



# HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

<b>Complaint no.:</b>	<b>304 of 2023</b>
<b>Date of filing:</b>	<b>06.02.2023</b>
<b>Date of first hearing:</b>	<b>14.03.2023</b>
<b>Date of decision:</b>	<b>09.11.2023</b>

Sh. Sanjesh Ramesh Chandra Dhall,  
S/o Sh. Ramesh Chandra S Dhall  
Resident of Flat no. 2402, Akurli Satya Co-operative  
Housing Society, Kandivali East, Mumbai.

....COMPLAINANT

VERSUS

M/s Samar Estate Pvt. Ltd,  
through its Managing Director Sh. Vinod Bagai,  
Regd. Office: House no. 87, Sector-7, Panchkula.

....RESPONDENT

**CORAM:**                      **Dr. Geeta Rathee Singh**                      **Member**  
   **Nadim Akhtar**    **Member**

**Present:**                      Adv. Vishal Madaan, Id. counsel for the complainants.  
   None for the respondent.

**ORDER (NADIM AKHTAR - MEMBER)**

1. Present complaint has been filed on 06.02.2023 by complainant under Section 31 of the Real Estate (Regulation & Development) Act, 2016 (for short Act of 2016) read with Rule 28 of the Haryana Real Estate (Regulation & Development) Rules, 2017 for violation or contravention of the provisions of the Act of 2016 or the Rules and Regulations made thereunder, wherein it is inter-alia prescribed that the promoter shall be responsible to fulfil all the obligations, responsibilities and functions towards the allottee as per the terms agreed between them.

**A. UNIT AND PROJECT RELATED DETAILS**

2. The particulars of the unit booked by complainant, the details of sale consideration, the amount paid by the complainant and details of project are detailed in following table:

S.No.	Particulars	Details
1.	Name of the project	ESS VEE APARTMENTS, Sector-20, Panchkula, Haryana.
2.	Nature of Project	Residential Group Housing Project
3.	Flat no.	J-901, 9 <sup>th</sup> Floor, Tower-J
4.	Area	1725 sq. ft.
5.	RERA registered/ not registered	Registered vide registration no. HRERA-PKL-54 of 2018 and suspended by



		HRERA-PKI, Panchkula vide order dated 28.01.2020 in Suo Moto complaint no. 2807 of 2019.
6.	Date of booking	Not mentioned
7.	Date of allotment	Not mentioned
8.	Date of Flat/ Builder Buyer Agreement	17.08.2011
9.	Deemed date of possession	<p>As per clause 32 of the BBA executed on 17.08.2011, developer contemplated to complete the construction of said flat within a period of <b>36 months, from date of commencement of construction</b> unless there is delay or failure due to reasons mentioned in present agreement or due to failure of apartment allottees to pay the price of the said apartment in accordance with the schedule of payments agreed between them or upon failure of allottee to abide by all or any of the terms and conditions of the agreement.</p> <p>Note: As per assertion of complainant, the project was launched in 2007 and construction was also started in October, 2007.</p> <p>Thus, DDOP is <b>March 2010</b>.</p>
10.	Basic sale price	Rs.67,70,000/-
11.	Amount paid by complainant	Rs.59,69,500/-
12.	Offer of possession	Not offered



**B. FACTS OF THE CASE AS STATED IN COMPLAINT :**

3. In this case, Sh. Sanjesh Ramesh Chandra Dhall booked a 3 bedroom apartment flat bearing no.901 in Tower-J, measuring 1725 sq. ft. in the project of the respondent namely, "Ess Vee Apartment", Sector-20, Panchkula at the basic sale price of Rs.67,70,000/-. As per clause 32 of the said flat buyer agreement executed on 17.08.2011, respondent was obliged to complete construction of flat within 36 months from the date of commencement of construction. The project was launched in October 2007 and construction was also started at the same time. If 36 months are taken from the execution of the flat buyer agreement dated 17.08.2011, time period to complete the project expired on 17.08.2014. Till date, neither possession has been handed over nor is project complete.
4. That it is worthwhile to mention that the complainant has made the payments in time as per the demand raised by respondent in the following manner:

Sr. no.	Receipt no.	Receipt date	Amount (Rs.)	Cheque no.	Cheque date
1.	2560	24.08.2015	20,00,000/-	RTGS	24.08.2015
2.	2562	04.09.2015	7,00,000/-	RTGS	04.09.2015
3.	2563	09.09.2015	5,00,000/-	RTGS	09.09.2015



4.	2564	10.09.2015	3,00,000/-	RTGS	10.09.2015
5.	Acceptance by res.	14.05.2017	24,69,500/-	-	-
	<b>Total</b>		<b>59,69,500/-</b>		

5. It is pertinent to mention that the complainant has lost few payment receipts except 4 receipts which are duly annexed with the complaint from page no.16-20. The lost receipts could not be traced despite best efforts of complainant, however the payment of total amount of Rs.59,69,500/- made by the complainant is reflected in the letter dated 14.05.2017. It is pertinent to note that the payment of Rs.59,69,500/- is duly acknowledged in the respondent's record which is uploaded on the website of respondent company. The complainants further filed an affidavit along-with written submissions 06.11.2023, wherein they have undertaken that with regard to lost receipt they agree to accept interest from 14.05.2017, as complete amount of Rs. 59,69,500/- is reflected in letter dated 14.05.2017.

Therefore, complainant prays for refund along-with interest on the ground that respondent has not completed the project even after lapse of 13 years from the date of booking and it is not likely to be completed in near future due to mismanagement.



**C. ORAL SUBMISSIONS OF LEARNED COUNSEL FOR COMPLAINANT:**

6. At the outset, ld. counsel for complainant submitted that he had booked an apartment bearing no. J-901 measuring 1725 sq. ft. in the project namely "Ess Vee Apartment", Sector-20, Panchkula of the respondent. Total sale consideration of the flat was ₹67,70,000/- against which the complainant had paid an amount of ₹59,69,500/-. Assurance was given to the complainant that actual and complete possession of the apartment would be delivered up to March 2010. The respondent company has not completed the project till date. The complainant has been waiting since September 2011 but the respondent failed to deliver the possession of the flat as he has stopped the construction of the flat since last 6-7 years.
7. Ld. counsel for the complainant stated that he filed written arguments on 06.11.2023, wherein it is submitted that the present complaint is fully covered with **case no.865 of 2019 titled 'Mamta Gupta Versus M/s Samar Estate Pvt. Ltd.,** earlier decided vide order dated 09.10.2019 by this Authority, whereby refund has been granted to all the allottees/ complainants who filed the complaint before the Authority. He also submitted that RERA Registration of the respondent's project 'Ess Vee Apartments' situated at



Sector -20, Panchkula has also been suspended by this Hon'ble Authority vide Order dated 28.01.2020 passed in suo moto complaint no. 2807/2020.

8. Aggrieved by default on the part of respondent to fulfill his obligations, the complainant has filed present complaint seeking refund of the entire amount along with interest. Ld. counsel for the complainant stated that since director of the respondent company was confined in Jail in some other cases, no one is representing them in many other similar matters and also the project is going to be auctioned by the orders passed by Hon'ble High Court, his case may be decided on this date so that complainant's claim be also satisfied with other allottees from sale/auction proceeds of the project.

**D. RELIEF SOUGHT:**

9. In view of the facts mentioned above, the complainant pray for the following relief(s):-
- a) Direct the respondent to refund the entire amount paid till date i.e. Rs.59,69,500/- to the complainants along with interest as prescribed in Rule 15 of HRERA Rules on the amounts from the respective dates of deposit till its actual realization within 90 days as per section 18(1) of the Real Estate (Regulation and Development) Act, 2016;
  - b) Cancel the RERA registration of the project namely, "ESS VEE Apartments" of the Respondent at sector-20, Panchkula, Haryana



under RERA read with relevant rules for violating the provisions of this Act;

c) Any other relief/direction which the Hon'ble Authority deems fit as per the rules and provisions contained in the Act.

**E. REPLY:**

10. Despite successful service of notice to the respondent on 11.02.2023, respondent has not filed its reply. Today also, none has appeared on behalf of respondent. It is pertinent to note that the proceedings before the Authority are summary in nature and can be decided on the basis of the documents available on record. Sufficient opportunity has been afforded to the respondent to file reply and also to argue the matter. Since reply has not been filed and none is appearing to argue on behalf of the respondent, the Authority decides to proceed with this matter ex-parte.

**F. ISSUES FOR ADJUDICATION:**

11. Whether complainant is entitled to refund of the deposited amount along with interest in terms of Section 18 of Act of 2016?

**G. OBSERVATIONS OF AUTHORITY:**

12. On perusal of record, it is observed that despite successful service of notice 11.02.2023, none appeared on behalf of respondent nor reply has been filed. It is also observed that respondent has not been appearing in other





complaint matters related to the real estate project since almost a year. I.d. counsel for complainant has requested the Authority to decide this case today itself in terms of earlier decided cases without affording any further opportunity to the respondent. He drew the attention of Authority towards the fact that project is going to be auctioned soon and if the matter is decided it shall serve the interest of justice as complainant shall also become entitled to recover his refund amount and interest from money collected from the auction of the project. Authority observes that in such circumstances where respondent promoter is repeatedly defaulting in appearing before the Authority in numerous other cases, including the present case, even after affording sufficient opportunity, there is no point in granting further adjournment. Therefore, in the interest of justice, Authority decides to adjudicate the matter ex parte.

13. It is pertinent to mention that complainant in his complaint has asserted that project was launched in October 2007, construction too started at the same time, therefore, as per clause 32 of the flat buyer's agreement executed on 17.08.2011, respondent company was duty bound to complete construction of said project within a period of 36 months which expired in 2010 which is approximately 13 years prior to the filing of the present complaint in the Authority. However, on perusal of file it is observed that complainant has



failed to place on record any document to prove that construction of project started in October 2007. Thus, mere oral statement of complainant is not sufficient enough to establish the fact with regard to date of commencement of construction. Nevertheless, respondent executed flat buyer's agreement on 17.08.2011, and in absence of exact date of commencement of construction, it appears logical to compute 36 months from the date of execution of flat buyer's agreement. Accordingly, deemed date of possession comes to be 17.08.2014. Even by this date, respondent failed miserably to complete the construction and hand over possession of the flat to complainant.

14. Further, it is noted that Authority has on earlier occasions elucidated the fact that the present project i.e. 'Ess Vee Apartments' is unlikely to see the light of the day and has thereby allowed refund in like matters to various other allottees in the same project in bunch of cases earlier decided on 09.10.2019 with lead case bearing **Complaint No. 865 of 2019 titled as Mamta Gupta Versus M/s Samar Estate Pvt. Ltd.**, due to the following reasons:-

i. *Promoter while seeking registration of the project had disclosed that first phase of the project which was earlier scheduled to be completed in December, 2009 will be completed by December, 2019, second phase of the project which was earlier scheduled for*



completion in August, 2014 would be completed by March, 2019 and third phase of the project which was earlier scheduled to be completed in December, 2015 would be completed by December 2019. However, the promoter inspite of seeking several adjournments has not been able to arrange funds for further investment in the project and therefore it is unlikely for him to complete the project and handover possession to the allottees on the time so projected;

- ii. Promoter has mismanaged his finances and due to non-payment of loans raised from the banks and financial institutions has already incurred huge interest liability;
- iii. Promoter's interest liability will also be huge towards allottees on account of already caused delay of 4 to 10 years in completing the project and delivering possession. The allottees who have lost faith in the promoter and have been waiting of possession of their apartments for the last more than 4 to 10 years are unlikely to pay more money to the respondent.
- iv. The Town and Country Planning Department has already clarified that it cannot take over the project for completion and the



*department is only concerned with recovery of arrears of 198.65 lakhs on account of Internal Development Charges.*

*v. The allottees of the project have also expressed their inability to join together for forming an association for the purpose of taking over and completing the project.*

15. Therefore, on basis of above stated reasons, Authority is of the considered view that complainant in the captioned complaint is at parity with other complainants/allottees, which have been granted relief of refund and is hereby entitled to refund in the present matter in terms of the decision already rendered by this Authority in lead **case No. 865 of 2019** titled as ***Mamta Gupta Versus M/s Samar Estate Pvt. Ltd.***

16. Furthermore, Hon'ble Supreme Court in the matter of "***Newtech Promoters and Developers Pvt. Ltd. versus State of Uttar Pradesh and Others***" has observed that the allottee has an unqualified right to seek refund of the deposited amount if delivery of possession is not done on agreed date.

Relevant Para 25 of ibid judgment is reproduced below:

*"25. The unqualified right of the allottee to seek refund referred under Section 18(1)(a) and Section 19(4) of the Act is not dependent on any contingencies or stipulations thereof. It appears that the legislature has consciously provided this right of refund on demand as an unconditional absolute right to the allottee, if the*



*promoter fails to give possession of the apartment, plot or building within the time stipulated under the terms of the agreement regardless of unforeseen events or stay orders of the Court/Tribunal. which is in either way not attributable to the allottee/home buyer, the promoter is under an obligation to refund the amount on demand with interest at the rate prescribed by the State Government including compensation in the manner provided under the Act with the proviso that if the allottee does not wish to withdraw from the project, he shall be entitled for interest for the period of delay till handing over possession at the rate prescribed"*

17. The aforesaid decision of the Hon'ble Supreme Court settles the issue regarding the right of an aggrieved allottee such as in the present case seeking refund of the paid amount along with interest on account of non-delivery of possession of the unit on agreed date. Thus, in terms with the judgment and in view of above facts and records placed, Authority finds it to be fit case for allowing refund in favor of complainants. As per Section 18 of Act, interest shall be awarded at such rate as may be prescribed. The term 'interest' is defined under Section 2(za) of the Act which is as under:

*(za) "interest" means the rates of interest payable by the promoter or the allottee, as the case may be.*

*Explanation. -For the purpose of this clause-*

*(i) the rate of interest chargeable from the allottee by the promoter, in case of default, shall be equal to the rate of interest*



which the promoter shall be liable to pay the allottee, in case of default;

(ii) the interest payable by the promoter to the allottee shall be from the date the promoter received the amount or any part thereof till the date the amount or part thereof and interest thereon is refunded, and the interest payable by the allottee to the promoter shall be from the date the allottee defaults in payment to the promoter till the date it is paid;

Rule 15 of HRERA Rules, 2017 provides for prescribed rate of interest which is as under:

*"Rule 15. Prescribed rate of interest- (Proviso to section 12, section 18 and sub-section (4) and subsection (7) of section 19] (1) For the purpose of proviso to section 12; section 18, and sub. sections (4) and (7) of section 19, the "interest at the rate prescribed" shall be the State Bank of India highest marginal cost of lending rate 2% Provided that in case the State Bank of India marginal cost of lending rate (NCLR) is not in use, it shall be replaced by such benchmark lending rates which the State Bank of India may fix from time to time for lending to the general public".*

18. Consequently, as per website of State Bank of India i.e. <https://sbi.co.in>, the marginal cost of lending rate (in short MCLR) as on date i.e. 01.11.2023 is 8.75%. Accordingly, the prescribed rate of interest will be MCLR+2% i.e. 10.75%.



19. Accordingly, respondent will be liable to pay complainant, interest from the date amounts were paid by him till the actual realization of the amount. Hence, Authority directs respondent to refund to complainant, the paid amount of ₹59,69,500/- along with interest at the rate prescribed in Rule 15 of Haryana Real Estate (Regulation and Development) Rules, 2017 i.e., at the rate of SBI highest marginal cost of lending rate (MCLR) + 2 % which as on date works out to 10.75% (8.75% + 2%) from the date amounts were paid till the actual realization of the amount. Authority has got calculated the total amount along with interest at the rate of 10.75% till the date of this order and said amount works out to ₹ 1,07,82,079/- as per detail given in the table below:

Sr. No.	Principal Amount	Date of payment	Interest Accrued till 09.11.2023 (in Rs.)	TOTAL (in Rs.)
1.	20,00,000/-	24.08.2015	17,67,123/-	37,67,123/-
2.	7,00,000/-	04.09.2015	6,16,225/-	13,16,225/-
3.	5,00,000/-	09.09.2015	4,39,425	9,39,425/-
4.	3,00,000/-	10.09.2015	2,65,334	5,65,334/-
5.	24,69,500/-	14.05.2017	17,24,472/-	41,93,972/-
<b>Total</b>	<b>59,69,500/-</b>	-	-	<b>1,07,82,079/-</b>



It is to be noted that the complainant has lost few payment receipts except 4 which are duly annexed with the complaint from page no.16-20. However, payment of total amount of Rs.59,69,500/- made by the complainant is reflected in the letter dated 14.05.2017 and in copy of respondent builder's record uploaded on their website. Further, the complainant has filed an affidavit along-with the written arguments on 06.11.2023 as per which, he has undertaken to accept interest qua the lost receipts from the date of demand letter i.e. from 14.05.2017, wherein already paid amount of Rs.24,69,500/- is reflected and admitted to have been received by the complainant. On perusal of the said letter, it is observed that respondent acknowledges the payment of said amount of Rs.24,69,500/-. Further, copy of respondent's record which is uploaded on the website of respondent, annexed with the complaint re-affirms the fact w.r.t. payment of said amount of Rs.24,69,500/- which is further affirmed through affidavit filed by them.

20. Further, complainants are seeking relief regarding cancellation of RERA Registration of the project namely, Ess Vee Apartments, Sector-20, Panchkula under RERA. In this regard, it is observed that said relief is neither part of the pleadings nor has been pressed by the complainants during arguments. Therefore, the said relief is not allowed as not pressed.





**H. DIRECTIONS OF THE AUTHORITY:**

21. Taking into account above facts and circumstances, the Authority hereby passes this order and issues following directions under Section 37 of the Act to ensure compliance of obligation cast upon the promoter as per the function entrusted to the Authority under Section 34(f) of the Act of 2016:

- (i) Respondent is directed to refund the entire amount of Rs.1,07,82,079/- to the complainants.
- (ii) A period of 90 days is given to the respondent to comply with the directions given in this order as provided in Rule 16 of Haryana Real Estate (Regulation & Development) Rules, 2017 failing which legal consequences would follow. However, delay interest shall be payable by the respondent till the date of realization of amount paid by the complainant.
- (iii) The complaint is accordingly **disposed of**. File be consigned to record room after uploading order on the website of the Authority.



.....  
**DR. GEETA RATHEE SINGH**  
**[MEMBER]**



.....  
**NADIM AKHTAR**  
**[MEMBER]**