

**BEFORE THE MAHARASHTRA REAL ESTATE
APPELLATE TRIBUNAL MUMBAI**

**M.A. NO. 580/26 (Stay)
In
APPEAL NO. AT006/00517/2026
@ Caveat No.25/26**

Supreme Construction & Developers Pvt. Ltd. ... Appellant

V/s.

Clan City Welfare Association & 3 Ors. ... Respondents

**Along with
M.A. NO. 585/26 (Stay)
APPEAL NO. AT006/00520/2026**

Supreme Construction & Developers Pvt. Ltd. ... Appellant

V/s.

Clan City Welfare Association & 3 Ors. ... Respondents

**Along with
M.A. NO. 588/26 (Stay)
In
APPEAL NO. AT006/00521/2026
@ Caveat No.22/26**

Supreme Construction & Developers Pvt. Ltd. ... Appellant

V/s.

Clan City Welfare Association & 3 Ors. ... Respondents

**Along with
M.A. NO. 592/26 (Stay)
In
APPEAL NO. AT006/00522/2026
@ Caveat No.23/26**

Supreme Construction & Developers Pvt. Ltd. ... Appellant



V/s.

Clan City Welfare Association & 3 Ors.

..Respondents

**Along with
M.A. NO. 581/26 (Stay)
In
APPEAL NO. AT006/00523/2026
@ Caveat No.20/26**

Supreme Construction & Developers Pvt. Ltd.

... Appellant

V/s.

Clan City Welfare Association & 3 Ors.

..Respondents

**Along with
M.A. NO. 587/26 (Stay)
In
APPEAL NO. AT006/00525/2026
@ Caveat No.21/26**

Supreme Construction & Developers Pvt. Ltd.

... Appellant

V/s.

Clan City Welfare Association & 3 Ors.

..Respondents

**Along with
M.A. NO. 579/26 (Stay)
In
APPEAL NO. AT006/00526/2026
@ Caveat No.24/26**

Supreme Construction & Developers Pvt. Ltd.

... Appellant

V/s.

Clan City Welfare Association & 3 Ors.

..Respondents

**Along with
M.A. NO. 591/26 (Stay)
In
APPEAL NO. AT006/00527/2026
@ Caveat No.26/26**



Supreme Construction & Developers Pvt. Ltd. ... Appellant
V/s.

Clan City Welfare Association & 3 Ors. ..Respondents

**Along with
M.A. NO. 590/26 (Stay)
In
APPEAL NO. AT006/00528/2026
@ Caveat No.27/26**

Supreme Construction & Developers Pvt. Ltd. ... Appellant
V/s.

Clan One City & 3 Ors. ...Respondents

**Along with
M.A. NO. 574/26 (Stay)
In
APPEAL NO. AT006/00530/2026**

Supreme Construction & Developers Pvt. Ltd. ... Appellant
V/s.

Clan One City & 3 Ors. ..Respondents

**Along with
M.A. NO. 573/26 (Stay)
In
APPEAL NO. AT006/00531/2026**

Supreme Construction & Developers Pvt. Ltd. ... Appellant
V/s.

Clan One City & 3 Ors. ..Respondents

**Along with
M.A. NO. 575/26 (Stay)
In
APPEAL NO. AT006/00532/2026**

Supreme Construction & Developers Pvt. Ltd. ... Appellant

V/s.

Clan One City & 3 Ors. ..Respondents

**Along with
M.A. NO. 571/26 (Stay)
In
APPEAL NO. AT006/00533/2026**

Supreme Construction & Developers Pvt. Ltd. ... Appellant

V/s.

Clan One City & 3 Ors. ..Respondents

**Along with
M.A. NO. 570/26 (Stay)
In
APPEAL NO. AT006/00534/2026**

Supreme Construction & Developers Pvt. Ltd. ... Appellant

V/s.

Clan One City & 3 Ors. ..Respondents

**Along with
M.A. NO. 572/26 (Stay)
In
APPEAL NO. AT006/00535/2026**

Supreme Construction & Developers Pvt. Ltd. ... Appellant

V/s.

Clan One City & 3 Ors. ..Respondents

**Along with
M.A. NO. 576/26 (Stay)
In
APPEAL NO. AT006/00537/2026
@ Caveat No.29/26**



Supreme Construction & Developers Pvt. Ltd. ... Appellant

V/s.

Clan One City & 3 Ors. ..Respondents

**Along with
M.A. NO. 586/26 (Stay)
In
APPEAL NO. AT006/00540/2026**

Supreme Construction & Developers Pvt. Ltd. ... Appellant

V/s.

Clan One City & 3 Ors. ..Respondents

**Along with
M.A. NO. 584/26 (Stay)
In
APPEAL NO. AT006/00542/2026**

Supreme Construction & Developers Pvt. Ltd. ... Appellant

V/s.

Clan One City & 3 Ors. ..Respondents

Adv. Mr. Varun Nathani a/w Adv. Mr. Ankit Lohia a/w Adv. Mr. Nitin Parkhe a/w Adv. Ms. Supriya Chauhan for Applicant/Appellant in Appeal Nos.

<i>AT06/00517/2026,</i>	<i>AT06/00520/2026,</i>	<i>AT06/00521/2026,</i>
<i>AT06/00522/2026,</i>	<i>AT06/00523/2026,</i>	<i>AT06/00525/2026,</i>
<i>AT06/00526/2026,</i>	<i>AT06/00527/2026,</i>	<i>AT06/00528/2026,</i>
<i>AT06/00530/2026,</i>	<i>AT06/00531/2026,</i>	<i>AT06/00532/2026,</i>
<i>AT06/00533/2026,</i>	<i>AT06/00534/2026,</i>	<i>AT06/00535/2026,</i>
<i>AT06/00537/2026,</i>	<i>AT06/00540/2026,</i>	<i>AT06/00542/2026</i>

Adv. Mr. Harshad Bhadbhade for Non-applicant/Respondent Nos. 1 & 2 in Appeal Nos.

<i>AT06/00528/2026,</i>	<i>AT06/00530/2026,</i>	<i>AT06/00531/2026,</i>
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AT06/00532/2026, AT06/00533/2026, AT06/00534/2026,
 AT06/00535/2026, AT06/00537/2026, AT06/00540/2026,
 AT06/00542/2026

Adv. Mr. Godfrey Pimenta for Non-applicant/Respondent No.1 in Sr. Nos 6 to 13 Appeal Nos.

AT06/00517/2026, AT06/00520/2026, AT06/00521/2026,
 AT06/00522/2026, AT06/00523/2026, AT06/00525/2026,
 AT06/00526/2026, AT06/00527/2026,

**CORAM : SHRI S.S. SHINDE (J),
 CHAIRPERSON & DR. RAJAGOPAL
 DEVARA, MEMBER (A)**

RESERVED ON : 22nd July, 2026

PRONOUNCED ON : 05th August, 2026

(THROUGH VIDEO CONFERENCE)

ORDER

1. The captioned appeals are filed by the Applicant/Appellant challenging the Order of the Maharashtra Real Estate Regulatory Authority (MahaRERA) dated 30th January 2026.
2. Adv. Mr. Varun Nathani, appearing for the Applicant, invites our attention to the grounds taken in the appeal memo and submits that the said grounds may be considered elaborately at the time of final hearing. However, during the pendency of the final hearing of the appeal, the impugned Order needs to be stayed. He submits that, the provisions of the Real Estate (Regulation and Development) Act, 2016 do not contemplate that the Special Conciliation Panel will



make observations and recommendations as it has done in the said Report.

3. It is submitted that the committee members of the Special Conciliation Panel include builders, developers and persons from the construction industry. There is a real strong apprehension of conflict of interest for such builders/developers while making such observations and recommendations as have been done in the report of the conciliation panel. Despite the apprehension expressed by the Applicant, the MahaRERA has accepted the recommendations made by the said panel and even accepted the report and same has been converted into the said order passed by the Authority. Therefore, on this ground alone, the impugned Order passed by the MahaRERA is liable to be interfered with and set aside.
4. It is further submitted that the impugned Order results in negating, frustrating and nullifying the condition imposed by the MMRDA in public interest on the Applicant to provide 25% of the total sectioned FSI of the property for construction of premises free of cost to be handed over to MMRDA. The Impugned Order does not take into account the said requirement to be complied with; on the contrary, the Impugned Order results in negating and nullifying the said condition.



5. In support of the aforesaid contentions that the Authority, in the impugned Order, ought not to have relied upon the recommendations contained in the Report of the Special Conciliation Panel and further ought not to have directed the parties to take appropriate steps as contemplated therein. Learned counsel for the Applicant placed reliance upon the following two judgments:

- i. Motiram (Dead) Through LRs. And Another vs. Ashok Kumar and Another [(2011) 1 Supreme Court Cases 466]*
- ii. K. Prabhavathy vs. The Director General of Police [(2012) SCC Online Ker 31733]*

6. Learned Counsel also invites our attention to the procedure to be followed for Conciliation. It is submitted that, only disputes between promoters and allottees which are under the purview of the Real Estate (Regulation and Development) Act, 2016, and the rules and regulations made thereunder shall be admissible by the Forum. It is further submitted that, the said procedure provided is *pari materia* as provided under Section 67 of the Arbitration and Conciliation Act, 1996. Therefore, he submits that, till the pendency and disposal of the appeals, the *ad interim* relief granted by this Tribunal by order dated 8th May 2026 may be continued till the disposal of the appeals.



7. Adv. Mr. Godfrey Pimenta, appearing for the Non-applicant/Respondent No. 1 in Appeal Nos. AT06/00517/2026, AT06/00520/2026, AT06/00521/2026 AT06/00522/2026, AT06/00523/2026, AT06/00525/2026, AT06/00526/2026, AT06/00527/2026, relying upon the affidavit in reply submits that, The Applicant is a Promoter of a township project known as "Clan City", situated at Village Rohinjan, Taluka Panvel, District Raigad, comprising nine separate phases/towers, namely Aqua Marine, Emerald, Topaz, Diamond, Garnet, Sapphire, Turquoise, Ruby and Pearl, each having a separate MahaRERA registration. The details of the respective MahaRERA registrations are as follows: Pearl (Registration No. P52000003087), Ruby (Registration No. P52000003536), Topaz (Registration No. P52000003175), Garnet (Registration No. P52000002335), Sapphire (Registration No. P52000002443), Emerald (Registration No. P52000003118), Diamond (Registration No. P52000006812), Turquoise (Registration No. P52000004376), and Aqua Marine (Registration No. P50600002531).
8. He submits that, the said project was initially marketed as "Hex City" and later renamed as "Clan City". The project comprised approximately 1,700 to 1,820 flats, majority of which were sold to



genuine and *bona fide* homebuyers under registered Agreements for Sale. The booking of flats commenced around the year 2010 and the construction of the project started around the year 2013. Under the respective Agreements for Sale, possession was promised on or before 31st December 2017, in several cases. However, despite paying 95% of the total consideration amount, the Applicant failed to complete the project and hand over possession within the agreed timelines. Numerous allottees have availed housing loans and continue to pay EMIs without receiving possession of their flats. The delay has caused severe financial hardship, mental agony and irreparable prejudice to hundreds of families.

9. He further submits that, instead of utilizing the funds for the construction and completion of the project, the Applicant and its Directors diverted and misappropriated those funds using them to purchase properties in their own names at various locations, investing amounts in their own other companies, and transferring them into the names of their family members, relatives, and friends. Furthermore, the ostensible losses claimed while selling back the acquired shares to themselves constitute the primary reason for the delay in the completion of the project.



10. Learned counsel for the Non-applicant further submits that the aggrieved flat purchasers and stakeholders have initiated criminal proceedings, lodged FIRs, filed approximately 224 complaints before MahaRERA, and 109 complaints before the Consumer Forum against the Applicant and its Directors. Investigations conducted by the police authorities and the Economic Offences Wing (EOW) have revealed serious irregularities and misuse of funds.
11. He submits that the project has a chequered history and is embroiled in multiple litigations including disputes between the Applicant and Bhalla family, being the erstwhile land owners, proceedings before the Hon'ble Bombay High Court, complaints before MahaRERA and Consumer Commissions, and proceedings under the MPID Act.
12. It is submitted that, proceedings were also initiated for attachment of project properties under the MPID Act. Clan City Welfare Association was therefore constrained to approach the Hon'ble Bombay High Court by filing Writ Petition No. 17223 of 2024 seeking protection of the interests of flat purchasers.
13. It is submitted that the project registrations of all nine phases have already lapsed on 29/03/2024 owing to non-completion of the projects and failure of the Applicant to obtain further extensions.



14. It is submitted that in view of the large-scale grievances of homebuyers and stalled status of the project, the MahaRERA constituted a Special Conciliation Panel under Sections 32(g) and 37 of the RERA comprising Adv. Shirish Deshpande and Mr. Niranjan Hiranandani.
15. Advocate for the Non-applicant No.1 submits that, multiple rounds of conciliation hearings were conducted in the presence of all stakeholders including the Applicant, MMRDA and Panvel Municipal Corporation. After considering all aspects including financial viability and construction feasibility, the Panel submitted its report dated 05/01/2026.
16. Advocate for the Non-applicant No. 1 asserts that the Conciliation Panel specifically found that the Applicant's proposed completion plan was vague, financially unviable, lacking timelines, and involved unreasonable escalation demands from already aggrieved allottees.
17. He emphasizes that after considering the Conciliation Report and the submissions of all parties, the Hon'ble MahaRERA passed the Impugned Order dated 30/01/2026 directing initiation of proceedings under Section 8 of the RERA for takeover and completion of the project through the Association of Allottees.



18. It is further submitted that the complaint before the Hon'ble MahaRERA came to be filed by the Respondent Association pursuant to the liberty granted by the Hon'ble Division Bench of the Hon'ble Bombay High Court vide Order dated 11/02/2025, passed in Writ Petition No. 17223 of 2024.
19. Advocate for the Non-applicant No.1 submits that the Applicant had sought amalgamation of two rental housing schemes situated at Village Rohinjan, Taluka Panvel, District Raigad, as a result whereof the present real estate projects comprising nine separate MahaRERA registration numbers got substantially delayed solely due to reasons attributable to the Applicant. I say that this fact is evident from the letter dated 09/07/2013 issued by MMRDA directing the Applicant to commence construction work within a period of one month from 09/07/2013, failing which the location clearance granted for the rental housing scheme would stand cancelled.
20. He submits that, out of that, MahaRERA vide its Show Cause Notice dated 28/11/2023 called upon the Applicant to explain, why it had failed to provide regular updates on the MahaRERA webpage and failed to submit necessary statements, disclosures and particulars as mandated under the provisions of the Real Estate (Regulation



and Development) Act, 2016 and the Rules framed thereunder. The said notice further records that, only 49% of the project work had been completed over a period of six years and further noted a mismatch/diversion of allottees' funds amounting to approximately Rs. 43.33 Crores. MahaRERA therefore called upon the Applicant to show cause within 30 days, as to why action under Sections 7 and 8 of the RERA, including suspension/revocation of registration and freezing of the separate bank accounts ought not to be initiated against the Applicant.

21. It is further stated that, MMRDA vide its letter dated 28/10/2024, categorically clarified that MMRDA had not appointed any Project Management Consultant (PMC) for monitoring the construction undertaken by the Applicant and further clarified that no agreement existed between MMRDA and the Applicant, in respect of the subject real estate project.

22. It is submitted that the Panvel Municipal Corporation vide its letter dated 08/12/2025 communicated that, no Occupation Certificate and/or further construction permission had been granted to the Applicant in respect of the said project after 01/10/2016.



Our attention is invited to the contents of the said letter dated 08/12/2025, which is annexed and marked as Exhibit "E" to the reply.

23. It is further submitted that, there exists a forensic audit report prepared and certified by M/s. V.S. Vaidya and Co. Chartered Accountants (M. No. 45766), which demonstrates the systematic siphoning and misutilization of the hard-earned money of flat purchasers in connection with Complaint No. 18/2024, M/s. V.S. Vaidya & Co., Chartered Accountants, submitted a detailed Forensic Audit Report dated 31st March 2025 to the economic Offences Wing, Navi Mumbai Police. The said report reveals financial misappropriation amounting to Rs. 115,69,54,965/- (Rupees One Hundred Fifteen Crores Sixty-Nine Lakhs Fifty-Four Thousand Nine Hundred Sixty-Five only). It is submitted that out of said amount, the Applicant has acquired the properties in his personal name and also some of the amount was diverted to various other companies controlled by the Applicant. He invites our attention to the various orders passed by the Bombay High Court and submits that this Tribunal may not continue ad interim relief granted on 8th May 2026, and the application for stay may be rejected.

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24. Adv. Mr. Harshad Bhadbhade, appearing for the Non-applicant Nos.

1 and 2 in Appeal Nos. AT06/00528/2026, AT06/00530/2026, AT06/00531/2026, AT06/00532/2026, AT06/00533/2026, AT06/00534/2026, AT06/00535/2026, AT06/00537/2026, AT06/00540/2026, AT06/00542/2026, invites our attention to the findings recorded by the MahaRERA and submits that, the MahaRERA has passed an appropriate orders. However, the MahaRERA has declined to hear the fresh complaints filed by the allottees. In fact, the fresh complaints ought to have been heard by the Authority. He invites our attention that, owing to the acts of cheating and misconduct on the part of the Applicant and its directors, various criminal and civil proceedings including complaints before RERA and the Consumer Forum as well as FIR's before the police authorities, have been registered against the Applicant and its directors by the allottees and other stakeholders of the said project. It is further submitted that the Competent Authorities initiated proceedings for attachment of the Applicant's properties under Section 4 of the MPID Act, treating flat purchasers as depositors and proposing attachment of flats already sold to the allottees. As awaiting the outcome of the MPID proceedings would have further delayed the Said Projects, the Clan City Welfare



Association filed Writ Petition No. 17223 of 2024 before the Hon'ble Bombay High Court, wherein Non-applicant No.1, Clan One Society is an intervener, seeking restraint on such attachment in FIR No. 19 of 2024 registered with Chembur Police Station and investigated by EOW, Mumbai. The Hon'ble Bombay High Court, vide Order dated 06/12/2024, granted *ad-interim* relief staying the attachment of properties of the said projects under the MPID Act and the said Writ Petition is pending adjudication before the Hon'ble Bombay High Court.

25. It is further submitted that Bhalla Family (erstwhile landowner) filed Interim Application (L) No. 25282 of 2021 against the Applicant and others in Commercial Execution Application (L) No 15539 of 2021 before the Hon'ble Bombay High Court, wherein the Hon'ble Court granted an ad-interim injunction restraining the Applicant from creating any third-party interest in the project assets, which injunction continues to operate till date.

26. It is submitted that in view of the stalled status of the said projects, the lapse of registrations, and the continued defaults on the part of the Applicant, the MahaRERA Authority by Roznama dated 30th April 2025, directed the constitution of a Special Conciliation Panel in exercise of powers under Sections 32(g) and 37 of the RERA Act,



2016. He invites our attention to the Roznama dated 30th April 2025 and 13th November 2025 annexed to the reply. It is submitted that the learned Authority after considering the report of Special Conciliation Panel and submissions made by the parties passed the Impugned Order directing initiation of the proceedings under Section 8 of the RERA Act, 2016 for take over and completion of the said projects by forming Association of allottees (AoA). The Authority invokes Section 18 of the RERA Act, 2016, a protective provision specifically enacted to safeguard the interests of homebuyers from the consequences of a defaulting promoter. A stay of such order would directly and irreparably harm 1,397 to 1,700 allottees of the Clan City Projects who have already suffered for years. He also invites our attention to the averments in the reply filed on behalf of the Non-applicant Nos. 1 and 2 and submits that balance of convenience lies in favour of the original complainants. Therefore, relying upon the averments in the reply filed on behalf of Non-applicant Nos. 1 and 2, Adv. Mr. Harshad Bhadbhade prays that miscellaneous applications for stay may be rejected.

27. We have heard Adv. Mr. Varun Nathani, appearing for the Applicant, Adv. Mr. Godfrey Pimenta, appearing for the Non-applicant No. 1 and Adv. Mr. Harshad Bhadbhade appearing for the Non-applicant



Nos. 1 and 2. We have carefully perused the operative part of the Order dated 30th January 2026, passed by the MahaRERA. In order to appreciate the contentions raised by the Applicant in the applications, it would be apt to refer to some of the clauses of the operative part of the Order passed by the MahaRERA in Para 39 (A). It is observed that the recommendation report of the Special Conciliation Panel dated 5th January 2026 filed in these complaints in respect of the Clan City Projects is hereby accepted and taken on record. It is further observed that the Conciliation process has failed due to absence of workable proposal from the promoter as well as associations of the allottees/society. It is further observed that the project registration of the Clan City Projects (total 9 projects) granted by MahaRERA in favour of the Applicant/Promoter has lapsed and therefore, the said projects are considered as stressed projects, and accordingly, the promoter is restrained from undertaking any fresh sale, issuing advertisement or creating third party rights in respect of the Clan City Projects. Accordingly, the complaints filed by the society and the association of allottees have been disposed of with directions to take appropriate steps as contemplated in the said report of the Special Conciliation Panel and MahaRERA Order No. 8 of 2019 dated 28th March 2019 as



mentioned in Para nos. 24 and 25 of the said order within the time limit of three (3) months.

The MahaRERA, relying upon the Special Conciliation Panel report in Clause (a), (j) and (k) has observed as under:-

"39.

a) The Recommendation Report of the Special Conciliation Panel dated 05-01-2026 filed in these complaints in respect of the Clan City Project is hereby accepted and taken on record. Accordingly, MahaRERA holds that the conciliation process has failed due to absence of any workable proposal from the promoter as well as associations of allottees/society.

.....

i) The adjudication of the remaining 136 complaints filed by the individual allottees seeking reliefs under Sections 13 and 18 of the RERA is deferred at this stage in view of the ongoing process for appointment of a new promoter under Section 8 of the RERA and as per para no. 35. However, the rights and contentions of the said complainants, being allottees of the said project stand protected and are kept open. The said complainants shall be at liberty to pursue appropriate



remedies in accordance with law upon finalisation of the appointment of the new promoter, including by filing appropriate applications before the MahaRERA.

j) It is further directed that MahaRERA shall not entertain any complaint from a new allottee in respect of the said projects until completion of the proceedings under Section 8 of the RERA finalisation of the new promoter.

k) The Registry is directed to act accordingly and not to register or list any fresh complaints from new allottees in respect of the said projects until the finality as per para (j) above."

28. From the sum and substance of the impugned Order passed by the MahaRERA, it appears that the MahaRERA has substantially relied upon the Report of the Special Conciliation Panel, and the said Report has, in substance, formed the entire basis for deciding the various complaints filed by the aggrieved persons. The MahaRERA appears to have stopped there. However, by making the observations contained in clauses (a), (i), (j) and (k), it has virtually precluded the other complainants from filing complaints or adjudicating other similar complaints pending before MahaRERA.

29. As argued by the counsel appearing for the Applicant, the MahaRERA has not considered the case of the Applicant that the

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said Panel included builders/developers and persons from the construction industry, and there is a strong and real apprehension of conflict of interest for such builders/developers. The MahaRERA ought to have undertaken research to find out, whether the said builders/developers who are part of the said panel, are in any way directly or indirectly connected/interested in the activities of the said project or to take over said project. The MahaRERA ought to have examined the rival contentions raised by the complainants and respondents thereunder and should have given independent findings, rather than substantially relying upon the conciliation panel report.

30. In Para No. 13 of the Impugned Order, the MahaRERA held that

"13. Be that as it may, in this case, after considering the submissions made by all the stakeholders, namely, the allottees, the promoter, the landowners, and the concerned competent authority, the Special Conciliation Panel has submitted its report dated 05-01-2026 on the record of MahaRERA. Upon a bare perusal of the said report, MahaRERA has noticed that although the complaints have been



*referred back to MahaRERA with the remark
"Conciliation Failed," the Special Conciliation
Panel, while examining the core issues involved
in the said project(s), has recorded its findings
and issued certain recommendations in the
present case." (emphasis supplied)*

31. Thereafter, the MahaRERA reproduced the entire Report of the Special Conciliation Panel in the order. In Para No. 14, MahaRERA has made further made reference to the said report of the Special Conciliation Panel, commented upon the same and ultimately passed the Impugned Order.
32. We have already adverted to the observations/directions contained in the operative part of the order.
33. Therefore, it appears that all the complaints which were pending before the MahaRERA have been disposed of with directions to take appropriate steps as contemplated in the said report of the Special Conciliation Panel and MahaRERA Order No. 8 of 2019 dated 20th March 2019, as mentioned in Para Nos. 24 and 25 of the Impugned Order within the time limit mentioned in the said paragraphs.
34. In our *prima facie* view, the heavy reliance placed upon the Special Conciliation Panel report and forming said report as basis of the



findings of the Authority is not keeping in view the exposition of law by the Hon'ble Supreme Court in the case of *Motiram (Dead) Through LRs. And Another vs. Ashok Kumar and Another* (Supra) and the judgment of Kerala High Court in the case of *K. Prabhavathy vs. The Director General of Police* (Supra).

35. At this juncture, it would be appropriate to refer to Section 32(g) of the RERA Act, which reads as under:-

"32. The Authority shall in order to facilitate the growth and promotion of a healthy, transparent, efficient and competitive real estate sector make recommendations to the appropriate Government or the competent authority, as the case may be, on,-

(a).....

(b).....

(c).....

(d).....

(e).....

(f).....

(g) measures to facilitate amicable conciliation of disputes between the promoters and the allottees through dispute settlement forums set up by the consumer or promoter associations;"

Bare perusal of the said provision would make it abundantly clear that, said provision is to facilitate amicable conciliation of dispute

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between the promoters and the allottees through dispute settlement forums set up by the consumer or promoter associations. If there is no amicable conciliation of the dispute between the promoters and allottees through a dispute settlement forum, in that case, accepting such report and findings would be contrary to the legislative mandate and intent reflected in said provision. Therefore, said report should not have formed the basis of the order passed by the MahaRERA and pursuant to the directions issued by the Hon'ble High Court, to allow allottees to file the complaints, the MahaRERA should have decided said complaints on merits instead of relying upon such report.

36. In light of the discussions in the foregoing paragraphs, we are inclined to grant interim relief in terms of prayer clause (a) and (d) by modifying the *ad-interim* order passed by this Tribunal on 8th May 2026.

The prayer clause (a) and (d) read as under:-

"39.

a) The Recommendation Report of the Special Conciliation Panel dated 05-01-2026 filed in these complaints in respect of the Clan City Project is hereby accepted and taken on record. Accordingly, MahaRERA holds that the



conciliation process has failed due to absence of any workable proposal from the promoter as well as associations of allottees/society.

.....

d) The complaints filed by the society and the association of the allottees at Sr. Nos. 1, 17, 40, 55, 65, 82, 93, 132, 141 (filed by the society) and Sr. Nos. 3, 19, 42, 57, 67, 84, 95, 134 and 142 (filed by the association), stand disposed of, with directions to take appropriate steps as contemplated in the said report of the Special Conciliation Panel and MahaRERA Order No. 8 of 2019 dated 28-03-2019, as mentioned in the aforesaid para nos. 24 and 25 within the timeline of three months"

The interim relief granted in terms of prayer clause (a) and (d), as mentioned hereinabove, shall operate during the pendency and final disposal of the appeals.

37. We make it clear that the MahaRERA is free to entertain complaints which are referred in Clause (i), (j), and (k) and can decide afresh by recording independent findings. In short, while deciding the complaints, the MahaRERA shall, decide the complaints on their

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own merits and uninfluenced by the said report of the Special Conciliation Panel.

38. The observations made hereinabove are *prima facie* in nature and confined to the adjudication of said miscellaneous applications only.
39. Miscellaneous Application Nos. 570/26, 571/26, 572/26, 573/26, 574/26, 575/26, 576/26, 579/26, 580/26, 581/26, 584/26, 585/26, 586/26, 587/26, 588/26, 590/26, 591/26, 592/26, for stay are partly allowed to the above extent and accordingly, disposed of.
40. Copy of this order be communicated to the parties and learned Authority as per Section 44(4) of RERA Act, 2016.


(DR. RAJAGOPAL DEVARA)
Z. Q. Pathan


(S.S. SHINDE, J.)