



HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

Complaint no.:	1575 of 2023
Date of filing:	24.07.2023
First date of hearing:	31.08.2023
Date of decision:	04.08.2025

Naveen Gupta, S/o Mr. S.G Gupta,
R/o A-32, PKT-00, MIG-60 Mtrs Plot,
Sector-2, Rohini, Delhi-110085.

.....COMPLAINANT

Versus

SRS Real Estate Ltd.
SRS Tower, 144, 1st Floor, Near Metro Station Mewla Maharaj Pur,
Delhi- Mathura Road, Faridabad, 121003..
Also: SRS Multiplex, Top Floor City Centre,
Sector-12, Faridabad.

.....RESPONDENT

CORAM: Nadim Akhtar Member

Chander Shekhar Member

Present: - None present for the complainant.

None present for the respondent.

ORDER (NADIM AKHTAR - MEMBER)

1. Present complaint has been filed by the complainant on 24.07.2023 under Sections 31 of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred as RERA, 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 RERA, 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 project, sale consideration, amount paid by the complainant, date of proposed handing over the possession, delay period, if any, have been detailed in the following table:

S.No.	Particulars	Details
1.	Name of the project	SRS Palm Homes, Sector-7, Palwal, Haryana
2.	Name of the promoter	SRS Real Estate Limited
3.	Flat No. allotted	708, Tower C2, Type A
4.	Date of allotment	25.04.2015
6.	Date of execution Builder Buyer Agreement	16.01.2016



8.	Due date of offer of possession	25.04.2019
9.	Possession clause in Flat Buyer Agreement	<i>Clause 19: Possession of flat shall be offered within a period of four years from the date of approval of building plans or grant of environmental clearance, whichever is later and within such extended time (if any) as may be allowed by competent authorities.</i>
10.	Total sale consideration	₹15,81,978/- (as per demand letter)
11.	Amount paid by the complainant	₹5,93,242/- (as proved during hearing on 07.07.2025)
12.	Offer of possession	Not given till date.

B. FACTS OF THE COMPLAINT

3. Case of the complainant is that complainant had applied for a flat in an Affordable Group Housing project namely; "SRS Palm Homes" being developed by respondent SRS Real Estate Ltd. at Sector-7, Palwal, Haryana.
4. In pursuance to the draw of lots, respondent allotted unit no. PH/C2/A/708, Type A in "SRS Palm Homes" and builder buyer agreement was executed between the parties on 16.01.2016 which is attached at page no. 28 of complaint.



5. Respondent raised demand letters for payment of the part of the consideration amount and in a bonafide belief, complainant made payment of ₹5,93,242/- towards the basic cost of unit on various dates and as per the demands raised by the respondent. Copies of payment receipts are annexed as Annexure C-4 and further payments proved through demand letter attached with application dated 02.01.2025.
6. That despite monetary payment against the said unit, respondent has not developed the project against which the payment has already been received. That repeated requests were made to the respondents to inform and update the complainant as to when the possession of the flat would be handed over? However, respondent failed to provide any meaningful respond to the queries of the complainant.
7. Complainant being aggrieved by the conduct of the respondent, has filed the present complaint before the Authority for seeking certain reliefs as prayed in the present complaint.

C. RELIEFS SOUGHT

8. Complainant has sought following reliefs :
 - (i) Possession of flat at early date whether
 - (ii) Alternate accommodation in any of their habitable property in NCR till possession of my said flat, whether
 - (iii) Payment of ₹29,69,499/- till date to be paid immediately. Whether



(iv) Adjustment of ₹29,69,499/- in any of their residential accommodation ready to move in

9. Vide application dated 14.05.2025, complainant sought amendment of his relief clause. Now, complainant prays for following reliefs:

(i) Refund of paid amount alongwith interest as SBI highest MCLR rate + 2% interest.

(ii) Compensation.

D. REPLY ON BEHALF OF RESPONDENT

10. Notice was served to the respondent on 26.07.2023, which got successfully delivered on 31.07.2023. Despite giving many opportunities and passing of a period of more than 2 years, the respondent failed to submit reply till date. The Real Estate (Regulation and Development) Act, 2016, is a beneficial legislation aimed at providing speedy and efficacious redressal to grievances of allottees and other stakeholders. In furtherance of this objective, proceedings before the Authority have been made summary in nature. Such expeditious adjudication is achievable only if the parties involved, both the complainant and the respondent, submit their pleadings in a time-bound manner.

11. Authority vide its order dated 07.07.2025, directed to office to send amendment application dated 14.05.2025 on the fresh email address provided by promoter. The same was complied and an email was sent



to the respondent on 25.07.2025, which got successfully delivered. However, no reply has been filed by the respondent till date.

12. In light of the respondent's repeated non-compliance despite availing numerous opportunities and keeping in consideration the summary procedure, the Authority deems it appropriate to strike off the respondent's defence and proceed to decide the present complaint ex-parte, as per record available on the file.

E. ARGUMENTS OF LEARNED COUNSEL FOR COMPLAINANT AND RESPONDENTS

13. Today, no one has put in appearance on behalf of complainant and respondent.

14. It is to mention that during the course of hearing on 28.07.2025, Complainant stated that complainant wants refund of amount paid to the respondent and to prove the payment he had filed an application dated 02.01.2025. Perusal of payments receipts and applications on record, reveals that complainant sought refund of an amount ₹5,93,242/- alongwith interest. To prove this amount complainant had attached receipts of ₹3,73,242/-. Further demand letter dated 06.10.2016 issued by the respondent is attached, mentioning therein the total amount received by respondent as ₹5,93,242/-. Authority inquired from the complainant as what date is to be taken for calculation of interest on balance amount of ₹2,20,000/-. To this,



complainant stated that date of demand letter be taken as date of payment for calculation of interest as the paid amount is accepted by the respondent in the said letter.

F. ISSUE FOR ADJUDICATION

15. Whether the complainant is entitled to refund of the amount deposited by him along with interest in terms of Section 18 of RERA, Act of 2016?

G. OBSERVATIONS AND DECISION OF THE AUTHORITY

16. The Authority has gone through the submissions made by complainant in the complaint. In light of the background of the matter, Authority observes that complainant booked flat in the project "SRS Palm Homes" which is an Affordable Housing Scheme being developed by the respondent/promoter namely; SRS Real Estate Ltd. and complainant was allotted Flat no. 708, Tower C2, Type A, having carpet area 431.437 sq. ft in the said project at Sector-7, Palwal, Haryana on 25.04.2015 (as mentioned on page no.28 of complaint). Flat buyer agreement was executed between the parties on 16.01.2016, annexed at page no.28 of complaint. Complainant had paid a total sum of ₹5,93,242/- against the basic sale consideration price of ₹15,81,978/- as per demand letter 06.10.2016. As per clause 19 of Flat buyer agreement possession was to be offered within 4



years from date of sanction of building plans or receipt of environmental clearance whichever is later.

17. As neither any reply has been filed by the respondent till date nor complainant provided any dates of approval of building plans or grant of environment clearance in his pleadings, therefore, in absence of date of approval of building plans and environmental clearance it is appropriate to take period of 4 years from the date of allotment, i.e, 25.04.2015 as a reasonable time to complete development works in the project and handover possession to the allottee. Thus, the deemed date of possession comes to 25.04.2019.
18. On 04.03.2024, Mr. Sham Arora, Interim Resolution Professional (IRP) during the course of hearing stated that as per NCLT order dated 22.12.2022, Corporate Insolvency Resolution Process (CRIP) is against the respondent company and the scope of IRP is limited to project 'SRS Royal Hills', Phase-II, located at village Baselwa, sector-87, Faridabad. In present complaint, Mr. Shyam Arora had submitted an application dated 15.12.2023, mentioning the order dated 30.05.2024 passed by Hon'ble NCLT (Chandigarh) titled as "*LIC Housing Finance Limited versus SRS Real Estate Limited*" whereby it is clarified that insolvency proceedings are only limited to the project namely; SRS Royal Hills Phase-II, Sector-87, Faridabad.



19. Facts remain that respondent was duly served notices but no replies have been filed by them till date. Further, no one appeared today as well as in all previous hearings to rebut the claim of complainant. Complainant is interested in seeking refund alongwith interest and Authority observes that the respondent has severely misused its dominant position in neither offering possession of the flat or refund of paid amount with interest to the complainant. The due date of possession of flat as explained above was 25.04.2019. Now, even after lapse of 6 years respondent has not issued valid offer of possession till date. Respondent has not even specified the valid reason/ground for not offering the possession of the booked flat.
20. Period of 4 years is a reasonable time to complete development works in the project and handover the possession to the allottees. The project of the respondent is of an affordable group housing colony and allottees of such project are supposed to be mainly middle class or lower middle class persons. After paying his hard earned money, legitimate expectations of the complainant would be that possession of the flat will be delivered within a reasonable period of time. However, respondent has failed to fulfill its obligations as promised to the complainant. Thus, complainant is at liberty to exercise his right to withdraw from the project on account of default on the part of



respondent to offer legally valid possession and seek refund of the paid amount along with interest as per section 18 of RERA Act.

21. Further, Hon'ble Supreme Court in the matter of "*Newtech Promoters and Developers Pvt. Ltd. versus State of Uttar Pradesh and others*" in Civil Appeal no. 6745-6749 of 2021 has highlighted that the allottee has an unqualified right to seek refund of the deposited amount if delivery of possession is not done as per terms agreed between them. Para 25 of this judgement 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."



The decision of the 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 delayed delivery of possession. The complainant wishes to withdraw from the project of the respondent, therefore, Authority finds it to be fit case for allowing refund in favour of complainant.

22. The definition of term 'interest' is defined under Section 2(z) 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;



23. 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 (MCLR) 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".

24. Consequently, as per website of the State Bank of India, i.e., <https://sbi.co.in>, the highest marginal cost of lending rate (in short MCLR) as on date, i.e., 04.08.2025 is 8.90%. Accordingly, the prescribed rate of interest will be MCLR + 2% i.e., 10.90%.

25. From above discussion, it is amply proved on record that the respondent has not fulfilled its obligations cast upon him under RERA Act, 2016 and the complainant is entitled for refund of deposited amount along with interest. Therefore, Authority allows refund of paid amount along with interest to the complainant 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



10.90% (8.90% + 2.00%) from the date amounts were paid till the actual realization of the amount. Authority has got calculated the total amount along with interest as per detail given in the table below:

Sr.no	Principal amount in ₹	Date of payments	Interest accrued till 04.08.2025 in ₹
1.	₹80,000/-	20.05.2015	₹89,111/-
2.	₹2,10,000/-	25.05.2015	₹2,33,603/-
3.	₹65000/-	27.05.2015	₹72,267/-
4.	₹18242/-	30.01.2016	₹18,930/-
5.	₹2,20,000/-	06.10.2016	₹2,11,878/-
	Total= ₹5,93,242/-		₹6,25,789/-
Total amount to be refunded by respondent to complainant = ₹5,93,242/- + ₹6,25,789/- = ₹12,19,031/-			

26. Further, the complainant is seeking compensation. It is observed that Hon'ble Supreme Court of India in Civil Appeal Nos. 6745-6749 of 2027 titled as "*M/s Newtech Promoters and Developers Pvt Ltd. V/s State of U.P. & ors.*" (supra.), has held that an allottee is entitled to claim compensation & litigation charges under Sections 12, 14, 18 and Section 19 which is to be decided by the learned Adjudicating Officer as per section 71 and the quantum of compensation & litigation expense shall be adjudged by the learned Adjudicating Officer having due regard to the factors mentioned in Section 72. The adjudicating officer has exclusive jurisdiction to deal with the complaints in respect of compensation & legal expenses. Therefore,



the complainants are advised to approach the Adjudicating Officer for seeking the relief of litigation expenses

H. DIRECTIONS OF THE AUTHORITY


27. The Authority hereby passes this order and issue 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 paid amount of ₹5,93,242/- with interest of ₹6,25,789/- to the complainant.

It is further clarified that respondents will remain liable to pay interest to the complainant till the date of actual realization of the amount.

(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.

Disposed off. File be consigned to record room after uploading of the order on the website of the Authority.


CHANDER SHEKHAR
[MEMBER]


NADIM AKHTAR
[MEMBER]