



HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

Complaint no.:	748 of 2024
Date of filing:	27.05.2024
Date of first hearing:	06.08.2024
Date of Decision:	12.08.2025

Shivam Garg

H. No. 25-B, Narayan Singh, Park,

Assandh Road, Panipat

....COMPLAINANT

VERSUS

Splendor Landbase Ltd.

....RESPONDENT No.1

SG Manjunath DGM Commercial and Accounts

....RESPONDENT No.2

Sanjeev Malhotra the then Project Manager

....RESPONDENT No.3

Vikas Buckal Representative of Splendor

Landbase Ltd.

....RESPONDENT No.4

All R/o Unit no. 501-511, 5th floor,

Splendor Forum, Plot no.3,

Jasola District Centre,

New Delhi-110025

CORAM:

**Dr. Geeta Rathee Singh
Chander Shekhar**

**Member
Member**

Geeta Rathee

Date of decision: 12.08.2025

Present: Adv. Akshat Mittal, Ld. counsel for complainant
Adv. Anjanpreet Singh proxy for Adv. Shubhnit Hans, Ld.
counsel for all respondents through VC

ORDER

1. Present complaint was 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 fulfill 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	Splendor Grande
2.	RERA registered/not Registered	Registered (618 -2024)
3.	Unit no.	E-1, T.F. 3 rd floor



4.	Unit area	1405 sq.ft.
5.	Date of builder buyer agreement	Not executed
6.	Total Sale Consideration	Rs. 48,57,060/-
7.	Amount paid by complainant	Rs. 28,00,000/- (as per receipts)
8.	Offer of possession	Not made
9.	Occupation certificate	26.04.2024

B. FACTS OF THE COMPLAINT AS STATED IN THE COMPLAINT

3. That the allottee was approached by the respondents in relation of booking of the flat and in pursuance of the same, booking against flat bearing no. E-1, T.F., 3rd floor, having a carpet area of 1405 sq. ft., in respondent's project namely "Splendor Grande" located in Sector 19, Panipat, Haryana was made in May/June, 2019.
4. That an application dated 02.06.2019 for allotment of unit was made by the complainant and the provisional allotment letter was issued on 27.06.2019 for the same. As per the allotment letter, total sale consideration of the unit was Rs.48,57,060/- against which complainant had paid Rs.28,00,000/-
5. That the actual price of the unit was 64,99,000/- @Rs. 3350/- per sq. ft. An amount of Rs. 27,08,240/- was demanded in cash and such amount was paid by the complainant at the time of the allotment/booking, to one Mr. Sanjeev Malhotra (respondent no. 3), then project manager of the respondent company, who was working at the project site. However, no



receipt whatsoever has been issued qua the same, and the allotment letter mentions the total sale price of Rs. 48,57,060/-.

6. That the payment receipts pertaining to one Mr. Vikas Aggarwal qua his unit i.e. unit no. 806, Tower A-2 were endorsed in the name of the complainant allottee vide endorsement dated 31.05.2019, duly mentioned at the back of each receipt.
7. That the respondents have clearly violated the provisions as enumerated under Section 13 of the RERA Act, 2016 by accepting a sum of more than 10% of the total cost of the apartment in question without entering into a proper written agreement and registration of the same.
8. That the respondent company has failed to get any builder buyer agreement executed with the complainant in regards to the flat in question, despite repeated requests by the complainant for the execution of the agreement.
9. That as per the assurances of the respondent promoter, the possession of the unit in was to be handed over within a period of 18 months from endorsement/payment dated 31.05.2019, which comes out to 30.11.2020, relying upon which the complainant entered into the booking/allotment of the unit in question.
10. That after the booking, it was realized that the construction work at the project site was going at a snail's pace and the same was subsequently completely halted. Complainant made repeated visits inquiring about

A handwritten signature in blue ink, appearing to read 'Ratna', is written over a horizontal line.

the status of construction and was given false assurances. It was assured that the possession would in any case be handed over by April, 2021. However, the construction work was completely stopped and the respondent issued an official communication that the construction would begin w.e.f. April, 2021. The complainant protest against the same, however, having no other option, the complainant again diligently waited, however, it was then again informed that the construction has still not begun and will now be in full swing w.e.f. January 2022. Respondent company has failed to deliver possession of the unit even after a continuing delay of more than 5 years since the booking/endorsement

11. That respondent company further tried to extract money from the complainant allottee without acceding to the genuine request for execution of the builder buyer agreement, and without ensuring the completion of the project/unit in time as promised. Complainant raised repeated protest citing his grievances, but in vain.
12. That complainant allottee visited the project site again in May 2023 for redressal of the grievances, and met with the representative of the respondent one Mr. Vikas Buckal who was present at the site office. On enquiry, it was informed that as and when the unit would be ready for delivering possession, the complainant allottee would be informed accordingly and can then make payment of the balance amount and take



the possession. However, respondent no. 1 deposited an amount of Rs. 21,84,120/- in the bank account of the complainant on 06.02.2024 through NEFT IN: NO3724869872119/0039/CMS Escrow NEFT RTGS funding account. It is extremely pertinent to mention that the same was done unilaterally without the consent or knowledge of the complainant allottee and same came to the knowledge of the complainant in the first week of the March 2024 when the complainant received his bank account statement.

13. That thereafter, the complainant immediately visited the site office of the respondent company, and on inquiry, the representative Mr. Vikas Buckal (respondent no. 4) disclosed that the unit stands cancelled and this amount has been deposited after forfeiting certain amounts out of the Rs.28,00,000/- deposited by the complainant. It was further informed that the cancellation has taken place way back on 05.04.2023, and a copy of the cancellation letter dated 05.04.2023 was sent via whatsapp by Mr. Vikas Buckal on 11.03.2024 to complainant. Complainant further submitted that prior to 11.03.2024, complainant had no knowledge of the cancellation of the flat, and the said letter dated 05.04.2023 has never been received by the complainant.

14. That the flat in question is the dream home of the complainant allottee, and the complainant was and still ready and willing to pay the costs as per the provisional allotment letter dated 27.06.2019, and is ready to



refund the amount of Rs. 21,84,120/- which was unilaterally deposited by the respondent company to the account of the complainant. Complainant even contacted the respondent no. 3 Mr. Sanjeev Malhotra for help citing the grievances qua the illegal cancellation, but again in vain.

15. That the complainant was also constrained to issue a legal notice dated 02.04.2024 to the respondent company, calling the latter to withdraw the notice for cancellation dated 05.04.2023 and to restore and re-allot the residential unit in question.

C. RELIEF SOUGHT

16. Complainant in its complaint has sought following reliefs:

- I. To direct the respondent company to immediately hand over the physical and uncompromised possession of the unit in question i.e. E-1, T.F., 3rd floor, to the complainant allottee.
- II. To direct the respondent company to compensate the complainant for the delay in offer of possession of the unit/flat complete in all respects, by paying interest as prescribed under the Real Estate (Regulation & Development) Act 2016 read with Haryana Real Estate (Regulation & Development) Rules, with effect from the due date of possession till actual handing over of possession of the flat complete in all respects, on the entire amount deposited qua the said flat by the complainant allottee with the respondent promoter.



- III. To set aside the cancellation of the unit in question under proviso to Section 11(5) of the Act, for the reasons mentioned in the complaint.
- IV. To direct the respondent to pay a sum of Rs. 25,00,000/- on account of grievance, frustration, caused to the complainant, by the miserable attitude of the respondent and deficiency in service and for causing acute mental agony to the complainant, along with interest from the date of filing the present complaint till its realization.
- V. The registration, if any, granted to the respondent for the project namely, "Splendor Grande", situated in the revenue estates of Panipat, District Panipat, Haryana, under RERA read with relevant Rules may kindly be revoked under Section 7 of the RERA Act, 2016 for violating the provisions of The Act.
- VI. To impose penalty on the respondents under Section 61 of the Act for contravention of the provisions of the Act, as elaborated in the complaint.
- VII. The complainant may be allowed with costs and litigation expenses of Rs. 1,50,000/-;
- VIII. Any other relief as this Hon'ble Authority may deem fit and appropriate in the facts and circumstances of the instant complaint.

D. REPLY SUBMITTED ON BEHALF OF RESPONDENT

Learned counsel for the respondent filed detailed reply on 09.12.2024 pleading therein:



17. That it is due to the reputation and prestige of the respondent company, complainant had voluntarily invested in the project of the respondent company, namely 'Splendor Grande' located at Sector-19, Panipat, Haryana and submitted application form dated 02.06.2019 for allotment of apartment. In pursuant to the said application, apartment bearing unit no.E-1, TF admeasuring 1406 sq. ft. was allotted to the complainant vide allotment letter dated 27.06.2019.
18. That respondent company completed the project in 2023 and received the occupation certificate vide letter dated 26.04.2024 from the Director of Town and Country Planning (DTCP), Haryana for the project in question.
19. That the respondent company had on various occasions requested the complainant and has sent letters and other communication to him to visit the office of the respondent company to execute the builder buyer agreement, however, it is the complainant who has not come forward for the same. Respondent had also been apprising the Complainant with the construction updates and other developments in the project vide various communications a letters copy of which is being annexed here as ANNEXURE R-2.
20. That the complainant has defaulted in making timely payments to the respondent company. Despite the repeated demand letters and reminders sent by the respondent company, the complainant has failed

A handwritten signature in blue ink, appearing to read 'Rajeev', is written over a horizontal line.

to pay its outstanding dues amounting to Rs. 22,81,144/-.

21. That observing the continuous failure of the complainant in making timely payments, the respondent company was compelled to issue a notice of cancellation to the complainant vide letter dated 05.04.2023, wherein the complainant was requested to clear the outstanding dues within 15 days from the receipt of the said notice, failing which the respondent company would be constrained to cancel the allotment of the unit in question.
22. That despite the issuance of the notice dated 05.04.2023, complainant failed to comply with the terms stated therein. Consequently, respondent company was left with no other option but to proceed with the cancellation of the allotment of the complainant's unit vide letter dated 09.05.2023.
23. That after the cancellation of the unit of the complainant, the respondent company has allotted the unit of the complainant to another allottee vide allotment letter dated 19.05.2023 and had also executed agreement for sale with her.
24. That as per clause 6 of the application form dated 02.06.2019 the respondent company vide letter dated 07.02.2024 had intimated the complainant that the respondent company has refunded an amount of Rs.21,84,120/- after forfeiture of earnest money amounting to Rs. 6,15,880/- into the complainant's account on 6.02.2024 pursuant to the



cancellation of the unit of the complainant and further informed the complainant about the same vide letter dated 07.02.2024.

25. That despite issuing refund to the complainant which has been duly accepted by the complainant, the complainant with mala fide intention has approached this Ld. Authority and filed the present complaint against the respondent company in the above captioned matter seeking possession of the unit which has already been cancelled and re-allotted to a third party.

E. ARGUMENTS OF LEARNED COUNSEL FOR COMPLAINANT AND RESPONDENT

26. During oral arguments learned counsel for the complainant and respondent have reiterated arguments as mentioned in their written submissions. Ld. counsel for complainant submitted that complainant is ready to take alternate unit also.

F. ISSUES FOR ADJUDICATION

- I. Whether cancellation letter issued by respondent is valid or not.
- II. Whether the complainant is entitled for physical possession of plot along with an interest @18% p.a. on account of delay of physical possession of the plot in question.

G. OBSERVATIONS AND DECISION OF THE AUTHORITY

27. Authority has gone through the rival contentions. In light of the background of the matter as captured in this order, Authority observes

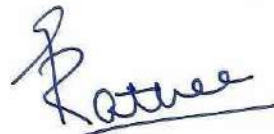


that it is not disputed between the parties that complainant had vide application dated 02.06.2019 booked a unit in the respondent's project namely "Splendor Grande". The respondent issued a provisional allotment letter dated 27.06.2019 for unit no.E-1,T.F, admeasuring area 1405 sq. ft. Builder buyer agreement has not been executed between parties.

28. Complainant is aggrieved by the fact that respondent did not handover the possession of unit and unilaterally cancelled the allotment of unit. In this regard respondent has taken a defence that it had sent numerous demand letters and reminders however, it is the complainant who defaulted in making payments. Respondent in its reply has averred that it had issued notice for cancellation of complainants unit dated 05.04.2023, wherein last and final opportunity was granted to complainant to pay outstanding dues failing which the allotment of unit in complainant's favour shall be cancelled and respondent shall be constrained to forfeit the earnest money. Since, complainant defaulted in making payments, respondent cancelled the unit of complainant vide cancellation letter dated 09.05.2023 and refunded an amount of Rs. 21,84,120/- after forfeiture of 10% of the total sale consideration amounting to Rs.6,15,880/- as earnest money. Respondent has contended that it had also issued confirmation of refund vide letter dated 07.02.2024 in pursuance of cancellation notice dated 09.05.2023.



29. On perusal of application form for allotment of provisional letter dated 02.06.2019, Authority observes that the total sale consideration of the unit was Rs. 48,57,060 out of which complainant had paid Rs.28,0000/-. As per clause 20 of the said application for provisional letter dated 02.06.2019 possession was to be offered within 42 months along with grace period of 180 days from date of execution of builder buyer agreement in case government and circumstantial delay. It is a matter of fact that Covid-19 pandemic outbreak happened in march 2020 and respondent communicate this fact to complainant vide letter dated 24.08.2020. Authority observes that since the Covid-19 outbreak occurred during the intervening, period before due date of completion and respondent communicated the fact to complainant as well respondent is entitled to grace period of 180 days as provided in clause 20 of application for provisional letter dated 02.06.2019. Hence due date after inclusion of 180 days grace period comes to 02.06.2023.
30. It is not disputed between the parties that builder buyer agreement was never executed between them. Therefore, Authority deems it appropriate to reckon the due date from the date of "application form of provisional agreement". Hence, the deemed date of possession comes to 02.06.2023. It is matter of record that possession was not deliver by 02.06.2023.
31. Further, as per receipts attached, complainant paid Rs 28,00,000/- out of the total sale consideration Rs. 48,57.060/- till 2019. Authority observes



that subsequent thereupon on 24.08.2020 respondent informed complainant to Covid-19 outbreak in month 2020 all construction activities have come to a halt and accordingly such period should be considered as a case of natural calamity and force majeure clause is reckoned. Meaning thereby, respondent had admitted that in the year 2020, all construction activities come to stand still and resultantly no demands were raised. Respondent has averred that on 15.03.2021 respondent had directed complainant to clear outstanding dues. Demand letters dated 16.09.2019, 31.01.2022, 04.03.2022 and reminder letters dated 20.06.2022, 05.09.2022, 22.11.2022, 27.01.2023 were issued to complainant, however complainant did not make the payment, accordingly respondent was constrained to cancel the unit. In this regard Authority observes that though the respondent has attached demand letters dated 16.09.2019, 31.01.2022, 04.03.2022 and reminder letters dated 20.06.2022, 05.09.2022, 22.11.2022, 27.01.2023 however no proof of delivery of such letters have been attached. On the other hand complainant denied receiving these letters. In absence of proof of delivery of demand letters 16.09.2019, 31.01.2022, 04.03.2022 and reminder letters dated 20.06.2022, 05.09.2022, 22.11.2022 and 27.01.2023 it cannot be proved that same were delivered to complainant. Since, complainant did not receive the demand, there did not arise a question of non payment of the same. Even with respect to notice of



cancellation letter dated 05.04.2023 and confirmation of cancellation of allotment letter dated 09.05.2023 respondent only attached the slip of DTDC (which is a private courier company) with the name of complainant, however there is no proof of delivery in pursuance of the same. Also complainant has specifically denied receiving the same. In absence of delivery proof of notice of cancellation letter dated 05.04.2023 and confirmation of cancellation of allotment letter dated 09.05.2023, same cannot be treated to have been served upon complainant.

32.It is further observed that complainant has admitted having received on whatsapp for the first time on 11.03.2024 a cancellation letter dated 05.04.2023. Since, the fact of service of notice cancellation letter dated 05.04.2023 and confirmation of cancellation of allotment letter dated 09.05.2023 is not proved then cancellation itself holds no good and is quashed. Furthermore, the fact that respondent was enjoying the amount paid by complainant against the unit till 2024 shows that the unit was not cancelled till 2024.

In view of above observation the whatsapp message regarding cancellation the unit and refund money into the accounts of complainant without informing via RTGS shows that it was an ill attempt on part of respondent to evade it's obligation under RERA Act, 2016. This act of forcefully depositing the amount without proper notice is arbitrary, illegal hence declared void.



33. As mentioned in proceeding para 29 of this order possession to complainant should have been offered by 02.06.2023. However, respondent has submitted that it received an occupation certificate dated 26.04.2024 at annexure R-4 for the tower only on 26.04.2024. On perusal of the occupation certificate, Authority observes that occupation certificate has been granted for T-A3, B1, T2, T3, T4, T5, T6, EWS, Convenient shopping and Pooja space. The occupation certificate does not mention that the same is for "Tower E1" in which the unit of complainant is located. Meaning thereby that respondent has not received occupation certificate for "Tower E1." Even if it is presumed for the sake of arguments that respondent has received occupation certificate for the tower in question on 26.04.2024 this fact was never communicated to the complainant.
34. In view of the above it is concluded that respondent has failed to fulfill its obligation to offer timely possession of unit as provided in the agreement for sale and is in clear violation of section 11(4)(a) of the RERA Act, 2016. In such circumstances, as per Section 18(1) of RERA Act, allottee may either choose to withdraw from the project and demand refund of the amount paid or may continue with the project and seek interest on account of delay in handing over possession. In the present case complainant wish to continue with the project, therefore is entitled to interest on account of delay in handing over possession. Here in this particular instance partial

Rathee

amount of Rs. 21,84,120/- out of Rs.28,00,000/- has been refunded to complainant therefore period of interest will be in segmented form. As respondent has refunded an amount of Rs. 21,84,120/- to complainant on 06.02.2024 therefore interest on amount of Rs. 21,84,120/- payable to complainant is calculated from deemed date of possession i.e. 02.06.2023 till the date of refund i.e.06.02.2024 and for remaining amount of Rs. 6,15,880/- the period for which delay interest is calculated is from deemed date of possession i.e. 02.06.2023 till 31.08.2025. 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;

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".

35. 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. 12.08.2025 is 8.90%. Accordingly, the prescribed rate of interest will be MCLR + 2% i.e., 10.9%.

36. Authority has calculated the interest on the refunded amount of Rs. 21,84,120/- from deemed date of possession i.e. 02.06.2023 till the date of refund i.e. 06.02.2024 at the rate of 10.90% and said amount works out to be Rs. 1,63,061/-. For remaining amount of Rs. 6,15,880/- the period for which delay interest is calculated is from deemed date of possession i.e. 02.06.2023 till 31.08.2025 at the rate of 10.90% and said amount works out to be Rs. 1,51,183/ as per detail given in the table below:

Sr. No.	Principal Amount in (Rs.)	Deemed date of possession	Interest Accrued till 06.02.2024 (Rs.)
1.	2184120	02.06.2023	163061
	Total Principle amount = Rs.21,84,120 /-		Total interest= Rs. 1,63,061/-



Sr. No.	Principal Amount in (Rs.)	Deemed date of possession	Interest Accrued till 31.08.2025 (Rs.)
1.	615880	02.06.2023	151183
	Total Principle amount = Rs. 6,15,880/-		Total interest= Rs. 1,51,183/-

37. Respondent in its reply has submitted that it had allotted unit in question to 3rd person i.e. Nisha Midha vide allotment letter dated 19.05.2023. In this regard it is observed unit was cancelled vide cancellation letter dated 09.05.2023, and the same was allotted to Ms. Nisha Midha on 19.05.2023, however, amount paid was refund to complainant on 07.02.2024. Meaning thereby that respondent was holding the money of complainant till 2024. Therefore, respondent could not have allotted the unit to 3rd party in 2023. Further, as per clause 5 of allotment letter dated 19.05.2023 in favour of Ms. Nisha Midha, provides that "allotment shall become final and binding upon the company only after execution of agreement for sale". Respondent has not attach any copy of agreement for sale along with allotment letter. In absence of such agreement to sell in favour of Ms. Nisha Midha it is not proved that the unit was finally allotted to her. Further merely issuance of an allotment letter in favour of 3rd party does not confer a title in her favour. In such circumstances cancellation of unit allotted to complainant is declare illegal and quashed, complainant is entitled to possession of unit no. E-1, third floor in the



project 'Splendor Grande' located at Sector-19, Panipat, originally allotted to him. Since Ms. Nisha Midha is not a party to the complaint, this order is without prejudice to her rights to approach appropriate forum for relief including remedy under criminal law.

38. Complainant is also seeking compensation of Rs. 25,00,000/- for mental agony, harassment and a sum of Rs. 1,50,000/- as litigation expenses. 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.**" 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 complainant is advised to approach the Adjudicating Officer for seeking the relief of compensation and litigation expenses.

39. As for clause. v, vi of 16 it is not a part for pleadings and also it is not argued in hearings. Therefore, this relief is not allowed.


H. DIRECTIONS OF THE AUTHORITY

40. 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 pay complainant total interest of Rs. 3,14,244/-
 - (ii) Complainant is given time till 31.08.2025 to make payment of amount Rs. 21,84,120/- to the respondent and only thereafter the complainant will be entitled for monthly interest of Rs.25,085/- from 01.09.2025 on total paid amount of Rs.28,00,000/- for each successive month till valid offer of possession is made by respondent.
 - (iii) Respondent shall make a legally valid offer possession of the unit to complainant within 30 days from the date of obtaining occupation certificate for the tower in which unit of complainant is situated.
41. **Disposed of.** File be consigned to record room after uploading of order on the website of the Authority.


CHANDER SHEKHAR
[MEMBER]


Dr. GEETA RATHEE SINGH
[MEMBER]