

**REAL ESTATE APPELLATE TRIBUNAL  
FOR NCT OF DELHI & UT OF CHANDIGARH  
5TH FLOOR, MSO BUILDING  
I.P. ESTATE, ITO, NEW DELHI-110 002**

Dated : 19.01.2026.

Delhi Development Authority

..... Appellant

Through: Mr. Anil Kumar Sharma,  
Ms. Vrinda Kapoor Dev,  
Mr. Vishal Vaid,  
Mr. Mayank Sharma,  
with Mr. Sandeep Kumar,  
Advocates.

Vs

Real Estate Regulatory Authority,  
NCT of Delhi.

.....Respondent

Through : Mr. Siddharth Panda,  
Advocate.

**CORAM:**  
**Member (J)**

**(Appeal No.190/REAT/2025)**

**ORDER :**

The appellant Delhi Development Authority has filed this appeal under Section 44 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as the Act) read with Rule 24 of the National Capital Territory of Delhi Real Estate (Regulation and Development) (General) Rules, 2016, impugning the order dated 17.06.2025 passed by the Real Estate Regulatory Authority in exercise of its powers under Section 59(1) of the Act and imposing a penalty of Rs.10.0 lakhs on the appellant Delhi Development Authority for violation of Section 3 of the Act by

advertising, marketing and offering for sale their project named “Construction of HIG (Multistoried Houses) including internal development and electrification in Sector-19B, Dwarka, Phase-II (Turnkey Project) Delhi.”

2. The Authority in para 4 of its order has noted the chronological sequence of events from the stage of the appellant filing an application for registration till the grant of final approval by the Authority for registration of the project. It is noted that the appellant initiated the RERA registration process on 28.02.2023 for their project “Construction of HIG (Multistoried Houses) including internal development and electrification in Sector-19B, Dwarka, Phase-II” by making an online application. The said application did not have the requisite fee as prescribed under the Act. Physical application for registration of the project was filed by the appellant on 15.06.2023. A request was also made to the Authority to process the registration, citing that the housing project was likely to be advertised soon. The prescribed project registration fee was deposited by the appellant on 01.09.2023. On 29.09.2023, the Authority communicated deficiencies in the application to the appellant and directed them to submit the application in the prescribed format with all details within 10 days. The appellant submitted additional details and documents via email on 07.10.2023 and a

confirmation thereof was issued to the appellant. On 18.10.2023, the Authority sent a reminder about the deficiencies and another reminder was sent on 19.10.2023. The appellant filed a fresh online application for registration on 26.10.2023 which also was found incomplete upon examination by the Authority.

3. On 30.11.2023, the appellant launched the “Diwali Special Housing Scheme” for their project and began accepting registrations before the grant of registration by the Authority. On 06.12.2023, the Authority claims to have noted through the newspapers the advertisement issued by the appellant for allotment of houses in their project. A notice was issued by the Authority to the appellant calling upon them to explain why proceedings should not be initiated against them under Section 59 of the Act for violation of Section 3 of the Act and a hearing was held on 30.01.2024. On 15.03.2024, the Authority again communicated the deficiencies in the application filed by the appellant. On 02.04.2024, the Authority passed the order granting registration of the project, subject to certain conditions including opening of an escrow account and obtaining revalidated approval from the Airport Authority of India. Consequent thereupon, final approval was granted to the Delhi Development Authority for registration of the project on 03.04.2024.

4. Ld. Counsel for the appellant submitted that they initiated the registration process by filing an online application on 28.02.2023 and a conditional registration was granted by the Authority on 03.04.2024 i.e. almost 13 months after the filing of the application and that too subject to certain conditions, including opening of an escrow account and obtaining validated approval from the Airport Authority of India. It is submitted that the application in physical form was filed by them on 15.06.2023 and a request was made to the Authority to process the registration expeditiously since the project was lined up for advertisement near the Diwali festival. The deficiency of fee was secured by them on 01.09.2023. Ld. Counsel submits that the respondent Authority took almost a month, which is the prescribed period for grant of registration and just before the statutory mandate of deemed registration came into play, arbitrarily conveyed the deficiencies in the application on 29.09.2023, notwithstanding the fact that the appellant had already deposited the prescribed registration fee on 01.09.2023. It is submitted that despite all their efforts, the Authority did not consider the request for urgency made by the appellant for expediting registration but the Authority kept delaying the process of registration and ultimately granted the registration after 13 months from the date of the first application. It is submitted that the appellant also is a statutory authority

created under Section 3 of the Delhi Development Authority Act, 1957 and bound by the provisions of the Act. The appellant had completed almost 90% of the project at the time of making the application and had planned to advertise the project on the festive occasion of Diwali and with the Authority, acting oblivious of the intent of the appellant, delayed the process of registration, thus, forcing the appellant to claim deemed registration as provided for in sub-section (2) of Section 5 of the Act and advertised the project on 06.12.2023. Ld. Counsel submits that the conduct of the Authority is in direct violation of Section 5 of the Act which mandates registration or rejection of the application within 30 days and, thus, there was no legal basis for the Authority to ignore its own wrong and initiate proceedings against the appellant under Section 59 of the Act and impose penalty of Rs.10.0 lakhs for violation of Section 3 of the Act.

5. Reply to the appeal has been filed by the respondent Authority. It is pleaded that the penalty imposed on the appellant is “lenient” and the argument put forth by the appellant that they are itself a creator of a separate statute and seeking exemption is wholly untenable. It is pleaded that the rule making powers of the appellant under Section 56 and regulation making powers under Section 57 of the Delhi Development Authority Act does not override the mandatory requirement of registration under Section 3 of the

Act.

6. Ld. Counsel for the respondent submitted that the application filed by the appellant for seeking registration under Section 3 of the Act was without the fee as prescribed under Section 4 of the Act, and, hence was not a valid application. The physical application was filed by the appellant on 15.06.2023 while the applicable fee was deposited only on 01.09.2023, i.e. three months after the date of filing the application. It is submitted that any plea to expedite registration, while being non-compliant of the basic statutory requirements cannot be entertained. It is submitted that the plea of the appellant claiming deemed registration under sub-section (2) of Section 5 of the Act is misplaced since the period of 30 days commences from the receipt of a complete application. Ld. Counsel further submits that the record demonstrates persistent non-compliance by the appellant despite communications addressed to them on 23.09.2023, 18.10.2023 and 19.10.2023 regarding pending deficiencies in the application. It is submitted that appellants' failure to cure the deficiencies in their application within reasonable time reflects poor administrative practice. Ld. Counsel further submitted that the allegation that the Authority was "bent upon not granting registration" is fully misconceived and baseless. Ld. Counsel submits that the delay in the registration process was solely and entirely attributable to

the appellant's own conduct, including failure to pay the prescribed fee within time and also failure to submit the complete application form and also their failure to cure the deficiencies expeditiously. It is submitted that the appellant cannot be permitted to derive any benefit from its own failure to comply with the statutory pre-conditions and that the appellant's status as a government entity or statutory authority does not confer any exemption from the applicability of the provisions of the Act. It is submitted that government agencies and development authorities are squarely covered within the definition of 'promoter' as provided for in Section 2(zk) of the Act and that the Act does not draw any distinction between charitable, governmental or profit oriented promoters. The legislative intent is unequivocally to ensure uniform protection of allottees, irrespective of the promoters' nature or character. Ld. Counsel further submits that imposition of penalty under the Act does not require proof of specific harm or loss; and that violation of the statutory mandate itself constitutes a punishable contravention. The scheme of the Act is aimed at ensuring strict compliance rather than post harm correction. It is submitted that the legal position with respect to subsequent compliance is a mere mitigating factor while determining the quantum of penalty and it is only on a lenient view of the violation that imposition of penalty has been restricted to Rs.10.0 lakhs

while exercising substantial judicial restraint.

7. Under the Scheme of the Act, Chapter II provides for registration of real estate projects and registration of real estate agents. While Section 3 of the Act mandates prior registration of the real estate project with the Real Estate Regulatory Authority, Section 4 of the Act provides for application for registration of real estate projects and further provides for the documents which are required to be filed by the applicant along with the application for registration of the project. Under sub-section (3) of Section 4, the Authority has been required to operationalise a web based online system for submitting applications for registration of the projects within a period of one year from the date of its establishment. The said web based online system for submitting applications as of now is stated to be operational.

8. Section 5 of the Act provides for grant of registration by the Authority on the application filed under Section 4 of the Act. Sub-section (1) of Section 5 provides that on receipt of the application under sub-section (1) of Section 4, the Authority shall, within a period of 30 days, grant registration, subject to the provisions of the Act and the rules and regulations made thereunder or reject the application for reasons to be recorded in writing. The proviso to sub-section (1) of Section 5 provides for a hearing before rejection of the application. Sub-section (2) of Section 5 provides for

deemed registration of the project if the Authority fails to grant the registration or reject the application on the expiry of the period of 30 days specified under sub-section (1) of Section 5 of the Act. The said Section 5 of the Act reads as under :-

*“5. Grant of registration.—(1) On receipt of the application under sub-section (1) of section 4, the Authority shall within a period of thirty days.*

*(a) grant registration subject to the provisions of this Act and the rules and regulations made thereunder, and provide a registration number, including a Login Id and password to the applicant for accessing the website of the Authority and to create his web page and to fill therein the details of the proposed project; or*

*(b) reject the application for reasons to be recorded in writing, if such application does not conform to the provisions of this Act or the rules or regulations made thereunder:*

*Provided that no application shall be rejected unless the applicant has been given an opportunity of being heard in the matter.*

*(2) If the Authority fails to grant the registration or reject the application, as the case may be, as provided under sub-section (1), the project shall be deemed to have been registered, and the Authority shall within a period of seven days of the expiry of the said period of thirty days specified under sub-section (1), provide a registration number and a Login Id and password to the promoter for accessing the website of the Authority and to create his web page and to fill therein the details of the proposed project.*

(3) The registration granted under this section shall be valid for a period declared by the promoter under sub-clause (C) of clause (1) of sub-section (2) of section 4 for completion of the project or phase thereof, as the case may be”.

9. The aforesaid provision is unambiguous and literally very clear in its object. The words of the statute are always to be treated sacrosanct as they represent the legislative intent. Their literal and plain meaning is not required to be interfered with unless the provision runs contrary to the statement of objects and reasons of the statute or is palpably in violation of any other law. The Hon’ble Supreme Court in the matter of Bhavnagar University Vs. Palitana Sugar Mill Pvt. Ltd. and Ors., (MANU/SC/1092/2002) has clearly held that construction or interpretation of statute is necessary when there is ambiguity, obscurity or inconsistency therein and not otherwise and that true meaning of a provision of law has to be determined on the basis of what provides by its clear language, with due regard to the Scheme of Law. Paras 23, 24 and 25 of the said judgment read as under :-

“23. It is the basic principle of construction of statute that the same should be read as a whole then chapter by chapter, section by section and words by words. Recourse to construction or interpretation of statute is necessary when there is ambiguity, obscurity, or inconsistency therein and not otherwise. An effort must be made to give effect to all parts of statute and unless absolutely necessary, no

part thereof shall be rendered surplusage or redundant.

24. True meaning of a provision of law has to be determined on the basis of what provides by its clear language, with due regard to the scheme of law.
25. Scope of the legislation on the intention of the legislature cannot be enlarged when the language of the provision is plain and unambiguous. In other words statutory enactments must ordinarily be construed according to its plain meaning and no words shall be added, altered or modified unless it is plainly necessary to do so to prevent a provision from being unintelligible, absurd, unreasonable, unworkable or totally irreconcilable with the rest of the statute.”

10. A plain reading of Section 5 of the Act clearly takes care of all eventualities arising from filing of the application, incomplete application, natural justice and inaction on the part of the Authority in dealing with the application in terms of the said Section 5. There is a timeline of 30 days provided for the Authority to either grant registration or reject the application seeking registration after affording reasonable opportunity to the applicant of being heard. In the event, the Authority fails to either grant registration or reject the application as provided in sub-section (1) of Section 5, the registration is deemed to have been granted with the Authority under an obligation to provide a registration number and a login ID and password to the applicant, within seven days. The words used in Section 5 are abundantly clear and there is no ambiguity in the words used and it is a well-

settled salutary principle that if a statute provides for a thing to be done in a particular manner, then it has to be done in that manner and in no other manner. Reliance in this behalf is placed on the decisions in Nazir Ahmad Vs. King Emperor (MANU/PR/0119/1936); State of Uttar Pradesh Vs. Singhara Singh and Ors. (1964 4 SCR 485); and Chandra Kishore Jha Vs. Mahavir Prasad & Ors. (MANU/SC/0594/1999). The Authority while acting under the Act is only a creature of the statute and it must act within the four-corners thereof.

11. In the present case, the appellant DDA filed their application for registration online on 28.02.2023 on which the Authority inexplicably did not take any action and the said application was kept pending. The action on the part of the Authority commenced almost seven months after the initial filing of the online application on 28.02.2023, when the Authority directed the appellant DDA to submit the application for registration in accordance with RERA guidelines dated 01.06.2023, within 10 days.

12. As noted above, in terms of sub-section (3) of Section 4, the Authority is required to operationalise a web based online system for submitting applications for registration of projects. The appellant DDA submitted their application on 28.02.2023. In terms of sub-section (1) of Section 5, the Authority had a period of 30 days at their disposal to either grant registration

subject to the provisions of the Act and the rules and regulations or to reject the application after affording an opportunity of being heard to the applicant. The Authority could not have kept the application pending and in terms of sub-section (2) of Section 5, the appellant claimed deemed registration. The observation by the Authority that the time period of 30 days mentioned in Section 5(1) of the Act commences only upon receipt of “complete application” with requisite registration fee as per Section 4 of the Act is an incorrect interpretation of the statute as it renders Section 5(1)(b) and Section 5(2) of the Act, otiose and meaningless. The intent of Section 5 of the Act is that no application should remain pending with the Authority for more than 30 days and this intent cannot be defeated by putting forth an interpretation not sustainable in law.

13. Section 5 empowers the Authority to reject the application in case of any deficiency which the Authority ought to have done in the present case, within 30 days of filing of application by the appellant on 28.02.2023. Needless to say, the Authority shall list all deficiencies in one go at the time of exercising its powers under sub-section (1)(b) of Section 5 of the Act while rejecting the application. The applicant may thereafter remove the deficiencies and file a fresh application. The statute does not make a distinction between a complete application or an incomplete application. It

only provides for an application, which may be complete and which may be incomplete and which may either warrant registration or rejection. The bottom line is that the Authority must act within 30 days of receipt of the application and deal with the application on merits by either granting or refusing registration. Long delays in contravention of specific timelines provided under the statute is an invitation to allegations of corruption and mischief which need to be avoided by taking prompt action as statutorily mandated. In the present case, there was no reason for the Authority to keep the application pending over a long period of time and subsequently impose a penalty of Rs.10.0 lakhs on the appellant.

14. Accordingly, for the aforesaid reasons, the appeal is allowed and the cost of Rs.10.0 lakhs imposed on the appellant vide the impugned order dated 17.06.2025 is set aside.

15. The Authority shall henceforth ensure strict compliance of Section 5 of the Act and any application filed under section (4) of the Act seeking registration under Section 3 of the Act shall either be accepted or rejected within 30 days from the date of receipt of application. In the event of a rejection, the Authority shall grant a hearing to the applicant. In case the Authority fails to either grant registration or reject the application, the applicant can claim deemed registration under sub-section (2) of Section 5

and the Authority shall within a period of seven days of the expiry of the said period of thirty days specified under sub-section (1), provide a registration number and a Login Id and password to the promoter for accessing the website of the Authority and to create his web page and to fill therein the details of the proposed project.

16. The appeal stands disposed of. No order as to costs.

**(LORREN BAMNIYAL)**  
**MEMBER (J)**

19<sup>th</sup> January, 2026