

BEFORE THE HARYANA REAL ESTATE APPELLATE TRIBUNAL

Date of Decision: August 20, 2025

Appeal No.116 of 2025

Sriflex Projects(P) Ltd. through its authorized signatory Mr. Shivank Garg s/o Sh. Sandeep Garg having its registered office at TF-03, Ninex City Mart, Sohna Road, Sector 49, Gurugram – 122 018.

...Appellant

Versus

Haryana Real Estate Regulatory Authority, Gurugram through its Secretary, New PWD Guest House, Civil Lines, Gurugram–122 001.

...Respondent

CORAM:

Justice Rajan Gupta
Mr. Rakesh Manocha

Chairman
Member (Technical)
(joined through VC)

Present: Mr. Pavan Malik, Advocate for the Appellant.

O R D E R:

JUSTICE RAJAN GUPTA, CHAIRMAN

Present appeal is directed against order dated 26.12.2024 passed by the Secretary to Authority at Gurugram¹. Operative part thereof reads as under:

“6. However, it is not disputed that the promoter was granted conditional registration at its own accord and depositing of security amount in the form of demand draft in lieu of submission of the requisite clearance within the time specified in the conditional registration. It was clearly mentioned in the registration certificate that these DDs shall be forfeited in favour of Authority in case the conditions are not fulfilled by the promoter within the stipulated time period.

7. In view of the above, the security amount submitted in lieu of the timely submission of the environmental clearance and approved service plans and estimates is hereby forfeited. The security

¹The Real Estate Regulatory Authority, Gurugram

amount submitted on account of the approved fire scheme already stands refunded as the same was obtained within the stipulated time. Since the compliance has now been made, although with a delay, the case is filed.”

2. Learned counsel for the appellant has assailed the impugned order on several grounds, primarily contending that forfeiture of the security amount of Rs. 50,00,000/- (Rupees Fifty Lakhs only) by the Secretary is arbitrary and unsustainable in law. It has been submitted that there was no wilful default or deliberate non-compliance on the part of the appellant/promoter. Forfeiture of security has been done due to minor delay in submitting necessary approvals before the Authority.

3. It is further contended that the action of forfeiture is disproportionate to the alleged default. The impugned order is cryptic, devoid of reasoning, and passed by an officer (i.e., the Secretary to the Authority) who, as per the appellant, is not vested with quasi-judicial powers under the Act. Therefore, the impugned order is *non est* in the eyes of law and liable to be set aside.

4. In light of the submissions made and upon a perusal of the material on record, the question that arises for consideration before this Tribunal is whether the Secretary, HRERA was empowered to order forfeiture of the security amount and same is legally sustainable.

5. There is nothing on record to show that the Secretary has been vested with powers to pass orders of the nature impugned in the instant case. It is, thus, inexplicable how quasi-judicial powers were exercised by the said officer. The impugned order, thus, appears to be *non est* and is declared as such. The same is set aside.

6. The matter is remitted to the Authority for decision afresh after affording opportunity of hearing to both parties. Appellant is directed to appear before the Authority on 03.09.2025. The Authority shall also be at liberty to examine whether the project is proceeding as per undertaking(s) given at the time of seeking registration. It may also

initiate appropriate action in case any violation comes to the notice of the Authority.

7. Appeal is allowed in the aforesaid terms.
8. Copy of this order be sent to parties/Ld. counsel for the parties and the Ld. Authority for compliance.
9. File be consigned to the records.

Justice Rajan Gupta
Chairman
Haryana Real Estate Appellate Tribunal

Rakesh Manocha
Member (Technical)
(joined through VC)

August 20, 2025
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