



HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

Complaint no.:	3275 of 2022
Date of filing:	16.12.2022
Date of first hearing:	28.02.2023
Date of decision:	30.10.2025

Raj Kumar Gupta S/o Late Sh. K.L. Gupta,
R/o E-463, Street No. 08,
West Vinod Nagar, Delhi- 110092.
Present Resident at 173, Type-3 Quarters,
Old JNU Campus, New Delhi-110067

....COMPLAINANT

VERSUS

1. M/s Ferrous Infrastructure Pvt Ltd.
Through its Managing Director
Registered Office at R-13, Greater Kailash-I,
New Delhi-110048.
Plot no. 1327, 2nd Floor, Sector-43,
Near Ardee City Red Light,
Gurgaon-122002, Haryana.

.....RESPONDENT NO. 1

2. M/s Newstone Realdevelopers Private Limited.
Through its Managing Director
Registered Office at 7, South Patel Nagar,
New Delhi-110008.

....RESPONDENT No. 2

Complaint no.:	3276 of 2022
Date of filing:	16.12.2022
Date of first hearing:	28.02.2023
Date of decision:	30.10.2025

1. Vimmy Gupta W/o Sh. Nand Kumar Gupta,
R/o C-2, Mahanadi, Type-III, IGNOU Housing,
New Delhi- 110068.
2. Nand Kumar Gupta S/o Late Sh. G.C. Gupta,
R/o C-2, Mahanadi, Type-III, IGNOU Housing,
New Delhi- 110068.

....COMPLAINANTS

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Through its Managing Director
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New Delhi-110008.

....RESPONDENT No. 2



**CORAM: Parneet S Sachdev
Nadim Akhtar
Dr. Geeta Rathee Singh
Chander Shekhar**

**Chairman
Member
Member
Member**

Present: - Mr. Dinesh Kumar Dakoria, counsel for the complainants in both the complaints, through VC.
Mr. Hemant Saini, counsel for the respondent no.2 in both the complaints., in person.

ORDER (PARNEET S SACHDEV- CHAIRMAN)

1. Above captioned complaints are taken up together for hearing as these complaints involve similar issues and are related to the same project of the respondent. This final order is being passed by taking the Complaint No. 3275/2022 as the lead case.
2. Present lead complaint dated 16.12.2012 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 fulfill all the obligations, responsibilities and functions towards the allottee as per the terms agreed between them.



A. UNIT AND PROJECT RELATED DETAILS

3. The particulars of the unit booked by complainant in lead case, the details of sale consideration, the amount paid by the complainant and details of project are detailed in following table:

S.No.	Particulars	Details
1.	Name of the project	Beverly Homes, Sector 89, Faridabad, Haryana.
2.	Date of booking by complainant	06.05.2010
3.	Unit details	T2- 24- Ground Floor.
4.	Unit area	1022 Sq. Ft (Super Area)
5.	Date of builder buyer agreement	01.09.2010
6.	Basic Sales Price	₹22,11,060/-(as per BBA)
7.	Amount paid by complainant	₹25,17,823/-
8.	Due date of possession	March,2013 (24 months plus 180 days grace period from the date of sanction letter of project, i.e. 16.08.2010.)
9.	Possession clause	<i>Clause 12- "Any other circumstances not anticipated and beyond the control of the Company and any restraints/restrictions from any Court /authority and subject to the Applicants) having complied with all the terms and conditions of the present agreement for allotment and the Applicants) not being in default of payment including but not limited to</i>

		<i>timely payment of the total Sale Consideration and Stamp Duty and other charges and having complied with all provisions, formalities, documentations etc. including the Standard Floor's Buyer Agreement, the Company proposes to handover the Possession of the Floor to the Applicants) within a period of 24 months from the date of issuance of the sanctioned letter of the Project. The Applicants) agrees and understands that the Company shall be entitled to grace period of 180 (One Hundred and Eighty) days, after the expiry of 24 months for applying and obtaining the Occupation Certificate in respect of the Project from the concerned authority. The Company shall give notice of Possession to the Applicants) with regard to the handing over of the possession and in the event the Applicant fails to accept and take possession of the Floor within 30 days of issuance of the notice, the Applicant(s) shall be deemed to be the custodian of the floor from the date indicated in the notice of possession and the Floor shall remain at the risk and cost of the Applicants). The Applicants) shall take possession of the said Floor after making the full payment and get the conveyance deed executed within 30 days from the date of the Notice of possession issued by the Company subject to terms and conditions of the Floor</i>
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		<i>Buyer's Agreement, "</i>
10.	Offer of possession	Not made

B. FACTS AS STATED BY THE COMPLAINANT

4. Facts of the complainant's case are that in the year 2007, the respondent promoter launched residential apartments under Group Housing Project namely, "Beverly Homes" at Sector 89, Faridabad on land admeasuring 11.85 acres.
5. On 06.05.2010, the Complainant booked a Flat admeasuring 1022 sq. ft in the respondent's project and paid a sum of ₹5,52,550/- to the respondent builder at the time of booking. Receipt dated 06.05.2010 is Annexed as **ANNEXURE-B** AT page 40 of the complaint.
6. That the complainant was allotted Flat No. 24, Ground Floor in Tower T-2 admeasuring 1022 sq. ft. vide Floor Buyer- Seller Agreement dated 01.09.2010. Copy of the Flat Buyer Agreement dated 01.09.2010 is annexed as **Annexure- A** of the complaint.
7. That the complainant has averred that the terms and conditions of the said agreement were wholly one-sided, arbitrary, and unfair. However, having already paid a substantial amount to the respondent company, the complainant was left with no option but to sign the agreement under compulsion.



8. According to Clause no. 12 of the Floor Buyer -Seller Agreement, physical possession of the said flat was to be handed over by the respondent company to the complainant within a period of 24 months plus graced period of 180 days from date of sanction of building plans, i.e., 16.08.2010 but the respondent has failed to perform its promise and the project is standstill since last 9 years.
9. That the complainant has submitted a sum of ₹25,17,823/- against the total sale consideration of the flat in question, i.e., ₹22,11,060/- exclusive of additional charges till date as per the terms of agreement. Further, the complainant availed loan facility from LIC housing Finance limited for making the payment of instalment of the builder against the flat in question. Copies of the Receipts are annexed as **Annexure-B** from page no. 40- 51 of complaint.
10. That the license of the project expired in the year 2015, and the building structure has not been constructed in accordance with the Building Plan sanctioned by the DTCP. Consequently, the project has remained incomplete and is lying in a dilapidated condition for the past nine years. It is submitted that there has been an inordinate delay on the part of the builder in completing the project, and further, no basic amenities, as promised by the builder at the time of booking, have been provided to the allottees.



11. Further, that the respondent builder has disseminated false communication to the complainant and other allottees vide letter dated 15.09.2015 wherein it is stated that the respondents shall start handing over physical possession of the flat in next 6 months and have collected huge amount from the buyers on name of renewal of license.
12. That the complainant along with other allottees have been running post to pillar requesting for refund of the deposited amount along with interest. However, the Respondent has failed to respond or take any action.
13. That this Authority vide its order dated 12.05.2022 in bunch of 26 complaints taking lead case as complaint no. 843/2019 titled as "Manoj Kumar Gupta versus M/s. Ferrous Infrastructure Private Limited" has allowed refund of the paid amount along with interest. Further, the same case has been taken as a precedent while deciding complaint nos. 943/2022, 984/2022, 1181/2022 and 1185/2022 vide order dated 26.07.2022. It is submitted that the present complaint is fully conversant with the orders passed in above complaints.
14. That in view of the above facts, the Complainant is entitled to a refund of the entire deposited amount along with interest, penalty, and compensation.



C. RELIEFS SOUGHT

15. The complainant in his complaint has sought following reliefs:-

- i. Admit the complaint of the complainant.
- ii. Direct the respondent company to refund the amount of Rs.25,17,823/- along with interest as applicable and mentioned in clause no. 7 under the floor builder buyer agreement from the particular dates of receipt of the payments till its actual realisation.
- iii. Direct the respondent company to pay a sum of Rs. 2,00,000/- to the complainant on account of litigation expenses, since the complainant has been compelled by the respondent company to initiate unwarranted litigation.
- iv. Direct the company to pay a sum of Rs.20,00,000/- as compensation to the complainant for mental agony, pain and sufferings, harassment, loss of opportunity.
- v. Any other direction or relief which this Hon'ble Authority deems fit and proper in view of the facts and circumstances of the present case.

D. REPLY SUBMITTED ON BEHALF OF RESPONDENT NO.1

E. Notice of the complaint was first issued to Respondent No. 1 on 21.12.2022, which was returned with the report "Receiver shifted from given address." However, Mr. Kailash Ram, Id. Counsel for IRP



appeared before the Authority and submitted that vide order dated 02.02.2023 passed by the Hon'ble NCLT, New Delhi the management of the respondent promoter company has been taken over by the IRP. Thereafter, 9 hearings have elapsed the respondent No. 1 has failed to file any reply. Considering the summary nature of proceedings under the Act, this Authority deems it appropriate to strike off the defence of Respondent No. 1.

F. REPLY SUBMITTED ON BEHALF OF RESPONDENT NO.2

That the respondent no. 2 has filed a reply dated 26.03.2025 stating therein;

16. It is submitted that on 06.01.2023, DTCP in- principal approved the request of the Respondent No. 1 change of developer and for transfer of license no. 229 of 2007 dated 28.09.2007 issued initially in favour of Respondent No.1. The said in-principal approval was subject to various conditions. Copy of the letter dated 06.01.2023 issued by the DTCP is annexed as **Annexure- R1** with the reply.
17. That in compliance of the approval letter dated 06.01.2023 issued by the DTCP on 18.01.2023 Respondent No.1 entered into a sale deed with Respondent No. 2 by which Respondent No. 1 sold the said project in question. Copy of the Sale Deed executed between the Respondent No. 1 and respondent no. 2 is annexed as **Annexure R-2** with reply.



18. That the Respondent No. 2 was informed by the Respondent No.1 that it had complied with all its obligations as stipulated under the in-principal approval letter dated 06.01.2023 issued by the DTCP. It is further stated that change of developer and transfer of license has not been completed till date since DTCP has not renewed the license, as applied for by the Respondent No. 2, license renewal fee which stands paid to the DTCP, Haryana vide Receipt dated 29.11.2024 bearing GRN No. 124380232. That it is submitted by respondent No. 2 that it has complied with its obligations for obtaining the renewed license no. 229 of 2007 from the DTCP. Copy of the E-payment receipts dated 29.11.2024 is annexed with reply as **Annexure R-4**.
19. It is submitted that the Respondent No. 2 has also written a Reminder Letter dated 19.03.2025 regarding the renewal of license which has been duly received by the office of the DTCP, Haryana. Copy of the reminder letter dated 19.03.2025 is annexed as **Annexure R-4**.
20. That the Sale deed dated 18.01.2023 limited the obligation and liability of Respondent No.2 to the extent that it had to obtain the Occupation Certificate for the towers in the said project and execute Conveyance Deed in favour of allottees. Therefore, no additional liability could be fastened upon the Respondent No. 2.
21. That the sale deed dated 18.01.2023 executed between the Respondent No. 1 and the Respondent No. 2 is to be read in letter and spirit and no

obligation(s) can be imposed upon Respondent No.2 which was never the intention of the parties while executing the Sale deed dated 18.01.2023.

22. That in view of above, it is prayed that matter may be adjourned sine die till transfer of license.

G. ADDITIONAL DOCUMENTS SUBMITTED BY LEARNED COUNSEL FOR COMPLAINANT.

A. That Id. Counsel for the complainant has filed an application dated 28.02.2023 stating therein-

- i. That the respondent's project namely, "Beverly Homes" having license no. 229 of 2007 at Sector-89, Tehsil & District-Faridabad was launched on the land measuring 11.85 Acres in Village-Riwajpur, Sector-89, Tehsil & District-Faridabad.
- ii. It is submitted that that aforesaid entire land/license (i.e. 11.85 acres License No. 229 of 2007) along with all its rights /easement, rights, title and interest has been soldout by respondent company i.e M/s Ferrous Infrastructure Private Limited in favour of Vendee/Purchaser M/s Newstone Realdevelopers Private Limited having registered office at 7, South Patel Nagar, New Delhi-110008 vide Sale deed bearing Vasika no. 10571 dated 18.01.2023 registered in the office of Sub-Registered Faridabad after obtaining the permission from



the office of DTCP Haryana, Chandigarh vide office memo no. LC-991-JE(SK)-2023-659 dated 06.01.2023. Certified Copy of sale deed Vasika no. 10571 dated 18.01.2023 is filed as **Annexure-A** and the Copy of list of Directors of Company M/s Newstone Realdevelopers Private Limited obtained from MCA website are annexed as **Annexure-B** with the application.

iii. It is submitted by the complainant that the aforesaid land/ license/ project was neither the subject matter of company petition No. IB-20(ND)/2022 titled as Ms. Leena Batra Vs. M/s Ferrous Infrastructure Private Limited nor it has taken by concerned IRP under its charge/ control/ possession. Further, in this context various mails were also sent vide emails dated 17.02.2023, 18.02.2023, 19.02.2023, 20.02.2023 and 25.02.2023. copies of aforesaid emails are annexed as Annexure-C with this application.

iv. Therefore, it is requested by the complainant to implead/ substitute/ replace the company M/s Newstone realdevelopers private limited.

B. Ld. Counsel on behalf of the complainant had filed an application dated 26.04.2024 for vacation of interim stay imposed by authority



vide its order dated 28.02.2023 on operation of the sale deed dated 18.01.2023 stating therein-

- i. That this Authority on 28.02.2023 had taken a view of the malpractice on the part of respondent and the project section of the authority was directed to register a suo moto complaint against the promoters for blatant violation of the provision of section 15 of the RE(R&D) Act 2016 and further operation of the sale deed vasika no. 10571 dated 18.01.2023 registered in office of Sub Registrar, Faridabad executed by the respondent no. 1 in favour of respondent no. 2 was stayed while exercising its powers under Section 36 of RE(R&D) Act, 2016 and also initiated the penal proceedings under section 61 of the RE(R&D) Act 2016 . Copy of order dated 28.02.2023 is annexed as **Annexure- A** with this application.
- ii. That the said order dated 28.02.2023 directly impacted the process of enforcement / execution of the order dated 12.05.2022 against which the execution petitions are pending before the Ld. Adjudicating officer, Haryana Real Estate Authority, Panchkula. Copy of order dated 12.05.2022 is annexed as **Annexure- B** with this application.
- iii. That reference is drawn towards office memo No. LC-991-JE(SK)-2023/659 dated 06.01.2023, wherein the M/s



Newstone Realdevelopers Private Limited was/is under obligation to settle all the pending outstanding issues in respect of all the existing as well prospective allottees and further all the liabilities of the existing developers under the project in question. The clause no. 6 & 8 of the said office memo are herein reproduced for reference-

"Clause No. 6. An undertaking to settle all the pending/outstanding issues, if any, in respective of all the existing as well as prospective allottees.

Clause No. 8. An undertaking that all the liabilities of the existing developer shall be owned by new entity."

- iv. That in view of the aforesaid sale deed and the office memo issued by the DTCP Haryana, the M/s Newstone Realdevelopers Private Limited is solely liable to make the refund alongwith interest to the complainant as prayed in the present compliant, since the project in question has been taken over by M/s Newston Realdevelopers Privat Limited alongwith all right, title, interest, liabilities etc. Copy of sale deed and office memo is annexed as **Annexure C and D** with the application.
- v. That the project in question, i.e., "Beverly Homes at sector 89, Faridabad Phase- II had been transferred by M/s Ferrous



Infrastructure Private Limited to M/s Newstone Realdevelopers Private Limited vide sale deed dated 18.01.2023 which is prior to the order dated 02.02.2023 passed by Hon'ble NCLT, New Delhi in company petition no. IB- 20(ND)/ 2022 titled, "Leena Batra Versus M/s Ferrous Infrastructure Private Limited " therefore project in question is having no effect of the moratorium imposed by the Hon'ble NCLT. Further even possession and control of project in question has not been taken over by IRP till date. Copy of order dated 02.02.2023 is annexed as **Annexure E** with the application. Thus, it is prayed by the applicant that the operation of the sale deed may be vacated.

C. On perusal of complaint files, it has been brought to the notice that **an application dated 17.07.2025 has been filed by Id. Counsel for the complainant in complaint No. 3276 of 2022 –**

- i. That the complainant seeks indulgence of this authority to place on record copy of written submission dated 28.05.2025 filed by resolution professional of M/s Ferrous Infrastructure private limited(in CIRP) before the Director Town and Country Planning, Haryana under the proceedings being conducted by DTCP in compliance of order dated 03.04.2025 passed by Hon'ble Panjab & Haryana High Court in CWP



9431 OF 2025 titled as “Rajender Kumar Mehta & anr v state of Haryana and ors”

- ii. That the said writ petition was filed by one of the complainant/ Decree Holder of the same project before the Hon'ble Panjab & Haryana High Court praying for either compliance of Memo No. LC-991-JE(SK)-2023-659 dated 06.01.2023 or withdraw the same and further prayed for cancellation of sale deed vasika no. 10571 dated 18.01.2023 whereby the project in question was transferred by M/s Ferrous Infrastructure Pvt Ltd to M/s Newstone Realdevelopers Pvt Ltd. The said writ petition was disposed off by the Honble High Court vide order dated 03.04.2025 with the direction to DTCP to decide the representation and pass the appropriate reasoned order. Copy of order dated 03.04.2025 is annexed as **Annexure A** with the application.
- iii. That in compliance of the High court order a personal hearing was afforded by the DTCP Haryana on 26.05.2025 to the concerned parties, wherein the resolution professional of M/S Ferrous Infrastructure Private Limited(in CIRP) filed written submissions dated 28.05.2025 and clarified that the project named “Beverly Homes” is not going to be monetised and not included under insolvency proceedings. Copy of hearing



notice alongwith written submission dated 28.05.2025 are annexed as **Annexure- B(Colly)** with the application.

- iv. That the written submission filed by IRP on behalf of M/S Ferrous Infrastructure Private Limited is substantial, necessary and relevant document for proper adjudication and decision of the present complaint.
- v. That the present complaint was filed on 16.12.2022 and the substantial period of more than one and half year has been lapsed. It is on record that m/S Ferrous Infrastructure Pvt Ltd and M/s New Stone Realdevelopers Pvt Ltd have been misguiding this Authority by making false statement and concealing actual status of the project which shows the collusion between IRP and real developer companies.

H. ARGUMENTS OF LEARNED COUNSEL FOR COMPLAINANT AND RESPONDENT

- 23. During oral arguments, ld. counsels appeared on behalf of both parties reiterated their arguments as were submitted in writing.

I. ISSUES FOR ADJUDICATION

- 24. Whether the complainant is entitled to reliefs as claimed by him?



J. OBSERVATIONS AND FINDINGS OF THE AUTHORITY

25. In light of the facts, circumstances, and documents brought on record this Authority observes that the present complaint pertains to the project namely, "Beverly Homes", situated at Sector 89, Faridabad, Haryana.
26. In the captioned lead complaint, the complainant has alleged that the complainant booked a flat admeasuring 1022 sq. ft. in the said project on 06.05.2010 by paying an initial amount of ₹5,52,550/-, and was thereafter allotted Flat No. 24, Ground Floor, Tower T-2, vide Floor Buyer-Seller Agreement dated 01.09.2010. The total sale consideration of the said flat was ₹22,11,060/-, against which the complainant paid a sum of ₹25,17,823/-It is the case of the complainant that despite the builder's obligation under Clause 12 to hand over possession within 24 months from the date of sanction of building plans (i.e., by February 2013), no possession has been offered till date.
27. The complainant has further alleged that the project's license expired in 2015 and the site is lying in a dilapidated condition for the past nine years. Moreover, despite repeated requests and representations by the complainant and other allottees, the respondent has failed to refund the deposited amounts.
28. Subsequent to the filing of the complaint before this Authority, it was brought to the Authority's notice that in 2023, the entire land and project rights in respect of "Beverly Homes" were transferred by M/s



Ferrous Infrastructure Pvt. Ltd. to M/s Newstone Realdevelopers Pvt. Ltd. through a registered sale deed dated 18.01.2023, with prior approval from DTCP Haryana. Thereafter, CIRP proceedings were initiated against the respondent no. 1 vide order dated 02.02.2023 by Hon'ble NCLT, New Delhi. Pursuant to this transfer, M/s Newstone Realdevelopers Pvt. Ltd. assumed all liabilities of the project, including obligations towards existing and prospective allottees. That the sale deed dated was challenged before the Hon'ble NCLT, New Delhi. However, vide order dated 04.09.2024, the Hon'ble NCLT, New Delhi, has clarified that it does not have jurisdiction to adjudicate ownership disputes relating to the sale deed. The complainant has further highlighted that the captioned project is not included under the CIRP of M/s Ferrous Infrastructure Pvt. Ltd and now seeks refund of the entire amount paid, along with interest, penalty, and compensation, from the current developer, M/s Newstone Realdevelopers Pvt. Ltd.

29. Whereas on the other hand, the respondent no. 2 has submitted that the DTCP, Haryana, granted in-principle approval on 06.01.2023 for the change of developer and transfer of License No. 229 of 2007 from M/s Ferrous Infrastructure Pvt. Ltd. to M/s Newstone Realdevelopers Pvt. Ltd., subject to certain conditions. The sale deed dated 18.01.2023 was executed in compliance with this approval, and M/s Newstone Realdevelopers Pvt. Ltd. assumed obligations limited to obtaining the



Occupation Certificate for the towers and executing Conveyance Deeds in favor of the allottees. The respondents contend that the license transfer has not yet been completed due to pending renewal with DTCP. Therefore, it is their contention that no additional liabilities can be imposed beyond those expressly agreed in the sale deed.

30. Having heard the submissions of both parties and perused the documents on record, this Authority is of the opinion that the issues arising for determination are twofold. firstly, whether the complainant is entitled to the relief of refund of the amounts deposited along with interest and secondly, the determination of the party upon whom the liability to effect such refund ought to be fastened.
31. At this stage, reference must be made to Section 31 of the RERD Act, 2016 which provides for filing of complaints. Section 31 is being reproduced below for reference-

"Section 31- Filing of complaints with the Authority or the adjudicating officer.

(1) Any aggrieved person may file a complaint with the Authority or the adjudicating officer, as the case may be, for any violation or contravention of the provisions of this Act or the rules and regulations made thereunder, against any promoter, allottee or real estate agent, as the case may be.

Explanation.--For the purpose of this sub-section "person" shall include the association of allottees or any voluntary consumer association registered under any law for the time being in force.

(2) The form, manner and fees for filing complaint under sub-section (1) shall be such as may be 1 [prescribed]."



32. A plain and literal construction of Section 31 makes it clear that the right to invoke the jurisdiction of this Authority is not confined solely to "allottees." The legislature in its wisdom has consciously employed the expression "any aggrieved person" so as to vest locus standi in a wider category of individuals who can demonstrate that they have suffered a legal injury on account of a violation of the Act or rules made thereunder. The use of the word "may" in conjunction with "any aggrieved person" expands the remedial jurisdiction and ensures that technical objections cannot defeat substantive justice.

33. In the present case, the complainant, by relying on the Floor Buyer-Seller Agreement and the receipts issued by the respondent has prima facie demonstrated a grievance referable to the conduct of the promoter. Accordingly, the complainant falls within the ambit of an "aggrieved person" under Section 31, and this Authority is duly empowered to adjudicate the complaint.

34. The next question which arises for determination is whether the complainants are entitled to the reliefs sought in the present proceedings.

Reliance in this regard has been placed on Section 18 of the RE(R&D) Act, 2016.

"Section 18- Return of amount and compensation.

(1) If the promoter fails to complete or is unable to give possession of an apartment, plot or building,—



*(a) in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or
 (b) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason,*

he shall be liable on demand to the allottees, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act:

Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed.

(2) The promoter shall compensate the allottees in case of any loss caused to him due to defective title of the land, on which the project is being developed or has been developed, in the manner as provided under this Act, and the claim for compensation under this subsection shall not be barred by limitation provided under any law for the time being in force.

(3) If the promoter fails to discharge any other obligations imposed on him under this Act or the rules or regulations made thereunder or in accordance with the terms and conditions of the agreement for sale, he shall be liable to pay such compensation to the allottees, in the manner as provided under this Act."

35. A careful reading of Section 18 makes it evident that the legislature while structuring the framework under Section 18, has deliberately employed the expression "allottee". The relief of refund and compensation is therefore legislatively circumscribed to those who qualify as allottees under Section 2(d) of the Act. Thus, the next step is to determine whether the complainants are allottee or not. For the purposes of the Real Estate (Regulation and Development) Act, 2016 an "allottee" is defined under Section 2(1)(d) as:



“(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;”

36. In the present case, it is evident fact that the complainant has been allotted Flat No. 24, Ground Floor, Tower T-2 vide Floor Buyer-Seller Agreement dated 01.09.2010, thus, complainant squarely falls within the definition of an “allottee” under the Act. Further, it is an admitted position that the complainant has made substantial payments towards the flat in question and is yet to be handed over possession, despite the clear contractual timeline under the Floor Buyer-Seller Agreement. Further, there is no doubt that complainant had booked a flat in the project of the respondent in May, 2010 against which a total amount of ₹25,17,823 /- has been paid to the respondent no.1 which is duly substantiated by receipts attached. Out of said paid amount, last payment of ₹78,896/- was made to respondent no.1 on 31.05.2013 which implies that respondent is in receipt of total paid amount since year 2013 whereas fact remains that no valid offer of possession duly supported with occupation certificate of the booked flat has been made till date. Authority observes that the flat in question was allotted by respondent no.1 on 01.09.2010, Builder Builder agreement was also executed between the parties on the said date. In present situation,



respondent has failed to honour its contractual obligations without any reasonable justification. Now, the complainant has sought refund along with interest owing to the failure of the respondents to deliver possession within the stipulated time and their continued default thereafter.

37. That 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."

38. 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. Thus, it satisfies the first test that the complainant falls under the definition of an "allottee" and has the right of refund.

39. The question that now falls for determination is with respect to the entity upon whom the liability to refund the amount ought to be fastened.

40. That before arriving at a conclusion, it is to be noted that this Authority vide its order dated 21.11.2024 had observed the following-

"8. Further, the counsel's request seeking relief of refund against M/s Newstone Realdevelopers Private Limited solely cannot be allowed at the moment. It is not out of place to mention here that admittedly by way of sale deed dated 18.01.2023 as recorded in the order dated 04.09.2024 delivered by Hon'ble NCLT, New Delhi the project has been transferred to M/s Newstone Realdevelopers Private Limited. But as per the records of DTCP, Haryana the license has not been transferred to the M/s Newstone Realdevelopers Private Limited. Further, the Id. Counsel for complainant has expressed his apprehension stating that both the companies are in a collusive arrangement. This contention of the complainant counsel is not supported by any evidence or document. Both the companies are legal entities with different directors, although some maybe related. However, that by itself cannot bring forth a conclusion of a collusive arrangement within a corporate veil.

9. The authority observes that till the time license is not transferred, both the companies, i.e., M/s Newstone Realdevelopers Private Limited and M/s Ferrous Infrastructure Pvt. Ltd will be jointly liable to the allottees."



41. However, this Authority cannot ignore a new factum introduced by the complainant in complaint no. 3276 of 2022 by way of application dated 17.07.2025, whereby a copy of the written submission dated 28.05.2025 filed by the Resolution Professional of M/s Ferrous Infrastructure Pvt. Ltd. before the DTCP, Haryana, was placed on record. The submission, made in compliance with the order dated 03.04.2025 passed by the Hon'ble Punjab & Haryana High Court in CWP 9431 of 2025, clarifies that the project "Beverly Homes" is not proposed to be monetised and does not form part of the CIRP of M/s Ferrous Infrastructure Pvt. Ltd. Relevant paragraphs of the written submissions submitted before DTCP, Haryana are being reproduced below-

"Respected Sir,

This is to respectfully submit the following on behalf of the undersigned, acting in the capacity of the Resolution Professional (RP) of Ferrous Infrastructure Pvt. Ltd. ("Corporate Debtor"), in reference to the hearing held on 26/05/2025, at your esteemed office in Chandigarh:

1. It is hereby clarified that the land admeasuring 11.85 acres pertaining to the Beverly Homes project of the Corporate Debtor, belonged to the Corporate Debtor and the same was transferred vide sale deed dated 18.01.2023 just before the commencement of the Corporate Insolvency Resolution Process which was on 02.02.2023.

2. In reply to your specific query, I, as Resolution Professional state that as on date, Beverly Homes Project is not going to be monetized since the same is not included under insolvency proceedings ongoing during the process of invitation of resolution plan for the Corporate Debtor.

It may be noted that in the CIRP of the Corporate Debtor, two resolution plans has been received for its two projects and both were approved by the COC. Beverly Homes Project does not form part of the assets of the Corporate Debtor. Application for approval of resolution plan will shortly be filed before the Hon'ble NCLT, Delhi for approval of the resolution plan."

42. Further, having taken into consideration that the previous owner, i.e., M/s Ferrous Infrastructure Pvt. Ltd. has already parted with its rights, title, and interest in the project by virtue of the registered sale deed



dated 18.01.2023, this Authority is now constrained to examine the Office Memorandum No. LC-991-JE(SK)-2023/659 dated 06.01.2023, issued by the Director, Town and Country Planning, Haryana, in order to determine the nature and extent of liabilities flowing from the said transfer and the undertakings imposed upon the new developer, i.e., M/s Newstone Realdevelopers Pvt. Ltd.

43. Clause No. 6 of the said memo provides that the new entity undertaking the project shall settle all pending or outstanding issues in respect of all existing as well as prospective allottees, and Clause No. 8 stipulates that all liabilities of the existing developer shall be assumed by the new entity. In view of these clarifications, it is evident that M/s Newstone Realdevelopers Pvt. Ltd. has assumed full obligations and liabilities of the project, including towards existing allottees.
44. This can be further fortified by relying upon the definition of a "promoter" under Section 2(zk) of the Real Estate (Regulation and Development) Act, 2016 which is being reproduced 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.
Explanation.—For the purposes of this clause, where the person who constructs or converts a building into apartments or develops a plot for sale and the person who sells apartments or plots are different person, both of them shall be deemed to be the promoters and shall be jointly liable as such for the functions and responsibilities specified under this Act or the rules and regulations made thereunder;”

45. Applying the above definition to the facts on record, it is evident that

M/s Newstone Realdevelopers Pvt. Ltd., having taken over the entire project along with all rights, obligations, and liabilities, falls squarely within the definition of a “promoter” under RE(R&D) Act, 2016

46. Additionally, reliance is being placed on proviso appended to section 15(1) of the RE(R&D) Act, 2016 wherein obligations of promoter in case of transfer of a real estate project to a third party are discussed.

Relevant portion of section 15 of RE(R&D) Act, 2016 is being produced herein-

"Provided that such transfer or assignment shall not affect the allotment or sale of the apartments, plots or buildings as the case may be, in the real estate project made by the erstwhile promoter."

47. The underlying rationale of this proviso is to safeguard the vested rights of allottees who have already acquired interest in the project. It mandates that any transfer of the project or its obligations to a new promoter cannot in any manner dilute the rights of existing allottees arising from prior allotments executed by the erstwhile promoter. Accordingly, the respondent cannot shirk away from its responsibility stating that it is mere landowner and does not have license on its name.

48. In view of the above, the Authority is of the considered opinion that the earlier observation recorded in its order dated 21.11.2024 requires modification. Authority finds that M/s Newstone Realdevelopers Pvt. Ltd., being the current promoter under the definition of Section 2(zk) of the RERA Act, 2016, is fully responsible for redressing the grievances of the complainant as the license and obligations have effectively been assumed by the new promoter.

49. Accordingly, this Authority holds that respondent no. 2 M/s Newstone Realdevelopers Pvt. Ltd. shall be liable to refund the amounts deposited by the complainant, along with interest as per Rule 15 of the



Haryana RERA Rules, calculated from the respective dates of payment till the actual realization of the amount.

50. Complainant is interested to withdraw from the project and has clearly demanded refund. As per Section 18 of Act, interest shall be awarded at such rate as may be prescribed. 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 (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".

51. The legislature in its wisdom in the subordinate legislation under the provisions of Rule 15 of the Rules, has determined the prescribed rate of interest. The rate of interest so determined by the legislature, is reasonable and if the said rule is followed to award the interest, it will ensure uniform practice in all the cases. Consequently, as per website of the state Bank of India i.e. <https://sbi.co.in>, the marginal cost of lending rate (in short MCLR) as on date i.e. 30.10.2025 is 8.85%. Accordingly, the prescribed rate of interest will be MCLR + 2% i.e. 10.85%.

52. 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;

53. Accordingly, respondent no.2 will be liable to pay the complainant interest from the date amounts were paid till the actual realization of the amount. Hence, Authority directs respondent to refund to the complainant the paid amount of ₹25,17,823/- in complaint no.3275 of 2022 & ₹25,09,585/- in complaint no. 3276 of 2022 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 and said amount works out to ₹64,48,847/-in complaint no.3275 of 2022, ₹64,60,099/-in complaint no. 3276 of 2022 as per details given in the tables below:

Complaint no. 3275/2022

Sr. No.	Principal Amount	Date of payment	Interest Accrued till 30.10.2025
1.	5,52,550	20.05.2010	9,26,869
2.	215	10.08.2010	5
3.	3,00,000	27.10.2010	4,88,963
4.	1,42,212	29.10.2010	2,31,704
5.	10,919	25.01.2011	17,505
6.	5,26,465	25.07.2011	8,15,663
7.	2,45,562	22.08.2011	3,78,410
8.	1,00,000	18.09.2011	1,53,297
9.	2,00,000	24.09.2011	3,06,238
10.	1,86,004	23.06.2012	2,69,712
11.	1,75,000	25.05.2013	2,36,277
12.	78,896	31.05.2013	1,06,381
	Total= ₹25,17,823/-		Total= ₹39,31,024/-
	Total Payable to complainant	25,17,823+39,31,024 =	₹64,48,847/-



Complaint no. 3276/2022

Sr. No.	Principal Amount	Date of payment	Interest Accrued till 30.10.2025
1.	3,00,000	25.08.2010	4,94,582
2.	2,46,515	06.09.2010	4,05,527
3.	2,18,606	14.12.2010	3,53,182
4.	14,073	17.01.2011	22,594
5.	2,34,782	17.01.2011	3,76,943
6.	4,08,770	01.03.2011	6,51,056
7.	90,000	01.03.2011	1,43,345
8.	2,59,411	28.03.2011	4,11,087
9.	2,78,572	29.06.2011	4,33,750
10.	9,430	19.11.2011	14,282
11.	1,86,004	23.06.2012	2,69,712
12.	2,63,422	27.09.2012	3,74,454
	Total= ₹25,09,585/-		Total= ₹39,50,514/-
	Total Payable to complainant	25,09,585+39,50,514 =	₹64,60,099/-

K. DIRECTIONS OF THE AUTHORITY

54. 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:

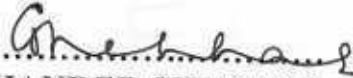
- (i) Respondent is directed to refund the entire paid amount with interest to the respective complainants in all the captioned



complaints taken together as bunch keeping 3275/2022 as lead case, as calculated in Para 53 and aforementioned tables of this order. It is further clarified that respondent 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 given in this order as provided in Rule 16 of Haryana Real Estate (Regulation & Development) Rules, 2017 failing which legal consequences would follow.

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


CHANDER SHEKHAR
[MEMBER]


DR. GEETA RATHEE SINGH
[MEMBER]


NADIM AKHTAR
[MEMBER]


PARNEET S SACHDEV
[CHAIRMAN]