BEFORE THE HARYANA REAL ESTATE APPELLATE TRIBUNAL

Appeal No.255 of 2024

Date of Decision: 08.12.2025

M/s. Lightstone Developers India Pvt. Ltd. through Ashish Manchanda, Director having registered office at 802, 8th Floor, JMD Megapolis, Sohna Road, Gurugram 122018

Appellant.

Versus

Haryana Real Estate Regulatory Authority, Panchkula, Mini Secretariat, New Office Block, (2nd and 3rd Floor), Sector 1, Panchkula, Haryana 134114.

Respondent.

CORAM:

Justice Rajan Gupta	**Chairman**
Dr. Virender Parshad	**Member (Judicial)**
Shri Dinesh Singh Chauhan	**Member (Technical)**

Present: Mr. Neeraj Goel, Advocate, for the appellant.

Respondent *ex parte.*

Mr. Arnav Sharma, *Amicus Curiae.*

O R D E R:

RAJAN GUPTA, CHAIRMAN (ORAL):

Present appeal is directed against order dated 01.05.2024 passed by the Authority at Panchkula[1]. Paras 3, 4, 5 6 and 7 thereof read as under:

> *"3. When the matter was considered on 13.03.2023, a penalty of ₹1,000/- per day was imposed for not filing quarterly progress reports on web portal of Authority.*

[1] Haryana Real Estate Regulatory Authority at Panchkula

> *4. The matter was last heard on 31.01.2024, wherein it was observed that no one appeared on behalf of respondent nor any reply filed, therefore, the penalty of ₹1000/- per day imposed on 13.03.2023 was enhanced to ₹10,000/- per day till quarterly progress reports are uploaded online.*
>
> *5. The respondent filed QPRs upto June 2022 (as directed in the show cause notice dated 05.08.2022) on 15.02.2024 and upto 31.12.2023 on 29.02.2024. Therefore, the respondent will be liable to pay penalty upto 15.02.2024 which cumulatively works out to ₹4,74,000/-.*
>
> *6. Sh. Ankur, representative of respondent appeared and submitted that penalty will be deposited within a day.*
>
> *7. Adjourned to 08.05.2024 with a direction to the respondent to deposit the penalty by said date failing which he will be liable to pay interest as per Rule 15 of HRERA Rules, 2017."*

2. Learned counsel for the appellant has assailed the impugned order on the ground that there is no enabling provision under the RERA Act[2] relating to QPRs (Quarterly Progress Reports). As per him, neither any circular nor any regulation has been issued by the Authority empowering it to impose a penalty of this nature. The Authority, which acts as a regulator, has been established for the regulation and promotion of the real estate sector to ensure efficient and transparent sale of property and an adjudicatory mechanism for overseeing such sales/ transfers. Penal impositions would increase the cost of the project and hinder real estate development in the State.

[2] Real Estate (Regulation and Development) Act, 2016

3. Learned counsel for the appellant has emphasized that opportunity of hearing was not afforded to the appellant before passing the impugned order. He has referred to the averments made in the grounds of appeal supported by an affidavit of the authorized representative of the appellant-company. He further submits that impugned order is cryptic in nature.

4. Learned *Amicus Curiae,* who is assisting the Tribunal in other matters of similar nature along with Mr. Tarun Sharma, Law Associate, submitted that the order has been rightly passed by the Authority. They, however, concede that the project in question is an ongoing project. Besides, there is nothing on record to show that the appellant created any inventory prior to grant of RERA registration.

5. During the course of hearing reliance was placed by the appellant on the judgment dated 19.09.2025 passed by Hon'ble Karnataka High Court in CWP No.3379 of 2024 titled as *"Sharada Achar v. State of Karnataka and another"*.

6. Mr. Goel, learned counsel for the appellant submitted that the matter may be remanded to the Authority below to consider the entire issue afresh in light of the issues raised before this Bench and the judgment in *Sharada Achar's* case (*supra*). He has referred to relevant para, which reads as under:

> *"18. The Authority to impose a pecuniary burden on any citizen however big or small, cannot presumed nor can it be by implication; it must spring directly from the legislation and if the legislature has chosen to delegate such*

> *power, the delegation must be express, unambiguous and circumscribed within the boundaries of the legislative policy. Tested on the anvil of these principles, the impugned Circular, whereby a so-called delay fee has been sought to be imposed on promoters and developers stands exposed as utterly failing of statutory parentage. It finds no sustenance in the Act; it locates no foundation in the Rules; it is not the offspring of delegated legislation either. It is in fact a levy, conjured into existence by executive assertion, unsupported by legislative warrant."*

7. Learned *Amicus Curiae* submits that he has no objection if the matter is remanded to the Authority below for fresh adjudication.

8. In view of the above, we refrain from making any observation on merits or the issue whether opportunity of hearing was denied to the appellant before impugned order was passed as record pertaining to the case is not before us. However, whenever a quasi judicial order is passed, opportunity of hearing needs to be granted to the affected person.

8. It needs to be pointed out here that notice of the present appeal was duly issued to the Authority at Panchkula. Despite repeated attempts, it has failed to appear on several dates. As a result thereof, it was proceeded *ex parte* by the Tribunal vide order dated 19.11.2024.

9. In view of the foregoing discussion, while remitting the matter to the Authority, we feel that fresh order should be passed after considering the version of the appellant and ratio of law laid down in *Sharada*

Achar's case (*supra*). The Authority shall endeavour to conclude the proceedings at the earliest, in any case, not later than four months from the date of uploading of this order. Impugned order is, thus, set aside and the appeal is allowed in these terms.

10. Appellant is directed to appear before the Authority on 09.01.2026.

11. The amount of pre-deposit made by the appellant-company with this Tribunal at the time of filing of this appeal along with interest accrued thereon be remitted to the Authority, to be disbursed subject to final outcome of the matter. Needless to observe tax liability, if any, would apply.

12. Copy of this order be sent to appellant, its counsel and the Authority below.

13. File be consigned to the records.

Justice Rajan Gupta
Chairman
Haryana Real Estate Appellate Tribunal

Dr. Virender Parshad
Member (Judicial)

Dinesh Singh Chauhan
Member (Technical)

08.12.2025
Manoj Rana