## BEFORE THE MAHARASHTRA REAL ESTATE REGULATORY AUTHORITY, PUNE

SUO MOTU ADVERTISEMENT/ PUNE CASE NO.68 OF 2023

MahaRERA on its own Motion .... Complainant Versus

Legacy Fortune Associates iLife Upper NIBM .... Respondent MahaRERA Project Registration No.P52100045658

Coram: Shri.F.D.Jadhav, Dy.Secretary-Cum-Head

Appearance :- Adv. Harshad Nanaware

## <u>ORDER</u>

10<sup>th</sup> October, 2023 (Through Video Conferencing)

Maharashtra Real Estate Regulatory Authority has delegated certain powers on me on dated 26.04.2023 under Section-81 of the Real Estate (R & D) Act, 2016 (hereinafter called as "Act 2016"). The said powers, inter alia, contains imposing of penalty under Section 59 of the Act, 2016 for contravention of the provision of Section 3 by the promoter and to impose penalty under Section 61 of the Act for contravention of Section 11(2) of the Act etc. In exercise of the said powers delegated to me under Section 81 of the Act, 2016, notices were served to the Respondent-Promoter. Adv. Harshad Nanaware appeared on behalf of promoter.

2. It has been noticed by the MahaRERA Authority that an advertisement in social media 'Facebook' without mentioning the MahaRERA Registration number, in regards to the project "iLife Upper NIBM" has been published. On going through the record of MahaRERA Authority, it has been noticed that the project "iLife Upper NIBM" is registered with MahaRERA vide Registration No. P52100045658. Therefore, by show-cause notice, dated 13.03.2023 and 17.04.2023 the

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Respondent-Promoter was called upon to show cause as to why penal action under Section 61 of the said Act should not be initiated against him. However, the same were returned unserved. Therefore, again another notice dated 23.08.2023 was sent to the promoter through email. The promoter filed his say on 29.08.2023. The matter was posted to 10.10.2023 for virtual hearing and notice of hearing was issued to the promoter on dtd. 21.09.2023.

- 3. The promoter by his reply, dated 29.08.2023, contended that on the occasion of "Gudi Padva", the promoters decided to carry out marketing by reaching through social media platform. Accordingly, prepared various graphics having mention of RERA Registration No. of the said project and posted it on the social media platform. There were multiple images, graphic which were prepared and came to be posted on various social media platforms, wherein RERA Registration number was duly mentioned. On all other photos, images, the MahaRERA number is clearly visible. However, due to some technical issue, glitch, the RERA Registration No. upon one of the said advertisement i.e. graphic, image did not get included and eventually by mistake the same got posted on the social media handle. The said mistake was not intentional and without knowledge of the promoter. The promoter has taken the remedial measures to correct it.
  - Heard Adv. Harshad Nanaware for promoter. He has reiterated the contentions raised out in the reply filed by promoter. He admitted to have published the said advertisement without mentioning MahaRERA Registration No., but contended that it was due to technical issue and urged for leniency on account of small project.

At this juncture it is necessary to go through Section 11(2) of the Act, 2016 which reads as under:

Sec-11(2):- "The advertisement or prospectus issued or published by the promoter shall

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mention prominently the website address of the Authority, wherein all details of the registered project have been entered and include the registration number obtained from the Authority and such other matters incidental thereto."

6. On careful perusal of the Section 11(2) manifestly shows it is imperative on the part of the promoter to mention the MahaRERA Registration number of the project in the advertisement issued by him. Perused the advertisement. It does not contain RERA Registration No. of the said real estate project.

7. The real estate project of which advertisement is published in the instant case, is the ongoing project. The Promoter has admitted to have published the advertisement. Therefore, by publishing the said advertisement in question without mentioning MahaRERA registration number, manifestly shows that promoter has breached Section 11(2) of the Act, 2016.

8. Considering the facts *vis-a-vis* law discussed hereinabove, it can be said that it has been proved beyond doubt that the promoter has violated the provision of Section 11(2) of the Act, 2016 for publishing the advertisement without MahaRERA registration number, and thus this is a fit and suitable case to impose penalty.

9. Section 61 of the Act, 2016 deals with penalty for contravention of other provisions of this Act. The said provision, inter alia, states that..... more shall be liable to a penalty which may extend upto five percent of the estimated cost of the real estate project as determined by the Authority. Learned Counsel Shri Harshad Nanaware has prayed for lenience in the matter on the ground of it being a small project; and due to technical issue, mistake took place. Considering the facts and circumstances of this case lenient view ought to be taken while imposing the penalty in the matter.

In view of the above, the penalty of Rs.10,000/- under Section 61 of the Act, 2016 is imposed upon the promoter for violation of Section 11(2) of the Act, 2016.

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- 11. The said penalty shall be payable by the promoter within 30 days from the date of this order, failing which promoter shall be liable to penalty of Rs.1,000/- per day, in addition, till the realization of entire amount.
- 12. The Technical and Finance Department of the MahaRERA Authority shall verify the payment of the said penalty before processing any applications by promoter for extension, corrections, change of name etc., with respect to the said project.

(F.D.Jadhav) Dy.Secretary-Cum-Head, MahaRERA, Pune

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