Legal Due Diligence Review

[redacted] | Pune | [redacted]

Prepared for: [redacted] | Date: 27 June 2026

⚠ OVERALL ASSESSMENT: HIGH RISK

The Critical Issues at a Glance

💸 Funds Diverted

95.3% of customer funds — ₹15.64 Cr of ₹16.84 Cr — unaccounted for as of Sept 2024

🚧 Infrastructure at Zero

Water, sewage, fire protection, and electrical systems — all at **0% completion**

📅 Impossible Timeline

Declared completion: **31 Dec 2026** — just 6 months away with critical work not started

⚖️ New RERA Complaint

Filed **22 June 2026** by [redacted] — outcome currently unknown

TITLE ANALYSIS

Land Title: Mostly Clear

- Chain of ownership documented and traceable since **1931**
- 7/12 records confirm [redacted] as the registered owner
- No encumbrance flagged on the primary title chain

⚠ **Pending Risk:** Civil Suit SCS No. 1044/2012 is active before the CJSD Court, Pune. No stay order has been issued — this remains an unresolved cloud on title.

Promoter Structure: Complete Overhaul

Original Partners (2007–2023)

- [redacted]

The founding team — those who conceived and launched the project — have fully exited.

Current Partners (Feb 2023 onwards)

- [redacted] – 50%
- [redacted] — 25%
- [redacted] – 25%

New partners assumed control mid-project. Their track record and financial capacity to deliver remain unverified.

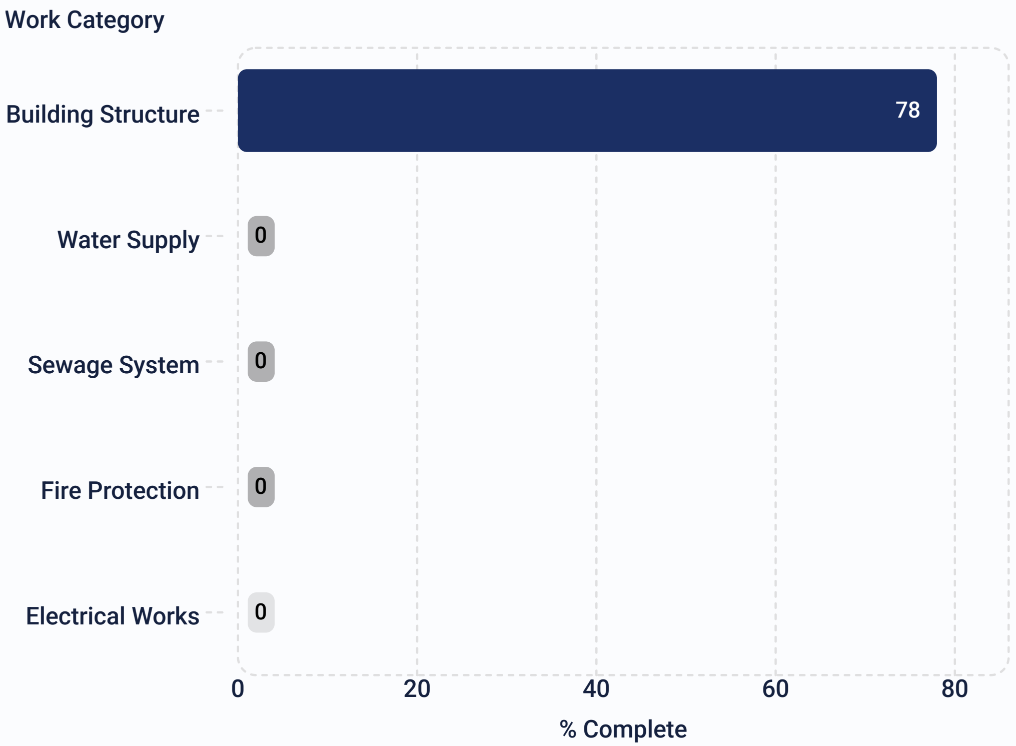
Financial Health: Extreme Red Flag

₹16.84Cr	₹0.80Cr
Funds Collected	**Actually Used**
Total customer funds received by the promoter	Only 4.7% deployed toward the actual project

95.3%	₹60L
Unaccounted	**Sister Concern Loan**
₹15.64 Cr in customer funds with no verified utilisation	Borrowed from [redacted] — raising conflict-of-interest concerns

The CA Certificate underpinning these figures is based on **unaudited, unverified accounts** — the numbers cannot be independently confirmed.

Construction Progress: Critically Behind



What This Means

While the promoter claims **78% building completion** as of March 2026, every critical infrastructure system required for habitability and an Occupation Certificate stands at **zero percent**.

- An Occupation Certificate by **Dec 2026** is effectively impossible
- A new Commencement Certificate was issued **Jan 2026**, signalling further plan revisions and delays
- Without infrastructure, the building cannot be legally occupied regardless of structural completion

Active Legal Threats

Civil Suit SCS 1044/2012

Pending before CJSD Court, Pune. No stay order has been granted. If decided against the promoter, this could directly affect title and buyer rights.

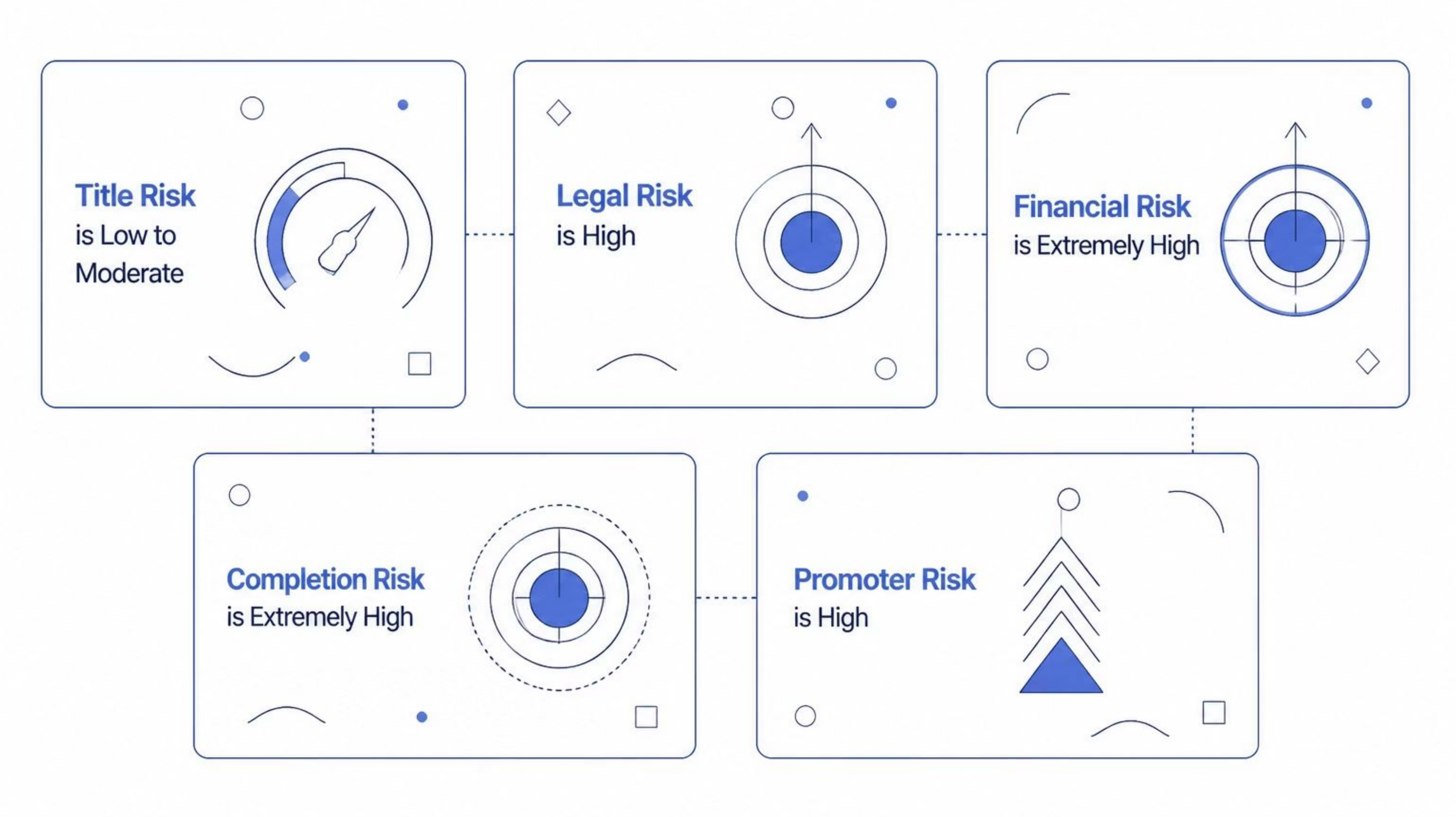
RERA Complaint — 22 June 2026

Filed by Mr. [redacted]. The complaint is fresh and its outcome is unknown. It could trigger penalties, mandated refunds with interest, or project suspension.

Potential Consequences

Regulatory penalties on the promoter, court-ordered refunds to buyers, or full revocation of the RERA registration — any of which would severely impact your investment.

Risk Assessment Summary



The risk profile is dominated by **financial and completion concerns**. Of the five dimensions assessed, four are rated High or Extremely High — an unusually severe concentration of risk for a single project.

Final Verdict

DO NOT PROCEED

This project is **NOT SAFE FOR PURCHASE** in its current state. The combination of diverted funds, zero infrastructure progress, active litigation, and an unverifiable promoter track record creates an unacceptable risk exposure for any buyer.

Project Viability

Completion by Dec 2026 is not credible given current progress and financial mismanagement

Buyer Protection

Existing contractual safeguards are insufficient against the scale of risk identified

Legal Exposure

Two active legal proceedings create material uncertainty over both title and project continuity

Required Actions Before Proceeding

If you choose to reconsider at a later stage, the following must be completed and verified **before any further payment or commitment**:

01

RERA Complaint Documentation

Obtain certified copy of the complaint, its current status, and a formal indemnity from the promoter against any adverse outcome

02

Audited Financial Certificate

Demand a fresh, independently audited Form-3 CA Certificate showing actual and verified fund utilisation — not based on unverified books

03

Realistic Construction Schedule + Bank Guarantee

Insist on a credible, milestone-based construction timeline backed by a Bank Guarantee for timely completion

04

Civil Suit Assessment

Obtain a copy of the civil suit plaint (SCS 1044/2012) and a written legal opinion on its potential impact on title and buyer rights

05

Partner Financial Capacity Verification

Conduct independent verification of the current partners' financial standing and ability to fund project completion

If You Still Decide to Proceed

Should you choose to move forward despite the risks, these contractual protections are **non-negotiable minimums**:

1

Penalty Clauses

Strict delay penalties at **SBI MCLR + 2% minimum** per annum for every month of delay beyond the agreed date

2

Termination Rights

Unambiguous right to exit with **full refund + interest** if project is not completed by the revised delivery date

3

Payment Strategy

Pay only the **statutory minimum** until all clarifications, documents, and guarantees are received and verified

4

Sale Deed Amendments

Strengthen all protective clauses in the sale deed with specific reference to the risks identified in this report