# BEFORE THE HARYANA REAL ESTATE APPELLATE TRIBUNAL

## Appeal No.592 of 2022

# Date of Decision: March 21, 2025

M/s MRJ Real Estate Pvt. Ltd. Through its Director Ms. Neelima Dubey, # 252-H, Kailash Plaza, Sant Nagar East of Kailash, New Delhi-110065

Appellant.

## Versus

1. M/s Sobha Developers Limited, Sarjapur-Marathali Outer Ring Road, Devarabisanahalli, Bellandpur Post, Banglore-560103, Karnataka

2. M/s Chintels India Limited, A-11, Kailash Colony, New Delhi-110048

3. M/s QVC Realty Co. Limited, 619, aceron Tervezo, First Floor, 17<sup>th</sup> A Cross, 6<sup>th</sup> Ba Main Indiranagar, 2<sup>nd</sup> Stage, Bengaluru-560038, Karnataka

Respondents

Present : Mr. Arun Sharma, Advocate for the appellant. Mr. Jitender Malik, Advocate for the respondents.

## CORAM:

Justice Rajan Gupta Rakesh Manocha Chairman Member (Technical) (Joined through VC)

## ORDER:

## RAJAN GUPTA, CHAIRMAN (ORAL):

\_ Challenge in this appeal is to order dated 11.05.2022, passed by the Authority<sup>1</sup>, operative part whereof reads as under:

"At this stage, the complainant has approached the Authority seeking directions to the respondent No. 3 to refund the amount of the amount forfeited by respondent No. 3.

<sup>&</sup>lt;sup>1</sup> Haryana Real Estate Regulatory Authority, Gurugram

Accordingly, it is directed to the complainant to make the entire remaining payment of the unit due and payable to the respondent No. 3 within the period of 2 months from the date of order along with the applicable interest. In case, the complainant fails to make the entire payment due towards the unit in terms of the Unit Buyer Agreement, the respondent No. 3 is at liberty to cancel the allotment of the unit after forfeiting 10% of the total sale consideration."

2. It appears that the appellant purchased a unit from the respondent-builder in the project in question. Admittedly, Unit Buyer Agreement was executed between the parties on 29.08.2013 and the project made headway. Possession of the unit was offered to the complainant vide letter dated 1.10.2018 subject to payment of outstanding dues. However, due to nonpayment thereof, allotment of the unit was cancelled. As a result, the complainant approached the Authority at Gurugram seeking refund of the entire amount remitted by it. Same was disposed of on 11.05.2022 with the direction as contained in opening paragraph of this order, as per which the complainant was directed to make the entire payment of the unit within two months failing which the respondent-builder was given liberty to cancel the unit after forfeiting 10% of the total sale consideration. Admittedly, the complainant failed to make payment within two months as per order of the Authority.

3. Learned counsel for the appellant submits that he would be satisfied if refund of the amount is made in terms of the order passed by the Authority. His only grouse is that applicable interest, as admissible, should be paid from the date of earlier cancellation along with refundable amount. 4. Learned counsel for the respondents has opposed the aforesaid plea.

5. We have considered the respective contentions and given due consideration to the facts of the case.

6. As the allottee chose not to make payment in terms of the order passed by the Authority, the promoter was at liberty to cancel the unit after forfeiting 10% of the sale consideration. The order was conditional in nature. On nonpayment of the balance amount payable to the promoter, the alternative order became operative. It was thus at liberty to cancel the same after forfeiting 10% of the amount. We, however, find substance in the plea of Mr. Arun Sharma that the allottee would be entitled to interest on the refundable amount. This interest, however, cannot be paid from the date of earlier cancellation i.e. 1.10.2018, as the same stood superseded by subsequent order passed by the Authority on 11.05.2022. As two months' time was granted to the complainant to make payment, interest would be payable from the date of expiry of two months from 11.05.2022 which comes to 11.07.2022. Interest be paid at the admissible rate.

7. The appeal is partly allowed in the above terms.

8. File be consigned to the record.

Justice Rajan Gupta Chairman Haryana Real Estate Appellate Tribunal

> Rakesh Manocha Member (Technical) (Joined through VC)

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