



REAL ESTATE REGULATORY AUTHORITY, BIHAR

Before the Single Bench of Hon'ble Chairman Mr. Vivek Kumar Singh, RERA,
Bihar.

RERA/SM/472/2021

Authorised Representative of RERA

.... Complainant

Vs

M/s DSB Consultancy Pvt. Ltd.

.... Respondent

Project: **BIHAR TRADE TOWER, PATNA**

Present: For Complainant: Mr. Rishikesh Rajan, Authorised
representative of RERA.

For Respondent: None

09-10-2025

ORDER

1. Hearing taken up. Mr. Rishikesh Rajan, Authorised representative appears on behalf of the complainant. Nobody appears on behalf of the respondent, yet again despite opportunities provided.
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 *Bihar Trade Tower, Patna*. Accordingly, a notice dated 17-02-2021 was issued to the respondent by registering a suo motu case, seeking an explanation.
3. The aforementioned notice and case was initiated based on material available on record which indicated prima facie contravention of the provisions of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as "the Act"). The evidence placed on record against the respondent for the violation of Section 3 of the Act includes brochure, advertisement on circulated over various intermediaries platform etc.
4. The respondent-promoter neither appeared nor submitted any reply to the notice dated 17-02-2021. Accordingly, in compliance with the principle of audi alteram partem, the Authority issued multiple notices to the respondent for appearance during the course of hearings scheduled on 19.01.2024, 19.06.2024, 09.07.2024, 25.10.2024, and 31.12.2024. However, the respondent failed to appear on each of these occasions. Subsequently, on 23-07-2025, following due process, the

Authority issued a public notice, yet the respondent still did not appear.

5. In view of the continued non-appearance and to avoid keeping the matter pending for an indefinite period, the Authority proceeded to hear the matter ex parte, based on the material available on record, which prima facie indicated a violation of the provisions of the Act.
6. The Legal Representative of the Authority submitted that, based on the advertisements placed on record, the respondent-promoter has violated Section 3 of the Real Estate (Regulation and Development) Act, 2016 ("the Act") by failing to register the project with the Authority. It was further submitted that the respondent has also contravened Section 11(2) of the Act, as the advertisements circulated did not contain the disclosures and procedural information mandated therein. The said advertisements and brochures were widely circulated across various platforms without obtaining prior registration of the project, thereby indicating a deliberate intent to mislead potential buyers for economic gain and undue advantage. The advertisements in question, dated 2020, clearly establish that the respondent-promoter acted in contravention of the statutory requirements, thereby defeating the very purpose and object of the Act, which was enacted to ensure transparency and protect the interests of homebuyers. It was also submitted that a liberal approach had been adopted during the initial implementation phase of the Act until May 2017 to allow stakeholders to become aware of their obligations. However, the respondent's failure to register the project and its continued promotional activities in 2020 amount to a willful violation of the provisions of the Act and the Rules made thereunder, undermining the regulatory framework established by RERA.
7. The Authority notes that the Hon'ble Apex Court in several cases has reiterated and settled the proposition of law that when several notices have been served on the respondent and party still choose to not appear, it would be assumed that they have waived their right to be heard. For the same reason, the Authority had no option but was compelled to proceed with the matter ex parte. Considering the fact that the case is running from the four years, there appears no reason to delay the matter further. Accordingly, the Authority is constrained to pass order in the instant case on the basis of the document and evidences available on record.
8. Perused the record and submission.

9. It is to be observed that Section 3(1) of the Real Estate (Regulation and Development) Act, 2016 ("RERA Act") along with the definition of "advertisement" under the Act, provides as follows:

The term "advertisement" encompasses any document described or issued as an advertisement through any medium. This includes but is not limited to notices, circulars, pamphlets, brochures, or any other form of publicity intended to inform the public or potential buyers about a real estate project. It specifically includes materials that offer for sale or invite persons to purchase, either plots, buildings, or apartments, or solicit advances, deposits, or any form of payment for such purposes.

Further, the same 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, in any real estate project or part thereof, within any planning area, without first registering the real estate project with the Real Estate Regulatory Authority established under the Act.

10. A bare perusal of above mentioned provisions and materials clearly establishes that the promoter in question has violated the statutory requirements set out under the RERA Act. The brochures, advertisements, and other promotional material disseminated on various intermediary platforms indisputably fall within the ambit of the definition of "advertisement" as provided under Section 2(b) of the Act. By advertising and offering the real estate project for sale prior to registration, the promoter has contravened the mandatory statutory prohibition on such activities. Consequently, the promoter's actions amount to a clear breach of Section 3(1) of the RERA Act, attracting the penalties and remedial measures prescribed under the legislation.
11. The actions of the respondent not only constitute a violation of the aforementioned provisions of the Act but also undermine the very object and purpose for which the statute was enacted. The act of circulating promotional material and offering the project to the public at large without obtaining registration is a deliberate and purposeful attempt to bypass the regulatory framework established under the Act. Such conduct not only diminishes the authority and credibility of the Regulatory Authority but also reflects an intention to derive economic benefit by circumventing the mandatory compliance requirements laid down under the Real Estate (Regulation and Development) Act, 2016 and prejudices the interests of allottees. Both the fact cumulatively establishes the violation of Section 3 and 11(2) of the Act by the respondent with respect to the project in question.

12. The Technical Report placed on record reveals the existence of the project land, along with evidence of construction and development activity. The report further states that the total area of land, measuring approximately 6,391.21 sq. meters, situated at Patliputra Industrial Area, Patna (Bihar), was advertised as part of the Project.
13. The submissions made, along with the material placed on record and the report of the Technical Wing, collectively establish that the project *Bihar Trade Tower, Patna* was advertised for sale across various platforms without obtaining the mandatory registration, in contravention of **Sections 3 and 11(2)** of the Real Estate (Regulation and Development) Act, 2016. Consequently, such violations attract penalties under **Sections 59(2) and 61** of the Act.
14. The scale of the property mentioned in the advertisement given, a penalty of Rs.20 lakh would be appropriate and within the penalty ceiling amount as prescribed by the RERA Act, 2016. In case the respondents feel that the penalty amount levied is more than the 10% value of the property and estimated cost of the project, they are at liberty to approach the Authority.
15. As of now, as per the documents and evidences available on record, a penalty of Rs. 20 lakh is imposed upon the respondents under Section 59(1) of the Act. A further penalty of Rs. 5 Lakh is imposed under Section 61 of the Act for violation of Section 11(2) of the Act.
16. The penalty amount of Rs. 25 lakh, as mentioned above, shall be paid by the respondent company within sixty (60) days from the date of issuance of this order. Failure to comply with this direction will attract further action under Section 59(2) of the Real Estate Regulation and Development) Act, 2016.
17. The Authority further directs the office to issue a letter to the I.G. Registration, Bihar to issue letter to all the concerned DSRs / Sub-Registrars of Patna to impose a blanket ban on execution of sale deed for the project by the respondent company and its Directors along with the copy of the advertisement and detail of the company and its Director's.
18. The Authority further directs the Circle Officer of the concerned Anchal not to mutate any land pertaining to the said project by the respondent company and its Directors along with the copy of the advertisement and detail of the company and its Director's.
19. The Authority further directs the respondents to remove all the advertisements of the projects mentioned above from all mediums within a fortnight.

20. Let a copy of this order, along with all evidence available on record against the respondents, be sent to the enforcement directorate of Govt. of India and economic offences wing of Bihar for information and necessary action.

With the above direction, this matter is disposed of.

Sd/-
(Vivek Kumar Singh)
Chairman