HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

COMPLAINT NO. 1966 of 2022

HRERA, Panchkula ...COMPLAINANT

VERSUS

TDI Mansion Pvt Ltd. ....RESPONDENT

CORAM:	**Nadim Akhtar**	**Member**
	Dr. Geeta Rathee Singh	**Member**
	Chander Shekhar	**Member**

Date of Hearing: 28.01.2026
Hearing: 14th
Present: Adv. Shubhnit Hans on behalf of respondent.

ORDER (Nadim Akhtar -Member)

This matter was taken up by the Authority on 29.10.2025 wherein, Adv. Shubhnit Hans appearing on behalf of respondent informed that appeal no. 779-2024 was listed before Hon'ble Appellate Tribunal on 08.12.2025 and the matter has been remitted back to the Authority and the appellant is directed to appear before the Authority on 09.01.2026. He further added that they are placing on record a copy of order dated 08.12.2025 in the registry of the Authority, today itself. The

Authority decided that the matters which have been remitted back, be listed on 28.01.2026.

2. Today, Adv. Shubhnit Hans appearing on behalf of respondent informed that they are filing written statement in the registry of the Authority today itself which is reproduced as under:-

1. That the present matter is being taken up by the Authority pursuant to the order dated 08.12.2025 passed by the Hon'ble Haryana Real Estate Appellate Tribunal in Appeal No. 779 of 2024 titled TDI Mansion Private Limited v. Haryana Real Estate Regulatory Authority, Panchkula", which was preferred by the Respondent/Promoter challenging the penalty imposed vide order dated 24.01.2024, inter alia, on the ground that the same was passed without any statutory basis, without affording effective opportunity of hearing, and in violation of settled principles of natural justice. The Hon'ble Appellate Tribunal was pleased to set aside the impugned penalty order and remand the matter back to the Authority for fresh adjudication, with a specific direction to afford due and effective opportunity of hearing to the Respondent/Promoter. Accordingly, the present written submissions are being filed to assist the Authority in deciding the matter afresh, de novo, in accordance with law.

2. That during the pendency of the appeal, notice of appeal was duly issued to the Authority at Panchkula and, despite repeated opportunities, the Authority failed to appear, as a result whereof the Hon'ble Appellate Tribunal proceeded ex parte against the Authority vide order dated 01.07.2025.

3. That the present written submissions are being submitted on behalf of the Respondent/Promoter, M/s TDI Mansion Private Limited, through its authorised representative, in compliance with and in response to Notice dated 03.08.2023 issued by the Authority under Section 35 of the Real Estate (Regulation and Development) Act, 2016, whereby certain information and documents were

sought in respect of the RERA registered project titled "Chitrakoot - an affordable residential plotted colony", situated at Sector-64, Village Patla and Nangal Kalan, Sonipat, Haryana, admeasuring 10.018 acres, bearing Registration No. HRERA-PKL-SNP-164-2019 dated 01.10.2019, valid up to 31.07.2020.

5. That the Respondent/Promoter, namely M/s TDI Mansion Private Limited, is a duly incorporated real estate company engaged in the business of development and construction and is the promoter of the aforesaid project. The project was developed pursuant to License No. 93 of 2019 dated 09.08.2019, duly granted by the competent Government authority, and was lawfully registered with the Respondent Authority strictly within the framework of the RERA Act, 2016.

6. That the Authority had issued a notice dated 03.08.2023, which was never served upon the Respondent Company. Nevertheless, the Respondent is filing the present submissions without prejudice to its rights and contentions, solely in compliance with the directions issued by the Authority, and with utmost respect to the regulatory framework governing real estate projects under the Real Estate (Regulation and Development) Act, 2016.

7. That in the said notice, the Authority, inter alia, has alleged the following:

a. that the registration of the project expired on 31.07.2020 and no application for extension under Section 6 of the Act was submitted;

b. that documents evidencing completion or part-completion of the project within the validity period were not placed on record; That it has been further observed in the said notice that the alleged noncompliance under section 11 of the Act, as attributed to the promoter, pertains to the following aspects:

c. that Quarterly Progress Reports (QPRs) were not uploaded regularly and were submitted only up to 31.12.2021, forming the primary basis of the suo-motu

proceedings under Complaint No. 1966 of 2022, culminating in imposition of penalty of Rs. 84,000/-;

d. that approved copies of the Demarcation Plan, Zoning Plan and Service Plan/Estimates were not submitted;

e. that duly approved building plans in respect of the commercial pocket measuring 0.2167 acres were not submitted; and

f. that requisite NOC/Clearance under notification dated 14.09.2006 issued by the Ministry of Environment & Forests, Government of India, prior to execution of development works, was not submitted.

8. That the Authority, in the said notice, while taking note of the earlier suo motu proceedings in Complaint No. RERA-PKL-COMP-1966-2022, further directed the Respondent/Promoter to furnish all the aforesaid information and documents within a period of 30 days from the date of issuance of the notice, failing which it was made clear that penal action under Section 61 read with Section 63 of the Real Estate (Regulation and Development) Act, 2016 could be initiated; and it is pursuant thereto that the present suo motu complaint bearing No. RERA-PKL-COMP-1765-2023 came to be registered.

9. That the notice, while taking note of the earlier suo-motu proceedings in Complaint No. RERA-PKL-COMP-1966-2022, further directed the Respondent/Promoter to furnish all the aforesaid information and documents within a period of 30 days from the date of issuance of the notice, failing which it was made clear that penal action under Section 61 read with Section 63 of the Real Estate (Regulation and Development) Act, 2016 could be initiated, and it is pursuant thereto that the suo-motu complaint bearing No. RERA-PKL-COMP-1765-2023 came to be registered.

10. That the Authority has also initiated three separate suo-motu complaints against the Respondent/Promoter in respect of the very same project, arising out of

overlapping and identical alleged non-compliances, details whereof are as follows:

a. Complaint No. RERA-PKL-COMP-1765-2023, titled "HRERA, Panchkula v. TDI Mansion Private Limited";

b. Complaint No. RERA-PKL-COMP-1966-2022, titled "HRERA, Panchkula v. TDI Mansion Private Limited"; and

c. Complaint No. RERA-PKL-COMP-895-2022, titled "HRERA, Panchkula v. TDI Mansion Private Limited".

11.The respondent submitted that the Notice dated 03.08.2023 was never uploaded on the HRERA website, nor was it served upon the Respondent/Promoter through any recognized or prescribed mode. Owing to the said non-service and non-uploading, the Respondent/Promoter had no effective knowledge of the proceedings, resulting in an absence of appearance and filing of reply, which was neither deliberate nor intentional but entirely procedural and bona fide.

12. That pursuant to the aforesaid notice, the present suo-motu Complaint No. RERA-PKL-COMP-1765-2023 came to be registered, and the matter was first listed for hearing on 26.09.2023.

13. That on the first date of hearing, the Authority recorded that the Respondent/Promoter was directed not to sell any unsold inventory or create any third-party rights in the project till grant of extension, and was further directed to submit the information and documents referred to in the notice before the next date of hearing, or to show cause as to why penalty under Section 61 read with Section 63 of the Act, which may extend up to 5% of the estimated cost of the project, be not imposed.

14. That thereafter, the matter was listed for the second date of hearing on 24.01.2024, on which date it was recorded that neither any appearance was made on behalf of the Respondent/Promoter nor any reply was on record, and consequently, a penalty of Rs. 5,00,000/- was imposed under Section 61 of the Act,

with a further observation that the penalty could extend up to 5% of the estimated cost of the project in case of continued non-compliance. Then the matter was thereafter adjourned to 27.03.2024.

15. That no proceedings pertaining to Suo-Motu Complaint No. RERA-PKL-COMP-1765-2023 were ever within the knowledge of the Respondent/Promoter prior thereto, and the Counsel for the Respondent/Promoter came to know about the existence of the said complaint only on the third date of hearing, i.e. on 01.05.2024, when the Counsel was present before the Authority in connection with another suo-motu matter listed on the same day, namely Complaint No. RERA-PKL-1761-2023 titled "HRERA, Panchkula v. Sana Realtors Private Limited".

16. That the aforesaid facts clearly demonstrate that the earlier non-appearance of the Respondent/Promoter was neither deliberate nor intentional, but occurred solely on account of non-service and non-uploading of the notice and listing information, and that the Promoter acted with due diligence immediately upon gaining knowledge of the proceedings.

17. That vide letter dated 31.01.2024, filed by the Respondent/Promoter in Suo-Motu Complaint No. RERA-PKL-COMP-1966-2022, which was pending on the issue of uploading of Quarterly Progress Reports (QPRs), the Respondent/Promoter duly informed the Authority about the grant of the Completion Certificate on 16.11.2023 and its intention to seek extension of the project registration, which was thereafter applied for on 21.03.2024.

18. That on the subsequent date of hearing, i.e. 01.05.2024, the Respondent/Promoter appeared before this Ld. Authority and duly informed that the Completion Certificate in respect of the project had already been granted on 16.11.2023, and that an application for extension of the project registration had been submitted on 21.03.2024, which was pending consideration before the Authority.

19. That it was further informed to the Authority vide reply dated 01.05.2024, that:

a. Online Quarterly Progress Reports (QPRs) had been uploaded up to 31.12.2021; and

b. Physical Quarterly Progress Reports up to 31.12.2023 had already been submitted vide letter dated 29.03.2024.

c. That the Respondent/Promoter also submitted that copies of the approved zoning plan and service plans/estimates, as well as the Consent to Establish (CTE) in respect of the project, had been duly submitted before the Ld. Authority.

20. That despite the above submissions and compliances being placed on record, the Ld. Authority observed that updated online QPRs, duly approved building plans in respect of the commercial pocket measuring 0.2167 acres, and deposit of the penalty imposed vide order dated 24.01.2024, were still pending, and accordingly granted one last opportunity to the Respondent/Promoter to comply, failing which an additional cost of Rs. 2,00,000/- shall be imposed. Then the matter was thereafter adjourned to 07.08.2024.

21.Being aggrieved by the penalty order dated 24.01.2024, the Respondent/Promoter preferred Appeal No. 779 of 2024 before the Hon'ble Haryana Real Estate Appellate Tribunal on 18.11.2024, challenging the legality, propriety, and sustainability of the said order.

22. That the Hon' ble Haryana Real Estate Appellate Tribunal, after condoning the delay of 221 days in filing the appeal and upon considering the matter in detail, was pleased to pass a reasoned order dated 08.12.2025, whereby the impugned penalty order dated 24.01.2024 was set aside and the matter was remanded back to the Authority for fresh adjudication, with the following directions and observations:

a. That where a quasi-judicial order entails civil and pecuniary consequences, the affected party is mandatorily entitled to an effective opportunity of hearing, and

any order passed without such opportunity cannot be sustained in law;
b. That although the Hon'ble Tribunal refrained from making any observation on the merits of the case, it categorically held that fresh adjudication must be undertaken after considering the version of the Promoter and considering the ratio of law laid down in Sharada Achar v. State of Karnataka & Anr. (supra);
c. That the Hon'ble Tribunal recorded that despite due service, the Ld. Haryana Real Estate Regulatory Authority, Panchkula had failed to appear and was accordingly proceeded ex parte before the Tribunal vide order dated 01.07.2025;
d. That the Hon'ble Tribunal further directed that the remanded proceedings be concluded expeditiously and, in any event, not later than four months from the date of uploading of the remand order;
e. That the appeal was accordingly allowed, and the impugned order was set aside in the above terms;
f. That the Appellant/Promoter was directed to appear before this Ld. Authority on 09.01.2026; and
g. That the amount of pre-deposit made by the Appellant before the Hon'ble Tribunal, along with interest accrued thereon, was directed to be remitted to this Ld. Authority, to be disbursed subject to the final outcome of the proceedings, in accordance with law
23.In view of the remand, the present proceedings are required to be decided afresh, de novo, within the confines of the RERA Act and Rules, after considering:
a. the completed status of the project,
b. the absence of willful or deliberate non-compliance,
c. the procedural nature of the alleged lapses, and
d. the proportionality and legality of any proposed penal action.

24.In view of the above, the Respondent/Promoter submits as follows: to place the complete factual position on record and to respond point-wise and document-wise to the issues raised in the notice:

i. That the impugned proceedings and the consequent penalty order are vitiated in law on account of absence of prior intimation and effective service of notice upon the Respondent/Promoter. It is respectfully submitted that the Notice dated 03.08.2023 issued under Section 35 of the Real Estate (Regulation and Development) Act, 2016 was neither uploaded on the official website of the Authority nor served upon the Respondent/Promoter through any recognized or prescribed mode. As a result thereof, the Respondent/Promoter had no knowledge of the initiation, listing, or progress of the proceedings in Complaint No. RERA-PKL-COMP-1765-2023 at the relevant time.

ii. That in the absence of uploading of the notice on the Authority's website, which is the primary mode through which promoters and stakeholders are expected to track proceedings, coupled with the lack of effective service, rendered the Respondent/Promoter incapable of appearing or filing a reply. Consequently, the non-appearance recorded against the Respondent/Promoter cannot be construed as wilful, deliberate, or contumacious, but was purely procedural and bona fide.

iii. That the impugned penal action is further vitiated on account of the fact that the Authority has not recorded any satisfaction or finding to the effect that the Notice dated 03.08.2023 was duly served upon the Respondent/Promoter. Mere dispatch of an email, without proof of delivery or acknowledgment, does not constitute valid or effective service in proceedings entailing serious civil and pecuniary consequences.

iv. That it is further submitted that the said notice was not uploaded on the official HRERA website at the relevant time and, even as on date, does not reflect as uploaded on the portal. The absence of website publication, which is the primary

and recognized mode of dissemination of proceedings under the regulatory framework, deprived the Respondent/Promoter of any reasonable opportunity to become aware of the proceedings.

That the impugned orders are conspicuously silent on the aspect of service of notice and do not record any finding that the Respondent/Promoter had knowledge of the proceedings. Such omission renders the penal action harsh, arbitrary, and contrary to settled principles of natural justice.

v. That the Authority, while exercising its powers under the Real Estate (Regulation and Development) Act, 2016, acts not merely as a punitive body but as a regulator established for the purpose of regulation, promotion, and orderly development of the real estate sector, with the twin objectives of ensuring transparency in transactions safeguarding the interests of both allottees as well as promoters.

vi That the scheme of the Act envisages a balanced regulatory framework wherein compliance is to be secured through facilitation and oversight, and penal consequences are to be invoked only in cases of wilful, deliberate, or contumacious default. The Act does not contemplate mechanical or automatic imposition of penalties for procedural or curable lapses, particularly where no prejudice has been caused to the allottees and the project itself stands completed.

vii. That imposition of penalties in a routine or disproportionate manner directly increases the cost of the project, adversely impacts project viability, and ultimately burdens the very stakeholders—namely the allottees—whose interests the Act seeks to protect. Such penal action, therefore, runs contrary to the object of promoting sustainable real estate development in the State.

viii. That it is respectfully submitted that the RERA Act is designed to protect the interests of all stakeholders in the real estate ecosystem and does not operate to the exclusion or detriment of promoters alone. Regulatory action must, therefore, be

proportionate, reasoned, and aligned with the overarching objective of ensuring compliance rather than imposing punitive measures for their own sake. ix. That the impugned penal action is vitiated in law for want of a fair, effective, and meaningful opportunity of hearing. It is a settled principle of law that whenever a quasi-judicial order entailing civil or pecuniary consequences is proposed to be passed, the affected party must be afforded a proper opportunity of hearing, and any order passed in the absence thereof is violative of the principles of natural justice and unsustainable in law.

That in the present case, the Respondent/Promoter was completely unaware of the proceedings owing to non-service and non-uploading of the notice. Upon first gaining knowledge of the matter, the Respondent/Promoter appeared before the Authority on the third date of hearing, i.e. on 01.05.2024. That upon such appearance, the Respondent/Promoter duly filed its reply along with the documents and information as sought by this Authority and placed on record the factual position regarding completion of the project, filing of Quarterly Progress Reports, and other compliances. Despite the same, this Ld. Authority proceeded to impose an additional cost of ₹2,00,000/- on 01.05.2024, without granting reasonable time to consider the reply and documents so submitted. That it is further submitted that even prior thereto, a penalty of ₹5,00,000/- had already been imposed on the second date of hearing, i.e. on 24.01.2024, without any appearance or effective participation by the Respondent/Promoter, solely due to lack of prior intimation. The imposition of a penalty at the second hearing itself, followed by a further penal consequence on the very first date of appearance of the Respondent/Promoter, clearly demonstrates that no meaningful or effective opportunity of hearing was ever afforded.

That such a course of action is contrary to the settled principles of natural justice, fairness, and proportionality, particularly in proceedings entailing serious

civil and pecuniary consequences. Penal action in regulatory proceedings must necessarily follow due consideration of the explanation and documents furnished by the affected party, which was not done in the present case.

x. That the impugned penal action is unsustainable in law inasmuch as the project in question stands completed in all respects and no prejudice whatsoever has been caused to any allottee or stakeholder. It is respectfully submitted that during the hearing of the appeal, the Ld. Amicus Curiae assisting the Hon'ble Appellate Tribunal fairly conceded that the project was complete and that the Completion Certificate had already been granted on 16.11.2023, a fact which stands expressly recorded in the order of the Hon'ble Appellate Tribunal.

xi. That the Hon'ble Appellate Tribunal has further observed and recorded that there was nothing on record to indicate that the Respondent/Promoter had created or sold any inventory or created any third-party rights prior to the grant of RERA registration. The said factual findings clearly establish that there was no violation affecting the interests of allottees and no element of profiteering or unfair practice on the part of the Respondent/Promoter.

xii. That it is further submitted that, except for issuance of the notice dated 03.08.2023, all penal actions and penalties sought to be imposed upon the Respondent/Promoter have been levied after the grant of the Completion Certificate dated 16.11.2023, when the project already stood completed. The imposition of penalties post completion, particularly in the absence of any continuing default or prejudice to allottees, is wholly unjustified and contrary to the regulatory intent of the Act.

That in the absence of any adverse impact on allottees and in view of the completed status of the project, the imposition of penal consequences is wholly disproportionate, punitive, and contrary to the object and scheme of the Real Estate (Regulation and Development) Act, 2016, which seeks to balance the interests of

all stakeholders and not to penalise promoters for procedural or technical lapses. xiii. The impugned penalty imposed upon the Appellant for alleged delay in uploading the quarterly progress report is vitiated by non-application of mind and failure to exercise statutory discretion, as Section 61 of the Real Estate (Regulation and Development) Act, 2016 consciously employs the word "may", thereby making the imposition of penalty discretionary and not mandatory. The legislative intent behind the use of the expression "may be liable to a penalty" under Section 61 is to require the Authority to:

a. examine the nature and gravity of the alleged contravention,

b. consider the explanation and mitigating circumstances, and

c. pass a reasoned adjudicatory order, before deciding whether at all a penalty is warranted.

In the present case, the Authority has treated the penalty as automatic and inevitable, merely upon noticing an alleged delay, thereby converting the discretionary power under Section 61 into a mandatory levy, which is impermissible in law.

The Act does not create any presumption that every delay or technical lapse must necessarily result in penalty, and the use of the word "may" under Section 61 clearly negatives any concept of mechanical or system-generated penalties. The Hon'ble Karnataka High Court in CWP No. 3379-2024 titled as "Sharada Achar v. State of Karnataka and another, while examining the legality of monetary levies imposed by RERA Authorities without proper statutory foundation or adjudicatory exercise, has held that imposition of a pecuniary burden cannot be presumed and must strictly flow from the statute, and that executive or mechanical imposition of such levies is unsustainable. The ratio of the aforesaid judgment applies with full force to the present case, as the Respondent-Authority has failed to demonstrate any conscious exercise of discretion, proportionality, or reasoning,

as mandatorily required under Section 61. Even assuming, without admitting, that there was a delay in uploading the quarterly progress report, the same could at best invite consideration for penalty, and not its automatic imposition, particularly when the statute itself uses the permissive expression "may". Therefore, the impugned penalty order/demand notice is liable to be set aside for having been passed:

- without proper adjudication,
- without exercise of statutory discretion, and
- in derogation of Section 61 of the Act.

xiv. That the project in question has already been granted a Completion Certificate dated 16.11.2023, thereby conclusively establishing that the construction and development obligations stand fulfilled. In such circumstances, a lenient and pragmatic view deserves to be taken by this Ld. Authority, particularly when the interests of the allottees and homebuyers stand fully safeguarded and no prejudice has been caused to them in any manner.

xv. That the object of the Real Estate (Regulation and Development) Act, 2016 is not merely punitive but regulatory and facilitative in nature, aimed at safeguarding the interests of homebuyers while ensuring orderly and sustainable development of the real estate sector. Once the project stands completed and the interests of allottees are secured, harsh penal action for alleged procedural lapses would neither advance the object of the Act nor serve the cause of justice.

25. It is respectfully reiterated that there has been no willful default, deliberate non-compliance, or intentional suppression of information on the part of the Promoter.

26. All compliances have either already been effected, or subsequently completed, or were pending for bona fide, procedural, and justifiable reasons, now fully explained.

3. In view of the aforesaid facts and circumstances, including the completed status of the project, absence of any prejudice to allottees, procedural lapses in service of notice, and the regulatory intent of the Real Estate (Regulation and Development) Act, 2016, it is respectfully submitted that the impugned penal action does not warrant continuance and a lenient and just view may be taken by the Authority in the interest of justice and to safeguard the interests of homebuyers.

4. Adv. Shubhnit Hans appearing on behalf of respondent requested for a short accommodation to argue in this matter.

5. On the request of counsel, Adjourned to **11.03.2026**.

Chander Shekhar	Dr. Geeta Rathee Singh	Nadim Akhtar
Member	Member	Member