

**REAL ESTATE REGULATORY AUTHORITY, BIHAR**

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

**RERA/STV/10/2025**

**Authorised Representative of RERA**

**.....Complainant**

**Vs**

**M/s Budha Construction VN Pvt. Ltd. ....Respondent**

**Project: Anshu Akansha Budha Enclave**

**Present: For Complainant: Mr. Abhinay Priyadarshi, Advocate**

**For Respondent: Mr. Viswajeet Kumar, Director**

**26/12/2025**

**ORDER**

1. The matter was last heard on 26.11.2025. 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. Viswajeet Kumar, Director, appears 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 "Anshu Akansha Budha Enclave". Accordingly, a Show Cause notice dated 18-11-2025 was issued to the respondent by registering a STV case, seeking an explanation.
3. The aforesaid notice and proceedings were initiated on the basis of an advertisement received, circulated 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 project in question is a newly launched project and not an ongoing project as alleged. An application for registration was duly filed before the Authority on 08.10.2025, and the project is presently under the process of registration. The respondent has never advertised the project on any platform, nor has it accepted any booking, advance, or consideration of any nature from any person. The so-called advertisement relied upon is an unauthenticated stray document which does not disclose its source, date, or medium and cannot be treated as an “advertisement” within the meaning of Sections 2(b) and 3 of the Real Estate (Regulation and Development) Act, 2016. In the absence of any booking or acceptance of money, the essential ingredients of Section 3 are not attracted. The respondent has acted bona fide and in compliance with the statutory framework, and therefore, the proceedings initiated under Sections 35 and 59(1) of the Act deserve to be dropped in the interest of justice. The respondent further prayed for exoneration from the imposition of penalty.
6. Per contra, during the last hearing, the learned Legal Representative for the Authority reiterated the earlier submissions and contended that the present case involves 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.

7. Perused the record and submissions.
8. (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.*

9. 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, 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”). 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.

10. The conduct of the Respondent not only amounts to a violation of the aforesaid provisions of the Act but also strikes at the very object and purpose of 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, derive unlawful economic benefit, 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 violation of Section 3 of the Act in respect of the project in question committed by the respondent.
11. The Authority has taken note of the submissions of the Respondent–Promoter expressing apology for the alleged contravention, stating that the project has been applied for registration, and seeking exoneration from imposition of penalty by invoking a liberal and judicious interpretation of Section 59(1) of the Real Estate (Regulation and Development) Act, 2016. While the contravention stands duly established, considering the fact that the registration of this project has already been applied and also considering the fact that the objectives of the Act is 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 ₹50,000/- (Rupees Fifty Thousand only) is hereby imposed upon the Respondent–Promoter for the established violation. 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.

12. The respondent-promoter is hereby directed to deposit the aforementioned penalty amount of ₹50,000/- (Rupees Fifty Thousand 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.
13. The Office is directed to take all necessary measures to ensure 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