

**BEFORE ODISHA REAL ESTATE REGULATORY AUTHORITY,
BHUBANESWAR.**

Suo Motu Complaint Case No. 232 of 2018.

O R E R A

... **Complainant**

- Versus-

M/S Shreya Infrastructure Pvt.Ltd.

At Plot No. 443/0, Saheed Nagar,

Bhubaneswar- 751007,

Represented by its Managing Director

... **Respondent**

ORDER

Dated 22.03.2021

This is a case initiated U/s 63 of the Real Estate (Regulation & Development) Act, 2016 against the respondent for violation of direction issued by this Authority in CC.No. 08 of 2017.

2. The promoter- M/S Shreya Infrastructure Pvt.Ltd is undertaking a project namely " Shreya Shreekheta Kalinga Kutir" at Mouza-Puri Sadar, Puri. The promoter/respondent in Complaint Case No. 08 of 2017 was instructed to refund the principal amount of Rs. 3,93,150/- to the complainant within 45 days along with interest @10.35% per annum compounded quarterly with effect from the order dated 17.04.2018. Since the respondent disobeyed the order of this Authority passed in CC.No. 08 of 2017, the Authority instructed the

office to initiate a Suo Motu Case against the promoter for violation of order U/s 63 of the Act.

3. The respondent did not appear in spite of valid service of summons on him.

4. As per direction of this Authority to supply copy of agreement for sale, the Enforcement Officer collected a copy of the building plan approval letter of the project issued by PKDA vide their letter No. 1279/PKDA, Puri dated 06.11.2015. The project is having 2 blocks of S+G+5 storied residential apartment having built up area of 4,52,661.10 Sqft. The cost of the Flat is Rs. 8,00,000/- +(Development cost such as amenities with complex, development of land, road, club, swimming pool etc) for 400 Sqft built up area @ Rs. 2,000/-. The total estimated cost of the project is Rs. 90,53,22,200/- approximately.

5. Section 63 of the Act clearly states that if any promoter, who fails to comply with, or contravenes any of the orders or directions of the Authority, he shall be liable to a penalty for every day during which such default continues, which may cumulatively extend up to five per cent of the estimated cost of the real estate project as determined by the Authority. In the instant case the Enforcement Officer submitted a report stating about the approximate cost of the project. He has provided reasons for the aforesaid assessment of cost. In absence of any other materials provided by the respondent, we are of the considered opinion that the project cost as estimated by the Enforcement Officer is correct. Penalty up to 5 % is the mandate of the statute. So discretion is given to the Authority to impose penalty considering the facts and circumstances of the case. In the instant case the promoter appears to be negligent. He did not comply with the order with an intention to harass the intending purchaser who has invested huge amount to get his house. Taking into consideration the

circumstances of the case we hold that the respondent is liable to pay Rs. 1,000/- per day as penalty for the period from 17.04.2018 till today i.e 22.03.2021 during which default continued for violation of Section 63 of the Act. The total penalty amount on cumulative calculation comes to Rs. 10,65,000/-Hence order:-

ORDER

The case is allowed on exparte against the respondent without cost. The respondent is directed to pay penalty of Rs. 10,65,000/- (Rupees ten lakhs sixty five thousand) within a period of two months failing which the order shall be enforced and the penalty shall be realized as per law.

The penalty shall be deposited with this Authority within the period of two months as directed above.

Sd/-
Member-II
(Ramanath Panda)

Sd/-
Chairperson
(Siddhanta Das)

No 1039 Dated -25/03/2021

Copy of Feral order forwarded to the Respondent for information.

TRUE COPY

[Signature]
Registrar

Odisha Real Estate Regulatory Authority

[Signature]
Registrar
Odisha Real Estate Regulatory Authority

