REAL ESTATE REGULATORY AUTHORITY, BIHAR

Before the Bench of Hon'ble Inquiry Commissioner, Mr. Sanjaya Kumar Singh, RERA, Bihar

RERA/SM/737/2025

Authorised Representative of RERA …...Complainant

Vs

M/s Alphabet Infra Pvt. Ltd. @ M/s PRU-RLDA Projects Pvt. Ltd.

…..Respondent

Project: One World, Bramhmapura Railway Colony

Present: For Complainant: Mr. Abhinay Priyadarshi, Advocate
For Respondent: Mr. Jai Ram Singh, Advocate

Ms. Jolly Ahlawat, Advocate

24/12/2025 ORDER

1. The matter was last heard on 27.11.2025. After hearing both the parties, the order was reserved and is being pronounced today. Mr. Abhinay Priyadarshi, learned counsel appears for the complainant/ Authority. Mr. Jai Ram Singh learned counsel along with Ms. Jolly Ahlawat, appaers for the respondent.
2. The present proceeding has been initiated against the respondent-promoter under Section 35 and Section 59 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as "the Act"), for the non-registration of the Project "One World, Bramhmapura Railway Colony". Accordingly, a Show Cause notice dated 25-06-2025 was issued to the respondent by registering a suo motu case, seeking an explanation.
3. The aforesaid notice and proceedings were initiated on the basis of an advertisement published on an online platform, which *prima facie* reveals that, in contravention of the provisions of Section 3 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to

as “the Act”), the respondent has been promoting and marketing the subject project and inviting prospective buyers without obtaining the mandatory registration as required under the Act.

4. The learned legal representative of the Authority submitted that the promoter is developing and marketing the project in violation of the provisions of Section 3 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as “the Act”), without obtaining the mandatory registration of the project with the Authority as required under the Act.

5. The respondent has filed its reply contending that the notice was issued against *Alphabet Infra Pvt. Ltd.*, whereas the present respondent, *M/s PRU-RLDA Projects Pvt. Ltd.*, appeared upon learning that the case pertained to its proposed construction project. It is asserted that *Alphabet Infra Pvt. Ltd.* has no connection whatsoever with the respondent company and that the project name “**One World – Alphapet Infra**” uses “Alphapet Infra” merely as a brand name. The respondent company, incorporated on 21.11.2024, submitted that it is engaged in real estate development for the Rail Land Development Authority (RLDA) and holds a 99-year lease for development of the railway colony at Brahmpura Colony, Muzaffarpur. The respondent further contended that it has complied with all provisions of the Real Estate (Regulation and Development) Act, 2016 and has not violated Section 3 thereof, and that the application for RERA registration is presently under process. It is denied that the respondent undertook any advertising, marketing, or promotional activity in contravention of the Act; rather, it is stated that only a temporary project office was set up, the site was fenced, and two to three “Coming Soon” posters were displayed solely for identification purposes and not for promotion. The respondent further submitted that all advertisements have since been

removed from the website pursuant to the hearing dated 27.11.2025, that a complaint has been lodged against unknown persons in respect of the alleged violations, and that the respondent undertakes to carry out any project-related activities only after obtaining approval of the building plan and due registration with Bihar RERA. On these grounds, the respondent humbly prays for dropping of the present proceedings.

6. The Complainant–Authority filed a rejoinder contending that the reply submitted by the Respondent is evasive and submitted that a Show Cause Notice dated 25.06.2025 was issued to the respondent under Sections 35 and 59(1) of the Real Estate (Regulation and Development) Act, 2016 for violation of Section 3 in relation to the project "Brahmapura Railway Colony." The respondent claimed that the company had been struck off; however, the material on record establishes that the respondent company was incorporated in 2016 and that the impugned advertisement was issued by the respondent promoter after the enactment of the Act without obtaining mandatory registration. Such advertisement squarely falls within the definition under Section 2(b) of the Act and constitutes a clear contravention of Section 3. In terms of Section 69 of the Act, the promoter and persons in charge at the relevant time remain liable notwithstanding the company being struck off. The learned legal representative submitted that the respondent is therefore liable for penal action under Section 59(1) of the Act, and further prayed for passing appropriate orders in accordance with law to uphold the objectives of the Act.

7. In compliance of the previous direction, the respondent has placed on record certain communications demonstrating that the advertisement has been removed from the online platform.

8. Learned counsel for the Respondent, after advancing arguments at length during last hearing, prayed for exoneration from the imposition of penalty.

9. Per contra, the learned Legal Representative for the Authority reiterated the earlier submissions made by him and contended that the present case is a clear violation of Section 3 of the Real Estate (Regulation and Development) Act, 2016, and accordingly prayed for imposition of penalty under **Section 59(1)** of the Act.

10. Perused the record and submissions.Both parties have filed their respective notes of arguments, reiterating their earlier submissions.

11. (a) Section 2(b) of the Real Estate (Regulation and Development) Act, 2016 provided the definition of "advertisement" which reads as follows:

"advertisement" means any document described or issued as an advertisement through any medium and includes any notice, circular, or other documents or publicity in any form informing persons about a real estate project, or offering for sale of a plot, buildings, or apartments or inviting persons to purchase in any manner such plot, building, or apartment, or to make advances or deposits for such purposes.

(b) Further, Section 3(1) of the RERA Act *mandates that no promoter shall advertise, market, book, sell or offer for sale, or invite persons to purchase in any manner any plot, apartment, or building as the case may be in any real estate project or part thereof, in any planning area, without registering the real estate project with the Real Estate Regulatory Authority established under this Act.*

12. A bare perusal of the aforementioned statutory provisions and the materials placed on record in form of advertisement clearly establishes that the promoter has violated the mandatory requirements under the Real Estate (Regulation and Development) Act, 2016. The material

placed on record, consisting of a pamphlet inviting bookings for the project and/ or displaying the upcoming project through a notice board kept at place for general public to see, unequivocally falls within the definition of "advertisement" as provided under Section 2(b) of the Real Estate (Regulation and Development) Act, 2016 (hereinafter "the Act"). Thus, it is clear that by advertising and offering the project for sale prior to obtaining registration from the Authority, the promoter has contravened the express prohibition contained in Section 3(1) of the Act. Accordingly, the promoter's conduct constitutes a clear violation of the statutory framework and attracts the penal provisions prescribed under the Act.

13. The conduct of the Respondent not only establishes a violation of the aforesaid provisions of the Act but also strikes at the very object and purpose of the enactment of the Real Estate (Regulation and Development) Act, 2016. The sale of units to the public without obtaining mandatory registration reflects a deliberate attempt to circumvent the statutory regulatory framework and defeat the transparency and accountability sought to be ensured under the Act. Such conduct undermines the authority of the Regulatory Authority and prejudices the interests of the allottees. Accordingly, the cumulative fact on record conclusively establishes the Respondent's violation of Section 3 of the Act in respect of the project in question.

14. The Authority has taken note of the submissions made by the Respondent–Promoter expressing apology for the contravention and seeking exoneration from the imposition of penalty by urging a liberal interpretation of Section 59(1) of the Real Estate (Regulation and Development) Act, 2016. While the contravention stands duly established, considering the objectives of the Act to regulate and promote the real estate sector in a transparent and accountable manner,

the Authority deems it appropriate to impose a moderate penalty. Accordingly, a penalty of ₹1,00,000/- (Rupees One Lakh only) is hereby imposed upon the Respondent–Promoter for the above said violation committed by the respondent. The Respondent is further directed to desist from any such statutory violation in future and to ensure registration of the project forthwith by completing all requisite formalities in accordance with the provisions of the Act and the Rules framed thereunder.

15. The respondent-promoter is hereby directed to deposit the aforementioned penalty amount of ₹1,00,000/- (Rupees One Lakh only) within a period of sixty (60) days from the date of issuance of this order. Failure to comply with this direction shall attract further action in accordance with the provisions of Section 59(2) of the Real Estate (Regulation and Development) Act, 2016.

16. The Office is directed to take necessary action for ensuring the compliance of the aforementioned directions.

With the above observations and directions, this matter is disposed of.

Sd/-
(Sanjaya Kumar Singh)
Inquiry Commissioner,
RERA, Bihar