

(REPORTABLE)**IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION****CIVIL APPEAL NO. _____ OF 2026
(ARISING OUT OF SLP(CIVIL) NO.24606 OF 2026)****M/S PARTHIVI CONSTRUCTION PVT. LTD. & ORS.****APPELLANTS(S)****VERSUS****SHRI BHUNESHWAR PRASAD VERMA & ANR.****RESPONDENT(S)****O R D E R**

1. Leave granted.
2. Under the impugned judgment of the High Court, appellants' statutory appeal under Section 58 of the Chhattisgarh Real Estate (Regulation and Development) Act, 2016 (for short, the "Act, 2016") has been rejected. The said appeal had questioned the legality and propriety of the order dated 26.09.2025 passed by the Chhattisgarh Real Estate Appellate Tribunal, Raipur (for short, the "Appellate Tribunal"), whereby the appeal preferred by the appellants was dismissed for non-compliance of its order

dated 20.08.2025.

3. On a complaint filed by respondent No.1, the Chhattisgarh Real Estate Regulatory Authority (RERA), Raipur, passed an order on 27.06.2025 allowing his claim and directing the appellants to pay a total sum of ₹1,06,79,900/- to respondent No.1-claimant. Challenging the said order, appellants preferred an appeal before the Appellate Tribunal under Section 44 of the Act, 2016 along with an application seeking exemption from depositing 30% of the amount awarded against respondent No.1. The Tribunal rejected the application and directed the appellants to deposit the entire amount as awarded by the RERA. It is this order of the Appellate Tribunal which was unsuccessfully assailed before the High Court.

4. Mr. Sameer Shrivastava, learned counsel for the appellants would submit that even in this Court's judgment

in *Newtech Promoters and Developers Private Limited v. State of Uttar Pradesh & Ors.*, (2021) 18 SCC 1, there is no such mandate directing the promoter to deposit the entire amount of compensation as a pre-condition for hearing the appeal. According to him, the discretion still lies with the Appellate Authority either to direct the deposit of 30% of the awarded amount or such higher percentage or the total amount. In this case, the Appellate Tribunal has not exercised the discretion and has straightaway directed the appellants to deposit 100% of the awarded amount. Therefore, there being a failure to exercise the discretionary power, the High Court ought to have interfered with the order passed by the Appellate Tribunal.

5. *Per contra*, Mr. Amrendra Kumar Mehta, learned counsel for the respondents, would submit that in view of the judgment passed by this Court in *Newtech Promoters and Developers Private*

Limited (supra), when the award is for payment of compensation to the consumer, the entire amount has to be deposited as a pre-condition for the hearing of the appeal by the Appellate Tribunal.

6. Having heard learned counsel for the parties, we are of the considered view that the point raised in this appeal is no longer *res integra*, inasmuch as the provisions contained in the proviso to sub-section (5) of Section 43 of the Act, 2016, have already been interpreted by this Court, holding that where the appeal is against an order directing payment of compensation, the promoter is under an obligation to deposit with the Appellate Tribunal the total amount to be paid to the allottee, which includes interest and compensation imposed upon him.

7. We may profitably refer to the observations made by this Court in Paragraphs 121, 122, 128, 136 and 137 of the judgment in *Newtech Promoters and Developers Private Limited* (supra):

"121. It may straightaway be noticed that Section 43(5) of the Act envisages the filing of an appeal before the Appellate Tribunal against the order of an Authority or the adjudicating officer by any person aggrieved and where the promoter intends to appeal against an order of Authority or adjudicating officer against imposition of penalty, the promoter has to deposit at least 30% of the penalty amount or such higher amount as may be directed by the Appellate Tribunal. Where the appeal is against any other order which involves the return of the amount to the allottee, the promoter is under obligation to deposit with the Appellate Tribunal the total amount to be paid to the allottee which includes interest and compensation imposed on him, if any, or with both, as the case may be, before the appeal is to be instituted.

122. The plea advanced by the learned counsel for the appellants is that substantive right of appeal against an order of Authority/adjudicating officer cannot remain dependent on fulfilment of pre-deposit which is otherwise onerous on the builders alone and only the builders/promoters who are in appeal are required to make the pre-deposit to get the appeal entertained by the Appellate Tribunal is discriminatory amongst the stakeholders as defined under the provisions of the Act.

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128. There are multiple statutes which provide a condition of pre-deposit of a

Provided further that no appeal shall be entertained unless the borrower has deposited with the Appellate Tribunal fifty per cent of the amount of debt due from him, as claimed by the secured creditors or determined by the Debts Recovery Tribunal, whichever is less:

Provided also that the Appellate Tribunal may, for the reasons to be recorded in writing, reduce the amount to not less than twenty-five per cent of debt referred to in the second proviso."

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136. In our considered view, the obligation cast upon the promoter of pre-deposit under Section 43(5) of the Act, being a class in itself, and the promoters who are in receipt of money which is being claimed by the homebuyers/allottees for refund and determined in the first place by the competent authority, if legislature in its wisdom intended to ensure that money once determined by the Authority be saved if appeal is to be preferred at the

instance of the promoter after due compliance of pre-deposit as envisaged under Section 43(5) of the Act, in no circumstance can be said to be onerous as prayed for or in violation of Article 14 or Article 19(1)(g) of the Constitution of India.

137. To examine this question, it will be apposite to take note of Section 40 that states regarding the recovery of interest or penalty or compensation to be recovered as arrears of land revenue, and reads as under:

"40. Recovery of interest or penalty or compensation and enforcement of order, etc.—

(1) If a promoter or an allottee or a real estate agent, as the case may be, fails to pay any interest or penalty or compensation imposed on him, by the adjudicating officer or the Regulatory Authority or the Appellate Authority, as the case may be, under this Act or the rules and regulations made thereunder, it shall be recoverable from such promoter or allottee or real estate agent, in such manner as may be prescribed as an arrears of land revenue.

(2) If any adjudicating officer or the Regulatory Authority or the Appellate Tribunal, as the case may be, issues any order or directs any person to do any act, or refrain from doing any act, which it is empowered to do under this Act or the rules or regulations made thereunder, then in case of failure by any person to comply with such order or direction, the

same shall be enforced, in such manner as may be prescribed.”

8. It is also to be seen that the Act, 2016, has been enacted with the objects and reasons mentioned therein, which include ensuring greater accountability towards consumers, to significantly reduce frauds and delays, and also the current high transaction costs, and to balance the interests of consumers and promoters by imposing certain responsibilities on both, and to bring transparency to the contractual conditions, set minimum standards of accountability and a fast-track dispute resolution mechanism. It is also enacted to impose liability upon the promoter to pay such compensation to the allottees, in the manner as provided under the proposed legislation, in case the promoter fails to discharge any obligation imposed on him under the proposed legislation. Thus, the basic object for the enactment of the Act, 2016, is the protection of the interests

of the consumers and to ensure greater accountability and liability upon the promoter. Therefore, in order to achieve the object for which the Act has been enacted, the proviso to sub-section (5) of Section 43 has provided for the deposit of the total amount of compensation and interest awarded, in case the promoter desires to go in appeal challenging the Award of such compensation.

10. In view of the above, we are of the considered view that the Appellate Tribunal was fully justified in rejecting appellants' request for exempting from deposit of 30% of the awarded amount, for the simple reason that under the law as interpreted by this Court in *Newtech Promoters and Developers Private Limited* (supra), the appellants are under an obligation to deposit the entire amount of compensation.

11. The appeal fails and is,
accordingly, dismissed.

.....J.
(PRASHANT KUMAR MISHRA)

.....J.
(AUGUSTINE GEORGE MASIH)

NEW DELHI
SEPTEMBER 22, 2026.

ITEM NO.14

COURT NO.12

SECTION IV-C

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (C) No(s). 24606/2026

[Arising out of impugned final judgment and order dated 23-03-2026 in MA No. 2/2026 passed by the High Court of Chhattisgarh at Bilaspur]

M/S PARTHIVI CONSTRUCTION PVT. LTD. & ORS.

Petitioner(s)

VERSUS

SHRI BHUNESHWAR PRASAD VERMA & ANR.

Respondent(s)

FOR ADMISSION

IA No. 206707/2026 - EXEMPTION FROM FILING O.T.

Date : 22-09-2026 This matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE PRASHANT KUMAR MISHRA
HON'BLE MR. JUSTICE AUGUSTINE GEORGE MASHI

For Petitioner(s) :Mr. Sameer Shrivastava, AOR
Mrs. Priyanka Shrivastava, Adv.
Mr. Chirag Joshi, Adv.
Mr. Prasanna Mohan, Adv.
Mr. Shashi Bhushan Tiwari, Adv.

For Respondent(s) :Mr. Amrendra Kumar Mehta, AOR
Mr. Ranpal, Adv.
Ms. Anita Mahapatra, Adv.
Mr. Anubhav Bhardwaj, Adv.
Mr. D N Ojha, Adv.
Ms. Gunjan Kumari, Adv.

UPON hearing the counsel the Court made the following

O R D E R

1. Leave granted.
2. The appeal is dismissed in terms of the signed reportable order.

3. Pending application(s), if any,
shall stand disposed of.

(NISHA KHULBEY)
COURT MASTER (SH)

(POOJA KOHLI)
COURT MASTER (NSH)

(signed reportable order is placed on the file)