



HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

COMPLAINT NO. 2001 of 2022

HRERA, Panchkula

...COMPLAINANT

VERSUS

Lightstone Developers India Pvt. Ltd.

....RESPONDENT

CORAM:	Parneet S Sachdev	Chairman
	Nadim Akhtar	Member
	Dr. Geeta Rathee Singh	Member

Date of Hearing: 11.03.2026

Hearing: 15th

Present: Adv. Tarun Ranga on behalf of respondent.

ORDER (Parneet S Sachdev-Chairman)

In the captioned Suo motu complaint, the Authority vide its order dated 01.05.2024 had imposed penalty of ₹4,74,000/- on the respondent/promoter for not uploading quarterly progress reports on the web portal of the Authority as per provisions of Section-11 of the Real Estate (Regulation & Development) Act, 2016 read with Rule-14(vii)(d) of the Haryana Real Estate (Regulation & Development) Rules, 2017.

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2. The respondent did not pay the aforementioned penalty, instead has filed an application dated 27.01.2026 through its counsel communicating the orders of the Hon'ble Haryana Real Estate Appellate Tribunal dated 08.12.2025 passed in Appeal No. 256 of 2024, whereby the Hon'ble Appellate Tribunal had directed the Authority to re hear the matter afresh and decide the same preferably within 4 months of uploading of this order. The operative part of which is reproduced hereunder: -

13. 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.

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

15. 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.

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

17. File be consigned to the records.

3. Complying with the orders of Hon'ble Tribunal, the matter was listed for hearing today. Ld. Counsel for respondent promoter appeared and made the submissions as under:



a. Show Cause Notice failed to clearly specify the consequences that would flow from the non-compliance with the direction of the Authority.

b. As per the ratio laid down by the Hon'ble Karnataka High Court in the *CWP No. 3379 of 2024 titled as "Sharada Achar vs. State of Karnataka and another"* decided on 19.09.2025, the Authority does not have the explicit jurisdiction to impose penalty in absence of specific regulation made with regard to imposing the same.

4. Considering the written submissions, oral averments and the documents available on record, it is observed that the respondent/promoter, Lightstone Developers India Pvt Ltd, undertook to develop the real estate project namely "La Dimora City", an affordable residential plotted colony under DDJAY measuring 7.368 acres in Sector-97, Faridabad and got the same registered with the Authority under Section 5 of the RERD Act, 2016 vide Registration No. HRERA-PKL-FBD-196-2020 dated 15.05.2020 valid upto 03.02.2025. Admittedly, the respondent did not file online quarterly progress report on the website of the Authority.

5. Consequently, the Authority in exercise of its mandate under Section 35 of the RERD Act, 2016 took Suo motu cognizance of such non-compliance of the provisions of RERD Act, 2016 and rules and regulations made thereunder and issued show cause notice dated 05.08.2022 to the respondent promoter for not uploading quarterly progress reports of above-mentioned project regularly, thus, violating provisions of Section-11 of the Real Estate (Regulation & Development) Act, 2016 and Rule-14(vii)(d) of the Haryana Real Estate (Regulation & Development) Rules, 2017. Vide this notice, the Authority also directed the promoter to submit online quarterly progress report within a period of 30 days on

the website of the Authority, failing which you will be liable for penal action U/s 63 of the RERA Act, 2016.

6. The aforesaid notice was dispatched to the respondent on the address as furnished by the respondent in Form A to H at the time of registration via registered post (India Post Consignment No. RH581918973IN) and was also sent via e-mail which was successfully delivered on 02.09.2022. It is pertinent to mention that the address as mentioned in the Form A to H is the last known address voluntarily declared to the Authority by the promoter itself. Accordingly, the service of this show cause notice was successful.

Even after the lapse of 30 days, despite been given an opportunity to comply with the provisions of the Act and orders of the Authority, in furtherance of the same, the promoter did not file online QPRs. Meaning thereby, the respondent failed to fulfill its duties as per the Act and is in defiance of the directions of the Authority making it liable to be proceeded under Section 63 of the RERA Act. Section 63 is herein reproduced below: -

Section 63: Penalty for failure to comply with orders of Authority by promoter. If any promoter, who fails to comply with, or contravenes any of the orders or directions of the Authority, he shall be liable to a penalty for every day during which such default continues, which may cumulatively extend up to five per cent., of the estimated cost of the real estate project as determined by the Authority.

The matter was listed on 19.12.2022 (i.e., almost after 3 months of service of notice to respondent) wherein, no one appeared on behalf of the promoter and since the respondent did not file online QPRs, the Authority decided to grant one last opportunity to file online quarterly progress reports up to 2nd quarter of the



year 2022 failing which penalty of Rs. 1000/- per day shall be imposed. This order was uploaded on the web portal of the Authority on 28.12.2022.

7. Thereafter, the matter again came up for hearing on 13.03.2023 (i.e., after around 3 months), again none appeared on behalf of the respondent promoter. The respondent did not file online QPRs, the Authority took serious note of non-compliance by the respondent. The Authority was of the considered view that the objective of the Act is to ensure sale of plot, apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector, therefore, for the purpose of achieving this objective, Section-11 of the Act provides for functions and duties of promoter and Section 11 (1) (e) of the Act provides for updating the quarterly up-to-date status of the project. If quarterly status of the project is not available on the website for the allottees, then the entire objective of maintaining transparency cannot be achieved. Since adequate time was given after the due delivery of notice, the Authority imposed a penalty of Rs. 1000/- per day from 13.03.2023 till the quarterly progress reports are uploaded online. Thereafter, the matter was heard on 12.06.2023 and later on, 16.08.2023, wherein no one represented and penalty of Rs 1000/- per day continued since the QPRs were not filed.

8. Thereafter, on the hearing dated 31.01.2024, no one represented the respondent. Further, since the quarterly progress reports were not filed, the penalty of Rs 1000/- day was increased to Rs 10,000/- day. It was also directed that the copy of order dated 18.12.2023 be sent to the respondent through registered post and e-mail. The copy of order dated 31.01.2024 was successfully delivered at the address of the respondent on 29.04.2024 and also delivered via email on 19.04.2024.



9. On 01.05.2024, Sh. Ankur, representative of the respondent appeared via video conferencing and informed that QPRs have now been filed upto June 2022 on 15.02.2024. The respondent was directed to pay penalty upto 15.02.2024 (i.e., the date of filing QPRs) which cumulatively worked out to Rs. 4,74,000/-. Sh. Ankur also submitted that penalty will be deposited within a day. Keeping in view the submissions of the representative, the matter was 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 Haryana Real Estate (Regulation & Development) Rules, 2017 (hereinafter referred as HRERA Rules, 2017).

10. Later, on 08.05.2024, Sh. Nikhil, representative of the respondent stated that respondent is in the process of filing an appeal against the orders of the Authority. It was observed that there is no stay against the orders passed by the Authority and the respondent is wilfully defying the same. Hence, respondent was directed to show cause as to why penalty which may extend upto 5% of the total cost of the project be not imposed under Section 63 of the Act for non-compliance of the orders of the Authority.

11. Further on 14.08.2024, Learned counsel for the respondent stated they have filed an appeal before Hon'ble Haryana Real Estate Appellate Authority against the orders of the Authority in which penalty has been imposed. Said appeal is listed for hearing on 22.08.2024. It was observed that there is no stay against the orders passed by the Authority and the respondent is wilfully defying the same. Hence, respondent was directed to show cause why additional penalty of ₹2 lac be not imposed under Section 63 of the Act for not complying with the orders of the Authority. On 23.10.2024, Sh. Tarun Ranga, appeared on behalf of respondent and stated that pre-deposit has been made before the Hon'ble Appellate Tribunal and matter is now fixed for hearing on 19.11.2024. He requested that matter may be



adjourned beyond the said date. The matter was adjourned to 18.12.2024 awaiting order of Hon'ble Appellate Tribunal. On the next date of hearing, i.e., 18.12.2024, learned counsel for the respondent informed that matter is now fixed for hearing on 27.01.2025 before the Hon'ble Tribunal. He requested that matter may be adjourned beyond the said date. The Authority adjourned the matter to 19.02.2025. Later, on 19.02.2025, Learned counsel for the respondent stated that Hon'ble Appellate Tribunal in Appeal No. 256 of 2024 vide order dated 03.02.2025 has directed that respondent would not be liable to pay any further penalty during the pendency of the Appeal and has adjourned the matter to 18.03.2025. In view of order dated 03.02.2025 passed by Hon'ble Tribunal, Authority decided to await the outcome of said appeal and the matter was adjourned to 07.05.2025. On 07.05.2025, the Authority observed that the penalty of ₹4,74,000/- for non-filing of the QPRs has not been deposited by the promoter till date. Since stay had been granted by the Hon'ble Appellate Tribunal, Authority decided to give a long date and directs the promoter to inform the Authority after a final decision has been taken by the Hon'ble Appellate Tribunal in the said appeal and the matter was adjourned to 03.12.2025. On 03.12.2025, Adv. Tarun Ranga appeared and submitted that Appeal No. 256 of 2024 is pending adjudication and is listed for hearing on 08.12.2025 before the Hon'ble Appellate Tribunal, and that the interim stay granted therein continues to remain in force. After consideration, the Authority decided to adjourn the matter for a long date and accordingly directs the promoter to apprise the Authority of the outcome upon final adjudication by the Hon'ble Appellate Tribunal in the said appeal. On 28.01.2026, learned counsel for the Promoter informed that written submissions have been filed in the registry on 27.01.2026. The Authority directed the office to examine the reply and put up on the next date of hearing i.e., 11.03.2026 for final arguments.



12. The Authority has carefully considered the submissions advanced by the respondent and examined the material on record. With regard to the first contention of counsel for the respondent that Show Cause Notice failed to clearly specify the consequences that would flow from the non-compliance with the direction of the Authority. In the show cause notice dated 05.08.2022, the promoter was directed to submit online quarterly progress reports upto 2nd quarter of the year 2022 within a period of 30 days on the website of the Authority failing which the promoter will be liable for penal action under Section-63 of the RERD Act, 2016. Hence, the show cause notice which was successfully delivered via registered post and email of the respondent clearly specifies the consequence of non-filing of the quarterly progress reports. Later, on 13.03.2023 i.e., after a period of 8 months of issuance of notice, due to failure to upload quarterly progress reports, the Authority took a lenient view and imposed penalty of only Rs. 1000/- per day. On 16.08.2023, neither anyone appeared on behalf of the respondent nor has any reply been filed. The respondent promoter was not complying with the orders of the Authority, so, it was directed to show cause as to why penalty u/S 61 read with Section 63 be not imposed for contravention of the provisions of the Act and not complying with the orders of the Authority. On 31.01.2024, the Authority was constrained to enhance the penalty from Rs. 1000/- day to Rs. 10,000/- day. Further, on 01.05.2024, it was observed that the respondent has 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 was directed to pay penalty upto 15.02.2024 which cumulatively works out to Rs. 4,74,000/-. Sh. Ankur, representative of respondent appeared and submitted that penalty will be deposited within a day. It is observed that the Promoter did not even submit a reply to the Authority after uploading of the quarterly progress reports. The Promoter was directed to deposit penalty of Rs. 4,74,000/-. The conduct of the respondent as illustrated in this



paragraph clearly shows that the promoter has been in deliberate defiance of provisions of the Act and the order and directions of the Authority and hence deserves no leniency.

13. Thirdly, the reliance placed by the respondent on the judgment in *Sharada Achar's case* is misplaced and distinguishable. The cited judgment pertains to the levy of 'delayed fee' and in the present case, the Authority has not imposed any delayed fee rather has imposed 'penalty' as expressly provided under Sections 61 and 63 of the Act, for non-compliance of provisions of the RERA Act and rules and regulations framed thereunder and for non-compliance of the orders of the Authority.

As per Meriam webster dictionary, "fee" is a fixed charge or sum paid or charged for a service and "penalty" is the suffering in person, rights, or property that is annexed by law or judicial decision to the commission of a crime or public offense. The mandate to levy fee is provided under **Section 34 (e)** of the RERA Act, 2016. This section talks about the functions of the Authority. It specifically provides that **the Authority shall levy/fix standard fees through regulations.** Meaning thereby, in absence of regulations, depicting/describing the purpose for which such fees shall be levied, the Authority cannot impose such fee. Whereas, **Chapter VIII of the RERA Act, 2016 provides for the offences and the penalties for such offences.** Section 61 specifically provides that in case the promoter contravenes any provision of the Act other than Section 3 and 4, he shall be liable to a penalty which may extend to 5% of the estimated cost of the real estate project and Section 63 goes on to provide that if the promoter fails to comply or contravenes the orders/directions of the Authority, he shall be liable to a penalty for 'every day' for which such default continues which cumulatively may extend upto 5% of the estimated cost of the project. **Chapter VIII of the Act which**

contains Section 63 does not mention any requirement of formulating regulation by the Authority for imposition of such penalty. The difference between fee and penalty is illustrated in the tabular form as below: -

Sr. No	Fee	Penalty
1.	"Fee" is a fixed charge or sum paid or charged for a service	"Penalty" is the suffering in person, rights, or property that is annexed by law or judicial decision to the commission of a crime or public offense
2.	Chapter V of RERD Act 2016 which provides for "The Real Estate Regulatory Authority" mandates the Authority to levy fee as provided under Section 34 (e) of the RERA Act, 2016	Chapter VIII of the RERD Act, 2016 provides for the offences and the penalties for such penalties
3.	This pertains to the functions of the Authority.	This provides for the violation/offences under RERD Act or Rules and corresponding penalties which the promoter shall be liable to pay in case of such violations/offences of provisions under the Act or Rules.
4.	Formulations of Regulations are mandatory for levying the fee	If offence is established, corresponding penalty may be imposed. Formulation of regulation is not provided for as a condition to fix/impose penalty.

Conclusively, the case in hand is with regard to a show cause notice for imposition of 'penalty' therefore the imposition of penalty in the present matter is based on repeated and continued defaults, despite multiple opportunities granted over a prolonged period. Therefore, the facts of the case in hand are different/distinct from the Sharda Achar's case.

14. It is also pertinent to note that the respondent's conduct reflects a pattern of non-compliance, including failure to file online QPRs, non-filing of requisite



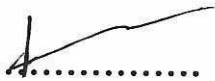
documents, non-deposit of imposed penalty, and repeated seeking of adjournments. The statutory scheme does not permit promoters to disregard mandatory requirements and subsequently seek leniency on equitable grounds.

15. In view of the foregoing discussion, the Authority is of the considered opinion that the respondent has failed to comply with its statutory obligations and directions of the Authority, and the penalty imposed earlier is justified and warranted. Accordingly, after hearing the matter afresh the present Suo-motu complaint is disposed of with the following directions:

1. The total penalty amounts to ₹4,74,000/-.
 2. The respondent is further directed to deposit the said penalty within a period of **90 days** from the date of uploading of this order, failing which appropriate proceedings shall be initiated for recovery.
 3. The respondent is directed to ensure strict compliance of all statutory requirements, including pursuing its application for extension/regularization in accordance with law.
16. The matter stands **disposed of** accordingly.


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Dr. Geeta Rathee Singh
Member


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Nadim Akhtar
Member


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Parneet S Sachdev
Chairman