



## HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: [www.haryanarera.gov.in](http://www.haryanarera.gov.in)

Complaint no.:	774 of 2024
Date of filing.:	04.06.2024
First date of hearing.:	06.08.2024
Date of decision.:	05.08.2025

Sunil Dutta Sharma  
R/o 892/1, Gali No. 3, near sneh hospital  
Ashok Vihar, Railway Road, Gurgaon,  
Haryana-122001

....COMPLAINANT

VERSUS

1. Choice Real Estate Developers Pvt. Ltd,  
Vipul Techsquare, Golf Course Road,  
Sector-43, Gurgaon, Haryana -122009

2. Vipul limited  
Vipul Techsquare, Golf Course Road,  
Sector-43, Gurgaon, Haryana -122009

....RESPONDENTS

**CORAM:**

**Dr. Geeta Rathee Singh**

**Member**

**Chander Shekhar**

**Member**

**Present: -**

Mr. Kunal Thappa, Learned counsel for the complainant  
through telephonic call.

Mr. Vineet Sehgal, Learned counsel for the respondents  
through telephonic call

**ORDER (DR. GEETA RATHEE SINGH - MEMBER)**

1. Present complaint has been filed 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 project, details of 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.	Pratham Apartments, Sector-10 A, at Village Bawal, Rewari, Haryana.
2.	Nature of the project.	Group Housing Complex.
3.	RERA Registered/not registered	Registered vide no. 38 of 2018
4.	Details of the unit.	303, 3rd Floor, Tower 03,



5.	Date of Allotment	16.08.2013
6.	Date of plot buyer agreement	11.02.2014
7.	Possession clause in floor buyer agreement	Clause 8.1 :Subject to terms of this clause and subject to the Vendee having complied with all the terms and conditions of this Agreement and not being in default under any of the provisions of this Agreement and complied with all provisions, formalities, documentation etc., as prescribed by the Vendor, and all just exceptions, the Vendor based on its present plans and estimates shall endeavour to hand over the possession of the Flat within a period of 60(Sixty) months from the date of signing of this Agreement. The Vendee agrees and understands that the Vendor shall be entitled to a grace period of 90 days. after the expiry of 60 (Sixty) months, for applying and obtaining the occupation certificate in phases in respect of the different towers of the Group Housing Complex.
8.	Due date of possession	11.02.2019
8.	Total sale consideration	₹23,35,627/-
9.	Amount paid by complainant	₹21,50,247/-
10.	Offer of possession.	None





- Rathee

7. That complainant had deposited the complete amount which was demanded by the respondent in terms of payment schedule. However, despite having received the huge amount, respondents have failed to deliver possession of the booked unit to the complainant. Upon site visit, it was revealed that the construction of Tower 03, in which the unit of the complainant is situated, has not been completed and that the unit itself is uninhabitable. No development works are being carried out at the site and there is no progress regarding the development of the project since the past many years. Further, the complainant was not allowed to take photographs of the unit and/ or project by the security guards present at the site. As per agreement possession of the unit should have been delivered by 11.02.2019 however, till date, the respondents have failed to complete the construction of the project and issue an offer of possession. None of the facilities as promised in the builder buyer agreement have been constructed at the site.
8. At the time of registration with the Authority, the respondents have disclosed that basic amenities are yet to be made available at the site. In the application dated 27.07.2019, respondents had stated that the possession of the unit will be handed over by 31.03.2020. As is evident, the respondents are not in a position to deliver possession of the booked unit in foreseeable future. The whole project is at stand still and no construction work has been going since past many years. Such conduct amounts to serious deficiency. Respondents have been unfairly utilizing the huge amount paid



by the complainant. Complainant has been devoid of his hard earned money and without possession of the booked unit.

9. Therefore, the complainant has filed the present complaint seeking refund of paid amount along with interest in terms of RERD, Act 2016 and Rules therein.

### **C. RELIEF SOUGHT**

10. In view of the facts mentioned above, the complainants pray for the following reliefs):-

- i. To direct the respondents (jointly and severally) to refund the complete amount which has been deposited with the respondents by the complainant with interest from the actual date of deposit of each payment as per the Real Estate (Regulation & Development) Act, 2016 R/w Haryana Real Estate (Regulation & Development) Rules, 2017 at the rate prescribed under the Act. Calculation sheet is annexed herewith as ANNEXURE C-5.
- ii. Any other relief or claim which the Hon'ble Authority deems appropriate.

### **D. REPLY SUBMITTED ON BEHALF OF RESPONDENT**

Learned counsel for the respondent filed detailed reply on 03.12.2024 pleading therein:





11. That the respondents had purchased a land admeasuring 9.60 acres situated within the revenue estate of village Bawal, Sector-10 A, Tehsil & District, Rewari, Haryana with a view to promote and develop a group housing colony known as "Pratham Apartments".
12. Complainant, desirous of purchasing a unit in the aforesaid project approached the respondents. After being satisfied in all respects the complainant vide application made in 2013 had applied for provisional registration of a residential unit in the aforesaid group housing complex. At the time of application, the complainant had opted for construction linked payment plan.
13. Respondent company in furtherance of the application form so submitted by the complainant and the earnest money so received from the complainant, accordingly made the provisional allotment of residential flat bearing No. 303 in Tower-3 at 3rd floor, in the aforesaid group housing in favor of complainant. It is further submitted that the respondent company along with said allotment letter had sent the terms and conditions for allotment of flat as well as schedule of payment which was construction linked plan, as opted by the complainant. The allotment letter, terms and conditions for allotment of flat were voluntarily agreed by the complainant.
14. That thereafter, a builder buyer's agreement was executed between the complainant and the respondents on 11.02.2014. As per clause 8.1 of the floor buyer's agreement, possession of the unit was proposed to be handed



over within a period of 60 months from the date of execution of the said agreement along with a grace period of 90 days.

15. Respondent has made every endeavor to complete the construction of the project well within time. It is because of these efforts that the project has reached near completion but due to force majeure conditions the development works of the project have been delayed. Respondent had duly intimated the complainant with regard to various restrain orders having been passed against the construction activities by the Hon'ble NGT on various occasions, which ultimately acted like force majeure and caused unwanted delay in finishing the project. Further, in the present scenario of Covid-19 pandemic the construction activities on all the project sites have virtually stalled since March 2020 and the same has caused delay in finalizing the development works and handing over the possession of the unit to the complainant. The intimation of same was duly sent to the complainant but the said fact has been concealed by the complainant while filing the present complaint.
16. The development work of the project is in its final stage and shortly the respondent will approach the DTCP, Haryana, for grant of occupation certificate. Once the project is near completion the complainant cannot be allowed to withdraw from the same, as per the law settled in various cases and also as per the principles of equity as further hindrance will be caused to the respondent in completing the project.





17. During the course of arguments, learned counsel for the respondent confirmed that the project is yet to receive an occupation certificate.

#### **E. ISSUES FOR ADJUDICATION**

18. Whether the complainants are entitled to refund of the amount deposited with the respondent along with interest in terms of Section 18 of Act of 2016?

#### **F. FINDINGS AND OBSERVATIONS OF THE AUTHORITY**

19. Factual matrix of the captioned complaint reveals that the complainant had booked a residential unit in the project of the respondent namely "Pratham Apartments" situated in Bawal, Sector 10 A, District Rewari, Haryana . Vide allotment letter dated 16.08.2013 complainant was allotted a unit bearing No. 303 on 3rd Floor in Tower 03, measuring 818 sq ft. super area( later reduced to 765 sq. ft) was allotted to the complainant. The total sale consideration of the unit was ₹ 23,35,627/- against which the complainant has paid an amount of ₹21,50,247/-. As per clause 8.1 of the builder buyer agreement dated 11.02.2014, possession of the unit was to be delivered within a period of 60 months from the date of execution. Said period expired on 11.02.2019. The respondents were granted a further grace period of 90 days for applying and obtaining the occupation certificate in phases in respect of the different towers of the Group Housing Complex. Complainant is aggrieved by the fact that despite a lapse of more than 6 years from the proposed deemed date of



possession, respondent is not in a position to deliver possession of the booked unit as the construction work is not complete at the project site.

20. Admittedly delivery of possession has been delayed beyond the stipulated time. Complainant had booked the unit in question in the year 2013. As per builder buyer agreement dated 11.02.2014, possession of the unit should have been delivered within a period of 60 months from the date of execution of builder buyer agreement. The agreement further provides that the promoter shall be entitled to a grace period of 90 days after expiry of 60 months for filing and pursuing the grant of occupation certificate in respect of different towers of group housing complex. It is observed that a 90 days grace period was provided in the agreement solely for the purpose of obtaining occupation certificate for the tower. It is a matter of fact that till date the construction works are not complete at the site of the project, thus the respondent is not entitled to a grace period of 90 days. As per the settled principle no one can be allowed to take advantage of its own wrong. Accordingly, this grace period of 90 days cannot be allowed to the promoter. Hence, the deemed date of possession shall be considered to be 60 months from the date of signing of the builder buyer agreement which comes out to be 11.02.2019 .

The respondent has submitted that sincere efforts were made to complete the construction of the project and handover possession to the complainant within stipulated time, however, there was a delay in the construction of



project delay and subsequent delivery of possession due to force majeure conditions. Respondent has submitted that the National Green Tribunal, New Delhi had put a ban on construction activities in the National Capital Region whereby construction work in the entire NCR was stayed on many occasions which was duly intimated to the complainant. However, respondent has failed to attach a copy of the order of the National Green Tribunal banning the construction activities to substantiate its claim regarding the same. There is no document placed on record to prove as to when and for how much period of time the ban by NGT was imposed on construction due to which the development of the project had been halted. In absence of any proof, benefit of such circumstances cannot be awarded to the respondent. Furthermore, respondent has cited COVID-19 as force majeure condition banning construction activities thus causing a delay in construction of the project. In this regard it is observed that the COVID-19 outbreak hit construction activities post 22nd March 2020, whereas the delivery of possession of the unit in question was to be handed over by 11.02.2019. Therefore, as far as delay in construction due to outbreak of Covid-19 is concerned, respondents cannot be allowed to claim benefit of COVID19 outbreak as a force majeure condition. Further, reliance is placed on judgement passed by Hon'ble Delhi High Court in case titled as **M/s Halliburton Offshore Services Inc. vs Vedanta Ltd & Anr. bearing OMP (1) (Comm.) No. 88/2020 and I.A.s 3696-3697/2020 dated 29.05.2020** has observed that:





*“69. The past non-performance of the contractor cannot be condoned due to Covid-19 lockdown in March, 2020 in India. The contractor was in breach since September, 2019. Opportunities were given to the contractor to cure the same repeatedly. Despite the same, the contractor could not complete the project. The outbreak of pandemic cannot be used as an excuse for non-performance of a contract for which the deadline was much before the outbreak itself.*

*The respondent was liable to complete the construction of the project and the possession of the said unit was to be handed over by September, 2019 and is claiming the benefit of lockdown which came into effect on 23.03.2020, whereas the due date of handing over possession was much prior to the event of outbreak of Covid-19 pandemic. Therefore, Authority is of view that outbreak of pandemic cannot be used as an excuse for non-performance of contract for which deadline was much before the outbreak itself”*


Respondent cannot be allowed to take the plea of force majeure conditions towards delay caused in construction of the project/delivery of possession as the same did not affect the construction activities at the site of the project during the proposed possession timeline.

21. Fact of the matter is that even after a lapse of 6 years from the proposed date of delivery of possession i.e 11.02.2019, the construction of the project is not complete and the respondents are not in a position to handover possession in foreseeable future. Respondents have submitted that the construction of the project is in final stages and that an application for grant of occupation certificate will be filed shortly with the concerned



department. However, respondents have failed to give a fixed timeline as to when the possession will be delivered. Learned counsel for the respondents has admitted that occupation certificate is yet to be received. In such circumstances, the complainant cannot be forced to wait further for delivery of possession of the booked unit for an indefinite amount of time for a unit for buyer's agreement was executed back in 2014. Complainant in this case does not wish to continue with the project on account of inordinate delay caused in delivery of possession and is hence seeking refund of paid amount along with interest as per RERD Act 2016. Authority observes that the relief of refund was allowed in similar cases against the same project of the respondent where the facts and issues were similar. Vide order dated 07.12.2022 passed in lead **Complaint no. 389 of 2021 titled "Meenakshi Kamboj vs. Choice Real Estate Developers Pvt. Ltd."**, Authority has specifically stated that respondent has failed to deliver the possession to the complainants even after inordinate delay from the due date of possession and allottees cannot be made to wait for possession for an indefinite period.

22. 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(S). 6745 6749 OF 2021 has observed that in case of delay in granting possession as per agreement for sale, the allottee has an





unqualified right to seek refund of amounts paid to the promoter along with interest. 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.”*

23. 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, the Authority finds it to be a case fit for allowing refund in favour of the complainant. So, the Authority hereby concludes that complainant is entitled to receive a refund of the paid amount along with





interest as per Rule 15 of IRERA Rules 2017 on account of failure on part of the respondent. As per Section 18 of the RERA Act, interest shall be awarded at such rate as may be prescribed. The definition of term 'interest' is defined under Section 2(z) of the Act which is as under:

*(z) "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 IRERA Rules, 2017 provides for prescribed rate of interest which is as under:

***"Rule 15: "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"*



24. Hence, Authority directs respondent to refund to the complainant the paid amount 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 10.90% 8.90% + 2.00%) from the date amounts were paid till the actual realization of the amount.
25. Authority has got calculated the interest on total paid amount from date of payments till date of order(i.e 05.08.2025) and same is depicted in the table below:

Sr. No.	Principal Amount (in ₹)	Date of Payment	Interest Accrued till date of order i.e 05.08.2025 (in ₹)
1.	335202	16.08.2013	437744
2.	223470	27.09.2013	289029
3.	286863	12.11.2013	367079
4.	213493	21.08.2014	255213
5.	158218	16.12.2014	183608
6.	158218	18.02.2015	180584
7.	104495	14.05.2015	116614
8.	104911	25.07.2015	114823
9.	104911	03.11.2015	111659
10.	105038	25.01.2016	109190
11.	105924	06.09.2016	102994



12.	105924	02.11.2016	101191
13.	8632	07.12.2016	8156
14.	134948	12.03.2018	108970
<b>Total: 21,50,247/-</b>			<b>24,86,854/-</b>
<b>Total payable to complainant: 46,37,101/-</b>			

## F. DIRECTIONS OF THE AUTHORITY

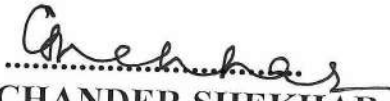
26. Hence, the Authority hereby passes this order and issues following directions under Section 37 of the Act to ensure compliance of obligation cast upon the promoter as per the function entrusted to the Authority under Section 34(f) of the Act of 2016:


- i. Respondent is directed to refund the entire amounts along with interest of @ 10.90% ₹ 46,37,101/- to the complainant as specified in para 25 of this order. Interest shall be paid up till the time period under section 2(z) i.e till actual realization of 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.





27. **Disposed of.** File be consigned to record room after uploading on the website of the Authority.

  
.....  
**CHANDER SHEKHAR**  
**[MEMBER]**

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