HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

Complaint no.:	**2016 of 2024**
Date of filing:	**08.01.2025**
Date of first hearing:	**06.03.2025**
Date of decision:	**11.09.2025**

Jagjit Kaur W/o Late Sh. Surinder Paul Singh Sethi
R/o 47-D, Kamla Nagar, Second floor,
New Delhi-110007

....COMPLAINANT

VERSUS

1. Vatika Limited.
Vatika Triangle, 4th floor, Sushant Lok Phase-I
Block-A, MG Road, Gurugram-122002
2.Vatika Landbase Private Limited.
Vatika Triangle, 4th floor, Sushant Lok Phase-I
Block-A, MG Road, Gurugram-122002

....RESPONDENTS

CORAM: **Parneet Singh Sachdev** **Chairman**

Nadim Akhtar **Member**

Present: - Mr. Mihir Garg Counsel for the complainant through VC.
Ms. Vertika H. Singh, Counsel for the respondent through VC.

ORDER(PARNEET S. SACHDEV-CHAIRMAN)

1. Present complaint was filed by the complainant on 08.01.2025 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, the details of sale consideration, the 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	Commercial Building "Vatika Infotech, Vatika Mindscapes", Sector-27-B, Faridabad
2.	RERA registered/not registered	Registered bearing no. 196 of 2017 dated 15.09.2017
3.	DTCP License no.	1133 of 2006.
	Licensed Area	8.79 acres

4.	Unit no.	218, Tower-D
5	Unit area	1500 sq. ft.
6.	Date of builder buyer agreement executed with respondent no. 2.	12.01.2007
7.	Due date of offer of possession	01.08.2008
8.	Possession clause	Clause 6 *The complex shall be ready for possession by 1st August,2008. The developer shall issue a notice in writing to every allottee for taking over possession. All the possessions, subject to the payment of entire consideration along with any other dues payable by the allotee to the developer shall be handed over by 1st August,2008.*
9.	Total sale consideration	₹ 69,00,000/-
10.	Amount paid by complainant	₹ 94,65,000/-
11.	Offer of possession	Not given.
12.	Occupation certificate	19.05.2020.

B. FACTS OF THE COMPLAINT

3. Complainant along with co-allotee Mr. Surinder Singh Sethi booked a commercial unit bearing unit no. 218, measuring 1500 sq. ft. in the block-C-II on 2nd floor of the project namely, 'Vatika Infotech' located at Mathura road, Faridabad being promoted by the respondent no. 2 at agreed sale

consideration price of ₹69,00,000/- by the virtue of builder buyer agreement dated 12.01.2007. Copy of said agreement is annexed as Annexure-4.

4. That complainant in total had paid a sum of Rs.94,65,000/- and receipt of said amount dated 10.01.2007 is annexed as Annexure-1. Respondents are jointly responsible for developing the project in question as said project is registered under the name of respondent no. 1 while the builder buyer agreement was executed with the respondent no. 2, i.e. respondents have jointly and collusively trapped the innocent complaint and thus both the respondents are jointly liable to refund the hard earned money of the complainant.

5. That the possession of the unit was to be provided by 2008, however, contrary to the same till date OC/CC of the project has not been received by the respondent despite passing of almost 2 decades since the date of booking. Respondents have failed to complete the construction of the project in a timely manner, thereby the complainant is entitled to get the refund of her hard earned money along with interest.

6. That in 2012 the husband of the complainant left for his heavenly abode in the wait of the possession of the unit and resultantly the space was mutated in the name of complainant. Copy of the name change documents in favor of the complainant is annexed as Annexure-5. In December,2014 the complainant

after waiting for more than 7 years received letter dated 17.12.2014 from the respondent no. 2 and was under impression that her wait has finally came to an end and she would get the possession of the unit, however the said letter was nothing but an intimation of Tower change of the unit from Tower-C to Tower-D. It is pertinent to state that said change was done unilaterally. Copy of the letter dated 17.12.2014 sent by respondent no. 2 is annexed as Annexure-6.

7. That in July,2023 the respondent no. 1 sent a letter dated 03.07.2023 to the Complainant under the garb of giving possession of the unit whereby the respondent no. 1 vaguely stated about the registration of the unit, yet failed to provide the details of particulars of OC/CC. Such fact broke and shattered all hopes and dreams of the complainant and the complainant got frustrated and broken with the continuous defaults on the part of the respondents and immediately sought for refund of the money as it had already been more than 17 years yet the respondents failed to provide the possession of the space to the complainant.

8. That the complainant herein is constraint and left with no option but to file the present complaint seeking refund of the paid amount with interest along with payment of the committed returns.

C. RELIEFS SOUGHT

9. Complainant in her complaint have sought following relief:

   i. Direct the Respondents to refund the entire amount paid by the complainant along with interest @SBI MCLR+2% as the respondents are liable for violation of section 18,12 and 14 of RERA Act,2016.

   ii. Direct the respondents to pay the Assured Returns to the complainant as per terms of the agreement.

   iii. Pass any other order(s) as this Hon'ble Authority may deem just and proper in the facts and circumstances of the case.

D. REPLY SUBMITTED ON BEHALF OF RESPONDENTS

Learned counsel for the respondents filed a detailed reply on 12.06.2025 pleading therein:

10. Respondent has challenged the maintainability of the complaint on following grounds:-

    a. That the reliefs being claimed by the complainant cannot be said to fall within the realm of jurisdiction of this Ld. Authority. It is submitted that upon the enactment of the Banning of unregulated deposit schemes Act, 2019 (hereinafter referred as BUDS Act) the 'Assured return' and/or any 'Committed returns' on the deposit

schemes have been banned. Respondent company having not taken registration rom SEBI Board cannot run, operate, continue an assured return scheme. The implications of enactment of BUDS Act read with the Companies Act,2013 and Companies Rules 2014 resulted in making the assured return/committed return and similar schemes as unregulated schemes as being within the definition of 'Deposit'. As a matter of fact, the complainant was duly paid a huge amount of assured returns till September,2018.

b. That this Ld. Authority not being a Civil Court could not assert to itself the jurisdiction to grant specific performance of the 'Assured return' which is a relief under the Specific Performance Act,1963.

c. That the complainant is praying for the relief of 'Assured return' which is beyond the jurisdiction of this Ld. Authority.

11. That the project of respondent consists of total 4 towers, i.e., Tower A, B, C and D. That out of these four towers, the respondent Company has already received the Occupation certificate for Tower A, B and D and these towers are fully operational. Construction of said tower 'D' is already complete. Intimation regarding completion of construction work of Block-D was sent to the complainant vide letter dated 12.03.2018. Copy of occupation certificate

dated 19.05.2020 issued to Block-D are being annexed herewith as Annexure R-7.

12. Further with regard to prayer of refund, since respondent had already received occupancy certificate for the unit in question, the refund in no manner be allowed by the Authority.

13. That the agreement between the parties was in form of investment agreement and the complainant had made investment in the project of the respondent by purchasing a unit for speculative gains and not for getting possession of unit which is evident from clause IV of allotment letter. Therefore, there does not exist relation of allotees and promoter between the parties as complainant herein are not allottees but mere investors.

14. That the commercial unit of the complainant is not meant for physical possession as the said unit is only meant for leasing the said commercial space for earning rental income. Furthermore, the said commercial space shall be deemed to be legally possessed by the complainant as per the agreement.

15. Further, Hon'ble High Court of Punjab and Haryana in CWP no. 26740 of 2022 titled "Vatika Limited vs Union of India & Ors" took the cognizance in respect of banning of Unregulated Deposits Schemes Act, 2019 and restrained the Union of India and the State of Haryana from taking coercive steps in criminal cases registered against the company for seeking recovery against

deposits till next date of hearing. Said matter is listed before the Hon'ble High Court for 25.08.2025. That once Hon'ble High Court has taken cognizance and State of Haryana has notified the appointment of competent Authority under the BUDS Act who will decide the question of law whether such deposits are covered under the BUDS Act or not, this Hon'ble Authority lacks jurisdiction to adjudicate upon the matters coming within the purview of the special act namely BUDS Act, 2019.

16. Respondent has further taken a plea that complainant is speculative buyer, who invested in the project of the respondent company for monetary returns and since the real estate market is showing downward tendency, complainant cannot take it as a weapon by way of taking undue advantage of provisions of RERA Act 2016. Agreement duly signed between the parties is binding on both parties as held in Bharti Knitting vs DHL by Hon'ble Apex Court.

17. In respect of claim of complainant that respondents are jointly responsible for development of project, it is stated that Vatika Landbase Pvt Ltd was the initial name of the company which has now been renamed as Vatika Ltd. The complainant is simply digging for reasons to level false and vague allegations against the respondent.

E. ARGUMENTS OF LEARNED COUNSEL FOR COMPLAINANT AND RESPONDENT

18. Learned counsel for complainant has submitted that respondent has not handed over possession of the booked unit till date nor had made any discussion in respect of lease rental, which is the essence of terms and condition of builder buyer agreement. He requested that relief of refund be passed in favour of complainant as no date/time in particular has been specified for handing over of possession and execution of conveyance deed. Without prejudice to interest of the complainant, it is averred that complainant is not desirous of waiting endlessly for handing over of possession of unit and is therefore, praying for relief of refund of paid amount along with interest by giving up claim of payment of assured returns.

19. At the outset, learned counsel for complainant stated that complainant does not want to continue with the project and as such he is pressing only for relief of refund with interest as prayed in the complaint from respondent no. 1.

20. Learned counsel for respondent argued that as the complainant is an investor in the project of respondent, relation of complainant and respondent is based on a commercial transaction between the parties in the form of leasing arrangement. The agreement/allotment is in the form of investment/lease agreement wherein the complainants were to receive monthly assured returns till offer of possession of

unit and after offer of possession, respondent was obligated to lease out said unit for rental income to complainant. As a matter of fact, the complainant was paid huge amount of assured returns till September,2018. It is only after the enactment of BUDS Act,2019 the scheme of assured returns became infructuous. Further, in the present case, no date for handing over of possession has been defined in the builder buyer agreement and it is because of the fact that the complainant has invested for monetary gains so there is no loss being caused to the complainant even if possession is not handed over within reasonable time. Further, occupation certificate for the unit in question has already been received on 19.05.2020. She requested that prayer of refund should not be allowed as it may jeopardise the project.

F. ISSUES FOR ADJUDICATION:

21. Whether complainant is entitled to refund of the paid amount along with interest?

G. OBSERVATIONS OF THE AUTHORITY:

22. The Authority has gone through the rival contentions. In light of the background of the matter as captured in this order and also the arguments submitted by both the parties, Authority observes as follows:

i. The first objection of the respondent is that there is no promoter allottee relationship. Hence the RERA Authority does not possess any jurisdiction on the matter. For this purpose, definition of "promoter" under section 2(zk) is provided below:

(zk) "promoter" means,—

(i) a person who constructs or causes to be constructed an independent building or a building consisting of apartments, or converts an existing building or a part thereof into apartments, for the purpose of selling all or some of the apartments to other persons and includes his assignees; or

(ii) ***a person who develops land into a project, whether or not the person also constructs structures on any of the plots, for the purpose of selling to other persons all or some of the plots in the said project, whether with or without structures thereon; or***

(iii) any development authority or any other public body in respect of allottees of—

(a) buildings or apartments, as the case may be, constructed by such authority or body on lands owned by them or placed at their disposal by the Government; or

(b) plots owned by such authority or body or placed at their disposal by the Government, for the purpose of selling all or some of the apartments or plots; or

(iv) an apex State level co-operative housing finance society and a primary co-operative housing society which constructs apartments or buildings for its Members or in respect of the allottees of such apartments or buildings; or

(v) ***any other person who acts himself as a builder, coloniser, contractor, developer, estate developer or by any other name or claims to be acting as***

the holder of a power of attorney from the owner of the land on which the building or apartment is constructed or plot is developed for sale; or

(vi) such other person who constructs any building or apartment for sale to the general public.

Plain reading of the definition given under section 2(zk) makes it clear that any person who develops land into a project and constructs apartments/floors/structures for selling it to public is a promoter in respect of allottees of those structures. Here, respondent is a developer who is doing just that. In furtherance of said process, the respondent accepted amounts from complainant on 10.01.2007 towards unit located in its project-'Vatika Infotech, Mathura road, Faridabad. Hence, respondent-Vatika is duly covered under the definition of promoter under section 2(zk).

ii. In the present matter complainant was allotted unit no. 218, of an area measuring 1500 sq ft in the respondent's project mentioned in above paragraph vide builder buyer agreement dated 12.01.2007. Further, the unit was allotted by the respondent to the complainant allotee for a sale consideration of Rs 69,00,000/-. As per S.2(d) of the RERA Act, "allottee" is defined as follows:

> *(d) "allottee" in relation to a real estate project, means the person to whom a plot apartment or building, as the case may be, has*

been allotted, sold (whether as freehold or leasehold) or otherwise transferred by the promoter, and includes the person who subsequently acquires the said allotment through sale, transfer or otherwise but does not include a person to whom such plot, apartment or building, as the case may be, is given. on rent:

A plain reading confirms that the complainant falls within the purview of this definition of Allottee.

Further, as per Section 2(zj) & (zn) of the RERA Act,2016. "project" & "real estate project" are defined respectively as follows:

(zj) "project" means the real estate project as defined in clause (zn):

(zn) "real estate project means the development of a building or a building consisting of apartments, or converting an existing building or a part thereof into apartments, or the development of land into plots or apartments, as the case may be, for the purpose of selling all or some of the said apartments or plots or building, as the case may be, and includes the common areas, the development works. all improvements and structures thereon, and all easement, rights and appurtenances belonging thereto;

A conjoint reading of the above sections shows that respondent-Vatika is a promoter in respect of allottees of units sold by it in its real estate project-Vatika Infotech at Faridabad. Therefore, there exists a relationship of an allottee and promoter between the parties. Hence, provisions of RERA Act, 2016 apply to the matter and Authority has the jurisdiction to deal with

the matter. Furthermore, the preamble of the Real Estate (Regulation and Development) Act, 2016 provides as under.

> *An Act to establish the real estate regulatory authority for regulation and promotion of the real estate sector and to ensure sale of plot, apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector and to establish an adjudicating mechanism for speedy dispute redressal and also to establish the appellate tribunal to hear appeals from the decisions, directions or orders of the real estate regulatory authority and the adjudicating officer and for matters connected therewith or incidental thereto;*

iii. Complainant herein is claiming relief of refund against both the respondents wherein it has been clarified by respondents in their reply that these are not different entities, name of company was changed from 'Vatika Landbase Pvt Ltd (respondent no. 2) to Vatika Ltd (respondent no. 1)'. Moreover, respondent no. 1 does not deny the payment received from complainant. Therefore, the directions in this final order are being passed against respondent no. 1 only.

iv. Respondents have raised objection to maintainability of complaint stating that relief of assured returns does not fall within ambit of this Authority. It is pertinent to mention here that the complainant has withdrawn/foregone the relief of assured return in hearing dated 10.07.2025

and reiterated the same in today's hearing. Hence, the objection does not remain sustainable.

v. The respondent has taken a stand that the complainant is a speculative buyer who has invested in the project for monetary returns and taking undue advantage of RERA Act 2016 as a weapon during the present downside conditions of the real estate market and therefore not entitled to the protection of the Act of 2016. In this regard, Authority observes that "any aggrieved person" can file a complaint against a promoter if the promoter contravenes the provisions of the RERA Act, 2016 or the rules or regulations. In the present case, the complainant is an aggrieved person who has filed a complaint under Section 31 of the RERA Act, 2016 against the promoter for violation/contravention of the provisions of the RERA Act, 2016 and the Rules and Regulations made thereunder. Here, it is important to emphasize upon the definition of term allottee under the RERA Act of 2016, already reproduced in aforesaid paragraph. In view of the afore-mentioned definition of "allottee" as well as upon careful perusal of builder buyer agreement dated 12.01.2007, it is clear that complainant is an "allottee" as unit bearing no. 218 in the real estate project "Vatika Infotech", Faridabad was allotted to him by the respondent promoter. The concept/definition of investor is not provided or referred to in the RERA

Act, 2016. As per the definitions provided under section 2 of the RERA Act, 2016, there will be "promoter" and "allottee" and there cannot be any party having a status of an investor. Further, the definition of "allottee" as provided under RERA Act, 2016 does not distinguish between an allottee who has been allotted a plot, apartment or building in a real estate project for self-consumption or for investment purpose. The Maharashtra Real Estate Appellate Tribunal in its order dated 29.01.2019 in appeal no. 0006000000010557 titled **as M/s SrushtiSangam Developers Ltd. VsSarvapriya Leasing (P)Ltd. And Anr.**had also held that the concept of investors is not defined or referred to in the Act. Thus, the contention of promoter that allottee being investor is not entitled to protection of this Act also stands rejected.

vi. On merits, complainant along with co-allottee Mr. Surinder Paul Singh had paid an amount of Rs 94,65,000/- on 10.01.2007. Thereafter, builder buyer agreement of unit no. 218-C-II (tower changed by respondent from C-II to D vide letter dated 17.12.2014) was executed between the parties on 12.01.2007. In May,2012 the Co-allotee died and endorsement in favor of complainant was made by respondent on 18.08.2012. It is the stand of complainant that respondent has not handed over actual possession of unit nor made any effort for execution of conveyance deed till date. Keeping in

view such negligent conduct of respondent, complainant wants to withdraw from the project by taking refund of paid amount with interest. On the other hand, it is the argument of respondent that there is no specific clause for handing over of possession of unit in the builder buyer agreement. Further, occupation certificate for the unit in question already stands received on 19.05.2020.

vii. Authority observes that series of event in this case is that respondent was in receipt of occupation certificate dated 19.05.2020 prior to filing of complaint in year 2024. However, actual handing over of possession of unit has not been made to the complainant. As per the BBA dated 12.01.2007, the terms and conditions of agreement are binding upon the parties and both parties remain bound to perform their acts/obligations accordingly.

viii. At this stage, it is important to examine the relevant clauses of the agreement in order to adjudicate the issues involved in this case. Said clauses are reproduced below for reference:-

***Clause 2 (b)**-Since the unit would be completed and handed over by 1st August,2008 and since the allottee has paid the entire sale consideration on signing of this agreement, the developer hereby undertakes to make payment of Rs 46/- per sq. ft. super area being sold, every calendar month to the allottee as a committed return during construction period, which the allottee duly accepts. It is hereby specifically clarified that the committed return would be paid by the developer upto 31.07.2008 or in the event of*

any delay in completion of the project, upto the date of handing over of completed unit to the allottee.

***Clause 6**-The complex shall be ready for possession by 1st August,2008. The developer shall issue a notice in writing to every Allottee for taking over possession. All the possessions, subject to the payment of entire consideration along with any other dues payable by the Allottee to the Developer, shall be handed over by 1st August,2008.*

Clause C-Completion of the project

The developer assures that the construction of the project shall be completed in all respect on or before 31st July,2008. The unit would be ready for occupation within 30 days of such completion.

Clause D-Time frame

That subject to the clearance as may be required in terms of statutory laws/rules permanent cause, all the conveyances would be executed and registered in due course after all dues of the developer and other statutory dues have been paid in full by the allottee. In instalment/deferred payment cases, the sale deed will be executed only after receipt of the full sale consideration and other dues from the allottee.

Clause F-Conveyance

Subject to the approval/no objection of the appropriate authority developer shall sell the said unit by executing and registering the conveyance deed and also execute such acts, deeds and assurances as may be necessary to confirm upon the allottee, marketable title to the said unit free from all encumbrances. The conveyance deeds shall be in the from and content as approved by the developer's legal advisor and shall be in favour of the allottee.

ix. Perusal of aforesaid clauses establishes the line of action which was casted upon respondent to be followed in case of completion of project and

handing over possession to allottee. By virtue of clause 6 and C, the respondent was bound to complete the project by 31st July,2008 and to issue offer of possession in writing within 30 days of such completion. In the present case, no offer of possession in writing has been made to complainant till date,i.e. even after lapse of 15-16 years. In respect of completion and statutory approvals, fact remains that occupation certificate was received by respondent on 19.05.2020. However, in compliance of clause 6, the respondent should have offered possession in writing to complainant within 30 days and should have got conveyance deed executed within reasonable time. Respondent was well aware of the clause of handing over of possession as it was incorporated by itself only in the agreement. Accordingly, deemed date of possession in present scenario works out to 01.08.2008. But respondent till date has neither issued offer letter to complainant and never requested/proposed to complainant to take over physical possession. No justification/explanation has been placed on record by the respondent for such unjustified delay.

x. Respondent in its written statement has not disputed the fact of paid amount nor referred to any demand letters in order to prove that there is any amount which still remains payable on part of complainant. Without any document on record rebutting receipt of total paid amount, the respondent

was bound to execute conveyance deed within reasonable time of expiry of deemed date of possession or receipt of occupation certificate. However, respondent did not make any effort for execution of conveyance deed after expiry of deemed date of possession, i.e. 01.08.2008.

xi. Since the agreement dated 12.01.2007, provides for leasing assistance, it is relevant to refer clause P wherein it is clearly provided that the developer undertakes to put the said unit on lease and to effectuate the same the allottee hereby authorises the developer to negotiate and finalise leasing arrangement with any suitable tenants. No such leasing arrangement which should have been made by respondent after completion of project, has been explained by the respondent. Respondent was in receipt of total paid amount since January,2007 against allotment of a unit and in fact, complainant invested into project of respondent for getting possession of apartment which implies that allotment of unit was the basis of relationship between the complainant and promoter. It was not the case that the complainant opted to invest his amount in open market without having interest in tangible property, never wanted to perfect the title of apartment and only wanted to have the lease rentals for infinite years. Furthermore, the right to lease out the property could have been delegated only once a person has become an owner of the property for which it is a pre-requisite

that the allottee gets a perfect title in the property. However, it is a matter of fact that the title was never perfected as no conveyance deed has been executed.

xii. Complainant herein is aggrieved by arbitrary acts of respondent first in not handing over possession of the unit till date and secondly, in not executing the conveyance deed despite receipt of total paid amount in January,2007 and receipt of occupation certificate in year 2020. If we look at the intent of allottee-complainant, he has chosen to invest in a tangible property-showroom space in a commercial project wherein a license is granted by DTCP under the Haryana Development and Regulation of Urban Areas Act,1975. Investment in commercial property does not imply that complainant-allottees never ever wanted to own that property by perfecting the title in their name. Said transaction cannot be said to be an open-ended transaction for the mere reason that respondent is acting in an arbitrary manner without following terms of agreement as well as provisions of RERA Act, 2016. No justification is provided by respondent in its written as well as oral submissions as to what was actually been stopping them from year 2020 to get the conveyance deed executed in favour of complainant. Respondent's act of not delivering the unit and paying heed to request of complainant is the sole reason for withdrawing

out of the project. By virtue of Section 18 of RERA Act,2016, the respondent is obligated to refund the paid amount with interest to the allottee upon its failure to complete or non-delivery of possession of unit in accordance with agreement or any other date specified therein.

xiii. Hence, it is concluded that respondent has miserably failed in completing the process of handing over the possession and execution of Conveyance Deed of the unit in favour of the complainant from year 2008 to till date.

xiv. Moreover, respondent even today has not committed any specific timeline for delivery of possession and conveyance deed. Further, Hon'ble Supreme Court in the matter of "**Newtech Promoters and Developers Pvt. Ltd. versus State of Uttar Pradesh and others**" 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 agreed state. Para 25 of ibid 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.

xv. In view of aforesaid observations, Authority finds it to be fit case for allowing refund in favour of complainant. As per Section 18 of Act, interest shall be awarded at such rate as may be prescribed.

xvi. The definition of 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;

xvii. 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. 11.09.2025 is 8.85%. Accordingly, the prescribed rate of interest will be MCLR + 2% i.e., 10.85%.

xviii. 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".

xix. Thus, respondent no. 1 will be liable to pay the complainant interest from the date amounts were paid till the actual realization of the amount. Authority directs respondent to refund to the complainant the paid amount of Rs 94,65,000/- 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 10.85% (8.85% + 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 calculated at the rate of 10.85% till the date of this order as per detail given in the table below:

Sr. No.	Principal Amount in ₹	Date of payment	Interest Accrued till 11.09.2025
1.	94,65,000	10.01.2007	1,91,88,537 /-
2.	Total=94,65,000/-		
3.	Total Payable to complainant	9465000+19188537 =	2,86,53,537 /-

xx. Regarding relief of assured return, it is observed that complainant has withdrawn said relief vide statement duly record in order dated 10.07.2025. Therefore, relief of assured return/lease rental is hereby vacated.

G. DIRECTIONS OF THE AUTHORITY

23. Hence, 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 no. 1 is directed to refund the entire paid amount of Rs 94,65,000/- with interest of Rs 1,91,88,537/- to the complainant after deducting paid amount of assured returns. It is further clarified that respondent no. 1 will remain liable to pay the interest to the complainant till the actual realization of the above said amounts.

(ii) A period of 90 days is given to the respondent to comply with the directions of this Authority given in this order as provided in Rule 16 of Haryana Real Estate (Regulation & Development) Rules, 2017, failing which, legal consequences would follow against the respondent.

24. **Disposed of as refund being allowed**. File be consigned to the record room after uploading of the order on the website of the Authority.

.....
NADIM AKHTAR
[MEMBER]

.....
PARNEET S. SACHDEV
[CHAIRMAN]