BEFORE THE HARYANA REAL ESTATE APPELLATE TRIBUNAL

Appeal No.1-MT-2024

Date of Decision: 22th July,2025

TRL Riceland Pvt. Ltd., Eros Corporate Towers, Level 15, Nehru Place, New Delhi-110019

Appellant.

Versus

Haryana Real Estate Regulatory Authority, Gurugram, New PWD Rest House, Civil Lines, Gurugram, Haryana-122001

Respondent

Present: Mr. Harshit Batra, Ms. Tanya Kanwal and

Mr. Yashvir Singh Balhara, Advocates for the

appellant.

Mr. Siddhant Arora, Advocate for the respondent.

CORAM:

Justice Rajan Gupta

Chairman

Rakesh Manocha

Member (Technical)

ORDER:

RAJAN GUPTA, CHAIRMAN

At the out-set, it may be pointed out that Mr. Tarun Sharma, LA has been asked to assist whether the case can be decided by this Bench sitting singly in the eventuality of non-availability of another Member. He has submitted as under:

"Section 43(3) of the Act provides that every bench of the Tribunal shall consist of at least one Judicial Member and one Administrative (or) Technical Member. However, Judicial Member and Administrative Member are separately defined under Section 46(b) and (c) of the Act. Section 55

of the Act enumerates that no act or proceeding of the Tribunal shall be invalid on account of any vacancy or defect in the constitution of the Tribunal. The Chairperson is a separate entity under the Act and would not fall within the purview of Sections 46(b) and (c).

The rationale behind Section 55 is to ensure that the Tribunal continues to function smoothly even in the absence of one or more member(s). This is crucial for avoiding unnecessary delay in disposal of cases, to prevent backlog and ensure timely adjudication of cases.

Besides, Section 46(a) of the Act reads as under:

"46. Qualifications for appointment of Chairperson and Members.

- (1) A person shall not be qualified for appointment as the Chairperson or a Member of the Appellate Tribunal unless he,
 - (a) in the case of Chairperson, is or has been a Judge of a High Court; and

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As per him, the post of Chairperson is on different footing than that of a Judicial or Technical Member. He has further emphasized that in *M/s*Newtech Promoters and Developers Pvt. Ltd. v.

State of UP, 2022(1) RCR (Civil) 367, it has been held that Members of the Authority can decide

cases sitting singly and same analogy applies to the Appellate Tribunal as nothing to the contrary has been laid down in M/s Newtech's case (supra).

Judgment in Janta Land Promoters Pvt.

Ltd. v. Union of India, CWP No.8548 of 2020,

decided on 16.10.2020 was examined by the

Supreme Court in M/s Newtech's case (supra). As

regards jurisdictional issue, it was held that

Members of the Authority can decide the matter

sitting singly. The beneficial interpretation of

Section 55 supported by doctrine of necessity

needs to be invoked.

He has also referred to regulation dated 29.01.2024 which reads as under:

"In supersession of earlier resolution dated 23.11.2023, following resolution is made in exercise of powers vested in this Tribunal under Section 53(2) read with Section 55 of the Real Estate (Regulation and Development) Act. 2016.

In the absence of one/or more Members of the Tribunal by virtue of vacancy or any other exigency, the Chairman of the Tribunal shall be empowered to deal with the matters in day to day proceedings or wherein interim directions need to be passed or vacated.

Provided that such matters, as aforesaid would be listed before the duly constituted Bench as per the Act and the Rules framed thereunder for final decision.

Provided that the Chairman shall be entitled to pass such orders as may be necessary in case of non-compliance of proviso to Section 43(5) of the Act.

Notwithstanding anything contained hereinabove, if vacancy or one/or more members continues to subsist, Chairman shall be entitled to hear the matter and pass such orders as may be necessary and to dispose of the same in view of time frame stipulated in Section 44(5) of the Act."

- 2. There is substance in the submission s made by *Amicus Curiae*. However, final opinion need not be expressed today as Member (Technical) is also available. This Bench thus, proceeds to decide the matter as per law.
- 3. Challenge in the present appeal is to the order dated 26.10.2023 passed by Administrative Officer (Admn.) of the Authority¹. Operative part of the order reads as under:
 - "8. Whereas in the Authority meeting dated 17.07.2023, it was decided that the above fees is to be paid by the promoter M/s TRL Riceland Pvt. Ltd.
 - 9. Therefore, you are directed to pay the late fees (Recovery fee) i.e. Rs.55,56,578/- within a period of 30 days failing which further action for revocation of the Registration issued for the project shall be initiated."
- 4. It appears that the appellant developed a project known as "Millgrove", measuring 29.9125 acres, Sector 76, Manesar, Gurugram. After enactment of the Act, the appellant obtained licence which was valid upto 22.10.2022. Zoning Plan Approval was also obtained on 09.10.2018. Thereafter

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¹ Haryana Real Estate Regulatory Authority, Gurugram.

completion certificate was granted to the promoter on 21.10.2022. The appellant applied for registration of the project. During the pendency of project registration, issue of payment of late fee cropped up by the Authority. The promoter made representations. Thereafter, the appellant received the impugned order imposing penalty of Rs.55,56,578/-.

- 5. Counsel for the appellant at the out-set submits that the order is cryptic as it does not contain reasons and same has been passed without affording opportunity of hearing. The Administrative Officer (Admn.) has no powers to pass impugned order.
- 6. On due consideration of the matter, this Bench finds substance in the plea of the appellant. While deciding an issue, the court is bound to give reasons for its conclusion. It is the duty and obligation on the part of the court to record reasons while disposing of the case. The reason is the heartbeat of every conclusion. Reasons substitute subjectivity with objectivity. absence The ofrenders reasons an order indefensible/unsustainable particularly when the order is subject to further challenge before a higher forum. Recording of reasons is the principle of natural justice and every judicial order must be supported by the same. The order under challenge is not supported by legal justification that align with statutory provisions or established legal principles. Besides, the order is wholly cryptic and non-speaking.
- 7. Further, it has been noticed that the impugned order has been passed by the Administrative Officer. There is nothing on record to show that the Administrative Officer has been vested with powers to pass

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orders of the nature impugned in the instant case. It is, thus,

inexplicable how quasi-judicial powers were exercised by the said officer.

Judicial and quasi-judicial powers cannot be delegated to other officer as

that would vitiate judicial process. The adjudicatory function of the

Authority is the only one of various functions provided under Sections 32

and 34 of the Act (see- Writ-C- No. 3209 of 2020—PSA Impex Pvt. Ltd. V.

Satbir Singh and another, decided on 08.02.2021). The impugned order,

thus, appears to be non-est and is declared as such. The same is set

aside.

8. The matter is remitted to the Authority for decision afresh after

affording opportunity of hearing.

9. Appeal is allowed in the aforesaid terms.

10. Copy of this order be communicated to the parties/their

counsel.

11. File be consigned to the records.

Justice Rajan Gupta Chairman Haryana Real Estate Appellate Tribunal

> Rakesh Manocha Member (Technical)

22th July,2025/mk