MADHYA PRADESH REAL ESTATE APPELLATE TRIBUNAL AT BHOPAL

Appeal No. A-132/2025
Institution Date :09/09/2025

Before

Hon'ble Justice Shri B.K. Dwivedi, Chairperson
Hon'ble Shri P.C. Gupta, Member (Judicial)
Hon'ble Shri Ravindra Singh, Member (Administrative)

M/s Swastik Builders and Developers,
Through its Partners,
1. Shri Chandrapal Singh
   S/o Shri Ranjeet Singh,
   Age 56 years,
2. Shri Govind Singh Gaur,
   S/o Late Shri Bhagwant Singh,
   Age 55

Having office at: MIG 18, Sector 3D,
Saket Nagar, Bhopal, (M.P)-462024. : Appellant

Versus

Real Estate Regulatory Authority,
Through the Secretary,
"RERA Bhavan", Arera Hills, Main Road,
Bhopal (MP) : Respondent

Counsel for the parties

For the Appellant : Advocate Yashwardhan Raghuwanshi
For the Respondent : Advocate Aryan Gupta

O R D E R

(Passed on- 07/10/2026)

Per , Justice, B.K. Dwivedi, Chairperson

This appeal under Section 44(1) of the Real Estate (Regulation and Development) Act, 2016 (for short hereinafter will be referred to as 'the Act, 2016') read with Rule 33 of the Real Estate (Regulation and Development) Rules, 2017 (for short hereinafter will be referred to as 'Rules, 2017') has been preferred against impugned order dated 11/07/2025 in Registration case no. P-BPL-17-274 (Annexure A-1) of project 'Crystal Green' situated at Tehsil

Huzur, District-Bhopal, whereby following order was passed, which is under challenge before this Tribunal.

> 7/ ग्राम पंचायत रापडिया जनपद पंचायत फंदा जिला भोपाल द्वारा दिनांक 04.01.2013 एवं 19.04.2017 को भवन अनुज्ञा जारी की गई है तथा कार्यालय अनुविभागीय अधिकारी (राजस्व) तहसील हुजूर जिला भोपाल द्वारा अनुमति क्रमांक 01 दिनांक 03.10.2011 द्वारा जारी विकास अनुमति की कंडिका 29 में वर्णित क्षेत्रफल 4357.32 वर्गमीटर में स्थित भूखण्ड क्रमांक A41, B18, B19, B61, A57, A68, A69, A70, A71, A72, A73, A74, A75, A76, A77, A78, A79, B79, B80, B81, B82, B83, B84, B85, B86, B87, B88, B89, B90, B91, B92, B93, B94, B95, B96, B97, B98, B99, B100, B101, B102, B103, B104, B105, B106, B107, B108, B109 कुल 48 भूखण्ड जिनका क्षेत्रफल 4357.32 वर्गमीटर है, को रजिस्टर्ड बंधक पत्र दिनांक 22.09.2011 को ग्राम पंचायत रापडिया के पक्ष में बंधक रखा गया है।
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> अतः अनुविभागीय अधिकारी (राजस्व) तहसील हुजूर जिला, भोपाल को निर्देश दिये जाते है कि बंधक रखे गये भूखण्डों का निस्तारण कर परियोजना का आंतरिक एवं बाह्य विकास कार्य तथा निर्माण कार्य दिनांक 31.12.2025 तक पूरा करायें, ताकि आवंटितियों के हितों का संरक्षण हो सकें।

2. Facts necessary for disposal of this appeal, in a nutshell, are that the Appellant, a partnership firm and currently carrying out business of Real Estate, is being represented by its partners. Appellant has started the residential project in the name of ‘Crystal Green’ in Bhopal, situated in Khasra No. 26, 27 and 39/2, having a total area admeasuring around 3.970 hectares and consists of 203 residential units including duplexes and flats as well as 15 shops as per the approved plan for the project. Project was registered in 2017 with the Madhya Pradesh Real Estate Regulatory Authority (for short hereinafter will be referred to as ‘the Authority’) with Registration No. P-BPL-17-274. The project was started on 02/02/2013 and period of registration was from 06/09/2017 to 31/01/2013 (correct 31/01/2023).

2.1 The project ‘Crystal Green’ consists of 31 type A duplex, 82 type B duplex, 18 type C duplex, 12 shops and 72

residential flats type–I. Appellant had allotted 13 duplexes out of 31 type A duplexes, 9 duplexes out of type B duplexes and no duplex was allotted from type C duplexes. Thus, Appellant had sold only 22 duplexes, out of which 2 bookings were cancelled and therefore, at present only 20 duplexes were sold. Appellant has completed 90% of the construction of the duplex sold by them and further the possession of the most of the sold duplexes has already been handed over to the allottees. Appellant had already completed the infrastructure work of the project including the construction work of road, electricity, water and sewage work.

2.2 By order dated 07/06/2024 the Authority directed the Appellant to re-register remaining parts of the project and complete the construction of the 20 duplexes by 31/10/2024 with direction to submit quarterly reports for the month of September 2018, from March 2020 to March 2023. Appellant had completed construction of the allotted duplex and also given possession of most of the sold duplexs and Appellant is in process of applying for fresh registration of the remaining project.

2.3 Sub-divisional Officer (Revenue) Tehsil Huzur, district-Bhopal (M.P.) by order dated 04/01/2013 and 19/04/2017 gave the building permission for the said project and as per the Clause 29 of the aforesaid orders 48 duplex admeasuring around 4357.32 sq.mt. were mortgaged by mortgage deed dated 22/09/2011 in favour of Gram Panchayat Rabdiya. However Respondent/Authority ignoring the aforesaid facts by the impugned order directed the Sub-divisional Officer (Revenue) Tehsil Huzur, district-Bhopal (M.P.) to sell the said 48 mortgaged duplex and complete the construction of the project. Impugned order is apparently wrong as Appellant had completed the infrastructure work of the project and had also submitted quarterly reports to the

Respondent as demanded by them. Therefore, this appeal has been filed challenging the impugned order.

3. Ld. Counsel for the Appellant submits that Ld. Authority cannot direct to dispose of the plots mortgaged vide mortgage deed dated 22/09/2011 in favour of the Gram Panchayat Rabdiya for completing internal and external development work. Ld. Counsel further submits that infrastructure development work has already been completed. Since registration of the project has lapsed on 31/01/2020, Appellant was undergoing the process of re-registration of the project. Quarterly reports as required by the Authority have already been submitted in time, therefore, impugned order could not has been passed, which is against the Provisions of the Act. On these grounds Ld. Counsel urges this Tribunal for setting aside the impugned order by allowing this appeal.

4. *Per contra* Ld. Counsel for the Respondent supporting the impugned order, submits that enquiry was conducted under Section 8 of the Act, 2016 and it was found that development work was not completed during stipulated period of registration. Mis-statement has been given regarding completion of development of the project, as no completion certificate has been filed. In such a situation Respondent/Authority was constrained to pass impugned order for selling mortgage plots so that development work could be completed. Attention of this Tribunal invited towards Rules 12 and 13 of (Registration of Colonizer Terms and Conditions) Rules, 1999, wherein provision has been made for permission for development work of colony and for period of completion of internal development work of the colony.

4.1 Ld. Counsel further submits that the Appellant has failed complete the project during existence of registration of the project, which lapsed on 31/01/2020, hence for protecting

rights of the allottees, impugned order has been passed, which cannot be taken exception to. On these submissions Ld. Counsel prays for dismissing the appeal as devoid of any substance by affirming impugned order.

5. Heard and considered the rival submissions and perused the record.

6. It is not in dispute that the project 'Crystal Green' was registered with the Authority under registration No. P-BPL-17-274 for a period of 3 years from 06/09/2017 to 31/01/2020. The project has lapsed on 31/01/2020 and even after lapse of the project on the aforesaid date work of the project has not been completed in more than last 5 years. It is also not in dispute that the completion certificate has not been filed, which in itself belies the contention of the Appellant that project work has been completed. Section 8 of the Act, 2016 provides for obligation of Authority consequent upon lapse of or on revocation of registration, which runs as under:-

> **"S.8. Obligation of Authority consequent upon lapse of or on revocation of registration.**-Upon lapse of the registration or on revocation of the registration under this Act, the Authority, may consult the appropriate Government to take such action as it may deem fit including the carrying out of the remaining development works by competent authority or by the association of allottees or in any other manner, as may be determined by the Authority:
>
> Provided that no direction, decision or order of the Authority under this section shall take effect until the expiry of the period of appeal provided under the provisions of this Act:
>
> Provided further that in case of revocation of registration of a project under this Act, the association of allottees shall have the first right of refusal for carrying out of the remaining development works."

7. From perusal of the aforesaid provision, it is very much clear that on lapse of registration of or revocation of registration of the project, the Authority, in consultation with the Government may take such action as it may deem fit,

including the carrying out the remaining development work by the competent Authority or by the assistance of the allottees, as may be determined by the Authority. Ld. Authority, after enquiry when, was satisfied that the internal and external development work of the project has not been completed, by the impugned order the RERA has directed the Sub-divisional Officer (Revenue) to carry out internal and external development work by 31/12/2025 by selling the plots, which have been mentioned in para 7 of the impugned order, already mortgaged with Gram Panchayat Rabdiya by mortgage deed dated 22/09/2011.

8. Rule 12 of the Rules, 1999 provides for granting permission for development work of the colony in FORM-5 by the competent Authority and Rule 13 of the Rules, 1999 provides for completing internal development work of the colony by the colonizer/promoter within a maximum period of 3 years from the date of issuance of the permission of development of the colony under rule 12 of the Rules, 1999. Looking to the fact that development work was not completed within prescribed period, impugned order has been passed for completing development work by Sub-divisional Officer (Revenue) Tehsil Huzur, District-Bhopal (M.P.), which cannot be said to be beyond the jurisdiction of the Authority or against the Act, 2016 or Rules, 2017.

9. In the light of the aforesaid discussion, we are of the view that no illegality or irregularity has been committed by Authority in passing the impugned order. This appeal filed on behalf of the Appellant is devoid of any substance, fails, deserves to be and is hereby dismissed.

10. No order as to costs.

11. Copy of this order be supplied to the parties free of cost.

12. Office is directed to ensure remanding back record of the Authority along with order of this Tribunal passed today forthwith.

13. After noting the result and completing all the formalities, case be consigned to the record room.

Sd/-	Sd/-	Sd/-
(JUSTICE B.K. DWIVEDI)	(P.C. GUPTA)	(RAVINDRA SINGH)
CHAIRPERSON	MEMBER (J)	MEMBER (A)

Date: 07/10/2026
Place: Bhopal

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