

ಕರ್ನಾಟಕ ರಿಯಲ್ ಎಸ್ಟೇಟ್ ನಿಯಂತ್ರಣ ಪ್ರಾಧಿಕಾರ,

Karnataka Real Estate Regulatory Authority,

1/14, 2nd Floor, Silver Jubilee Block, Unity Building Backside, CSI Compound,
3rd Cross, Mission Road, Bengaluru - 560027

PROCEEDINGS OF THE AUTHORITY

Dated 9th of SEPTEMBER 2021

CASE NO.	TOR/ACK/KA/RERA/1251/309/PR/210306/004786
PROMOTER / TRANSFEROR	JAIN HEIGHTS AND STRUCTURES PVT. LTD., Sole's, Floor 11, No.2, 1 st Cross, JC Road, Bengaluru - 560027.
PROMOTER / TRANSFeree	M/S. BHAIKAV HOLDINGS INC, No. 1031/A, 1 st Main Road, 4 th Block, Rajainagar, Bengaluru - 560010.
PROJECT NAME	JAIN HEIGHTS GRAND WEST PHASE I No. 101-71, Yeshwanthapura, Industrial Sub Urb, Ward No.10, Mahalakshmpuram, Bengaluru.

Jain Heights and Structures Pvt. Ltd., has filed Transfer application u/s 15 of the Act to transfer the project "Jain Heights Grand West Phase 1" situated at No.101-71, Yeshwanthapura, Industrial Sub Urb, Ward No.10, Mahalakshmpuram, Bengaluru Urban to M/s. Bhairav Holdings Inc. It is stated that the reason for the proposed transfer is that Jain Heights and Structures Pvt. Ltd., is not in a position to complete the project due to financial crisis

In support of the transfer application u/s 15 of the Act, the outgoing Promoter has submitted a letter dated 09/07/2021 jointly signed by the authorized signatory of both Jain Heights and Structures Private Limited and M/s. Bhairav Holdings Inc, with the following submissions:-

1. M/s. Bhairav Holding Inc., the landowner of the plot No. 71 measuring 1.8 Acres in Yeshwanthpur, had entered into a Joint Development Agreement with M/s. Jain Heights and Structures Pvt. Ltd. (Developer / GPA holder) to develop residential (apartment) project comprising 2 Towers (2B+G+12 Floors each) and 113 units with total Super Built-up area of 1,95,000 sft.

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2. The Jain Heights and Structures Pvt. Ltd as a GPA holder of Landowner secured all the required approvals and commenced construction at site for 2B+G+12Floors with BBMP sanction No. BBMP/KN/JC(REG)/252/14-15 which is valid up to September 2021.
3. The Landowner and the Developer obtained RERA approval vide certificate No. PRM/KA/RERA/1251/309/PR/17915/000219 for the project dated 15/09/2017 with the validity from 28/07/2017 to 30/06/2020. Pursuant to automatic extensions on account of Pandemic, the revised RERA completion date was extended to 31/03/2021.
4. Jain Heights the Developer went into financial crisis and the project activity got stalled.
 - Structure work to the extent of G+7 floors is complete.
 - Currently there are 48 customers in the project.
5. M/s. Bhairav Holding Inc., the Landowner approached Jain Heights and the existing customers to take over the development of the project. Additionally it also approached the lenders of the project for a final settlement to clear all encumbrances on the land.
6. M/s. Bhairav Holding Inc., the landowner also signed up with Assetz Property Group to develop and deliver the project under a Development Management model.
7. To complete the development of the project, M/s. Bhairav Holding Inc has obtained the following consents before approaching RERA authorities for change of developer:-
 - a. Consent of Jain Heights for the change of developer, as Jain Heights is party to the application.
 - b. Consent letter/NOC's received from 92% of the current customers of the project (44 consents out of 48 sales till date).
8. M/s. Bhairav Holding Inc will take the following actions post change of developer approval by RERA:-

M/s. Bhairav
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- Apply for revised approvals and extension of plan validity before BBMP.
- Settlement of the existing lenders, contractors, purchasers and clear all encumbrances on the land / project.
- Apply before REPA for a timeline extension basis the revised approvals obtained from the BBMP.
- Settle all the third-party contractual claims on the project.
- Appoint old or new contractors to start the construction of the project with a new understanding.
- M/s. Bhairav Holding Inc undertakes that it has financial standing to complete the project on its own by investing the extent required to ensure compliance with all the above - mentioned obligations.

There are three pending complaints against Jain Heights, the current developer regarding delay in delivery of possession, breach of Agreement and refund of booking amount as well as compensation.

As per the affidavit dated 06/02/2021, which has been filed along with the application for transfer, the M/s. Bhairav Holding Inc., has made the commitment (Para 9) that the Rights of the allottees of the project will not be affected and if there are any orders regarding refund, compensation, interest in favour of any allottee, such obligations shall be fulfilled by the Transferee-Promoters. Also, as per Para 10 of the same the intending promoter has agreed to fulfill all financial commitments in order to meet all obligations cast on them under the Real Estate (Regulation and Development) Act, 2016 and Karnataka Real Estate (Regulation and Development) Rules, 2017.

The Promoter has also submitted the following.

- Affidavit dated 06/02/2021, stating the reasons for the transfer and undertaking to fulfill any financial commitments under the Act.
- Engineers certificate for status of work.

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3. Engineers certificate for pending work.
4. Architect certificate for status of work.
5. Architect certificate for pending work.
6. Chartered Accountants fund utilization certificate.
7. Chartered Accountants certificate for fund requirement.

From the certificate dated 17/04/2021 by the Chartered Accountant, it is clear that the total estimated cost required for the project was Rs.1,15,82,66,169/-, out of which Rs.46,31,81,069/- has been spent to complete 29% of the construction work. Estimated balance cost to complete the project is Rs.69,50,85,100/-. The balance amount of receivables from sold apartments (48) as per Annexure-A of the certificate is Rs.32,73,17,078/-. The value of unsold inventory is Rs.86,23,04,365/-.

The builder has enclosed NOC's from BESCOM, SEIAA and KSPCB.

Quarterly update dated 17/04/2021 has been submitted, in connection with the Transfer application u/s 15 of the Act.

As the project was incomplete as on 30/3/2021, the promoter of the project has submitted an application u/s 6 of the Act for extending the validity of registration for a further period of one year. The application filed by the Promoter was heard on 3rd September 2021 by the Authority.

The Authority vide its Order dated 3/9/2021 has extended the registration granted for the project u/s 5 of the Act by a period of one year commencing from 31st March 2021 to 30th March 2022 with conditions that the Promoter of the project shall comply with all the duties and obligations in accordance with the provisions of the Act and shall ensure that the project is completed within the extended period of registration.

In view of the above, the following order is passed.

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ORDER

In exercise of the powers conferred under Section 15 of the Real Estate (Regulation and Development) Act, 2016, the transfer application filed by the outgoing Promoter namely **JAIN HEIGHTS AND STRUCTURES PVT. LTD.**, for the transfer of "**JAIN HEIGHTS GRAND WEST PHASE I**", a registered project, is allowed to be transferred in favour of **M/S. BHAIRAV HOLDINGS INC.**, subject to the following conditions.

M/s. Bhairav Holdings Inc., will immediately apply for revised approvals from various Authorities as required and complete the project to protect the interest of the buyers as per Para 8 of the written submission jointly filed by the outgoing and incoming developers.


(Neelamani N Raju)
K-RERA


(D. Vishnuvardhana Reddy)
K-RERA


(H.C. Kishore Chandra)
Chairman
K-RERA

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