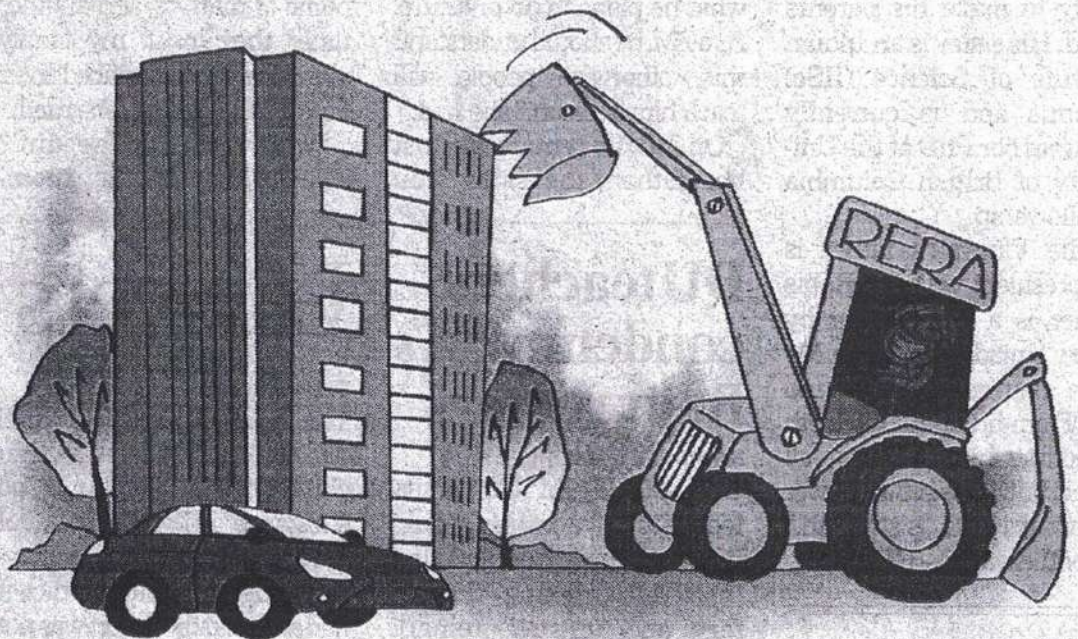


ILLUSTRATION: SANDEEP JOSHI

## RERA IN PUNJAB

**Set up on:** August 10, 2017

**Orders/judgments passed:** 195 (As on April 9)

**Nature of cases:** Over 40% related to non-registration of projects

**Highest penalty imposed:** ₹2 lakh (As on May 5)

kind case. All the previous cases which came before the authority were mainly related to alleged selling of properties without mandatory registration of their projects with the authority or not complying with the order. But despite the project being a huge one, it doesn't have basic statutory approvals," RERA-Punjab chairperson Navreet Singh Kang

told *The Tribune*.

For any real estate project, the CLU is the first requirement from where the entire development starts, and other steps such as approval of layout and building plans and grant of licence to develop a colony follow in sequence. For this project, they did not have even this basic approval.

Cracking down on illegal sale of properties in Zirakpur and New Chandigarh, the Punjab Real Estate Regulatory Authority (RERA) has inspected various sites to detect violations of the provisions of the Act. According to Kang, a team of officials from the authority visited the sites of the developer as decoy

customers and the project representative handed over the brochure of the project along with the payment plan for the residential and commercial plots to them.

The authority has phone recordings of the conversations between the builder's representatives and the decoy customers striking deals. This was treated as evidence on behalf of the authority.

"We are not happy with the judgment and will approach the Real Estate Appellate Tribunal," said Anupam Gupta of Gupta Builders & Promoters (P) Ltd. The promoter has already launched 14 real estate projects in the tricity and had followed the due process in all projects.