

**BEFORE THE HARYANA REAL ESTATE APPELLATE TRIBUNAL**

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Appeal No. 02-MT of 2023  
Date of Decision: 28.10.2025

KLJ Realtech Private Limited, KLJ House, 8A, Shivaji Marg, Najafgarh Road, New Delhi -110 015.

--Appellant

Versus

Haryana Real Estate Regulatory Authority, Gurugram, PWD Guest House, Old Railway Road, Civil Lines, Gurugram, Haryana – 122 001.

---Respondent

**CORAM:**

**Justice Rajan Gupta**  
**Dr. Virender Parshad**  
**Shri Dinesh Singh Chauhan**

**Chairman**  
**Member (Judicial)**  
**Member (Technical)**

Present: Mr. Yashpal Sharma, Advocate,  
for the appellant.

Mr. Rohit Sangwan, Advocate, for  
Ms. Ekta Thakur, *Amicus Curiae*.

**O R D E R:**

**Rajan Gupta, Chairman (Oral):**

Present appeal is directed against order dated 18.10.2022 passed by HRERA<sup>1</sup>. Same reads as under :

*“ Proceedings dated 18.10.2022*

*Asha in-house chartered accountants are present on behalf of the authority.*

*The Authority appreciates the fact that the promoter has statedly complied with filing of QPRs and 4(2)(1)(D) reports. The promoter states that the OC has been received with regard to the project from DTCP on 27.08.2022.*

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<sup>1</sup> Haryana Real Estate Regulatory Authority, Gurugram

*On the basis of the facts narrated above in the brief by the chartered accountant and after considering the reason for the delay in completing the project within the time declared by the promoter under section 4(2)(1)(C) and even after the lapse of admissible extension time of one year and also giving an opportunity of hearing in this regard to the promoter in the preceding hearings authority decided to impose a penalty of Rs.25 Lakhs for violation of section 4.*

*Approved as proposed subject to issuance of public notice and no objections. The registration of the project to remain in force without prejudice to the right of the allottees under section 18(1) of the Act which shall continue to be governed by the BBAs signed with individual allottees.*

*(Sanjeev Kumar Arora) (Ashok Sangwan)*  
*Member HREERA, Gurugram Member HREERA, Gurugram*

*(Vijay Kumar Goyal) (Dr.K.K.Khandelwal)*  
*Member, HREERA, Gurugram Chairman, HREERA, Gurugram”*

2. Challenge has been posed to the order on the plea that the Authority has proceeded in imposing a penalty of Rs. 25 Lakhs for violation of Section 4 of the RERA Act<sup>2</sup>. Additionally, Mr. Sharma has submitted that Completion Certificate to the project has been granted and he intends to move an application to withdraw the instant appeal. As per him, the issue involved in the case has been rendered purely academic in nature. However, plea for withdrawal of appeal at this stage is misconceived as a question of law as regards interpretation of Section 6 and Section 7(3) of the Act is involved and learned counsel have been heard on this issue on various dates.

3. It is undisputed that registration to a project is granted under Section 5 of the RERA Act, which may be extended by the

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<sup>2</sup> The Real Estate (Regulation & Development) Act, 2016

Authority on an application moved by the promoter due to *force majeure* and on payment of fee, as may be prescribed. However, there is a proviso that such extension to a project granted by the Authority would not exceed, in aggregate, a period of one year. The *force majeure* conditions have been defined in explanation to Section 6 of the Act *ibid*, which read as under :

*“Explanation. – For the purpose of this section, the expression “force majeure” shall mean a case of war, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature affecting the regular development of the real estate project.”*

4. Admittedly, the registration initially granted to the instant project expired on 31.12.2020. Application for extension was moved on 29.06.2021. Thus, there can be no doubt that application for extension was not moved during the subsistence of the registration period which expired on 31.12.2020.

5. Learned counsel for the appellant has primarily placed reliance on the provisions contained in Section 7(3) of the Act to contend that the Authority may, instead of revoking the registration under subsection (1), permit it to remain in force subject to such terms and conditions as it thinks fit to impose in the interest of allottee and any such terms and conditions so imposed would be binding on the promoter.

6. In the instant case, however, the registration granted for the project became inoperative on expiry of one year. Thus, it appears, it cannot be said to be a case of ‘revocation’ of registration within the meaning of Section 7 of the Act.

7. A perusal of Section 7 of the Act shows that certain conditions are incorporated therein for revocation of permission, such as, default on the part of promoter of any rules/regulations or violation of terms or conditions

of the approval granted by the Authority, the promoter being involved in any kind of unfair practice. Section 7 is thus based on a different premise and has been enacted to deal with breaches/defaults referred therein. It is, thus, not clear as to how Section 7(3) would be applicable to the facts of the instant case.

8. Be that as it may, we do not intend to delve deeper into the issue as we find the order under challenge is not only cryptic, but non-speaking in nature. Neither it contains reference to any *force majeure* conditions which entitled the promoter for further extension nor is there any reference to the provisions of Section 7(3) on which the appellant heavily relies. It is also inexplicable as to how by mere imposition of penalty of Rs.25 Lakhs, further extension can be granted to a promoter in absence of any enabling provision. A perusal of the order also shows that it has merely endorsed the proposal given by the Chartered Accountant as in the last line of the order, it is mentioned "Approved as proposed subject to issuance of public notice and no objections". On this ground, further extension has been granted.

9. It is settled law that there has to be an independent application of mind by the *quasi judicial* authority while passing an order of this nature, which has the effect of extending the duration in which a project is sought to be completed.

10. We do not feel the necessity to deliberate any further on the merits of the case as we find the order is cryptic and non-speaking. We, thus, feel that the same deserves to be set aside.

11. Ordered accordingly.

12. Appeal is disposed of in these terms and the matter is remitted to the same Authority for decision afresh at the earliest, in any

case not later than four months of passing of this order, after affording opportunity of hearing to the concerned.

13. Nothing observed here-in-above shall be deemed to be an expression on the merits of the case.

14. Copy of this order be forwarded to the appellant, its counsel and the Authority below.

15. 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)

28.10.2025  
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