



HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

Complaint No.:	2252 of 2023
Date of Filing:	17.10.2023
First Date of Hearing:	29.11.2023
Date of Decision:	26.05.2026

Sarla Devi
51, Ward No. 10, Holy Mohlla,
Gohana, Sonipat, Haryana, 131301

.....COMPLAINANT

Versus

Splendor Landbase Limited
511, 5th floor, Splendor Forum,
Plot no.3, Jasola District Centre,
New Delhi-110025

.....RESPONDENT

Present: Adv. Abhinav Agrawal, Ld. Counsel for the Complainant.

Adv. Diya proxy for Adv. Shubhnit Hans, Ld. Counsel the
Respondent.

ORDER : DR. GEETA RATHEE SINGH -(MEMBER)

1. Present complaint has been filed by the 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,

Rules and Regulations made thereunder, wherein it is inter-alia prescribed that the promoter shall be responsible to fulfil all the obligations, responsibilities and functions towards the allottee as per the terms agreed between them.

A. UNIT AND PROJECT RELATED DETAILS

2. The particulars of the project, details of sale consideration, amount paid by the complainants, 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	"Splender Adharshila", Sector-19, Panipat, Haryana.
2.	Nature of the project.	Residential
3.	RERA Registered/Not Registered	Not Registered
4.	Details of the unit	228, FF (1500 sq. ft)
5.	Date of Floor Buyer Agreement	Not Executed
6.	Due Date of Possession	27.02.2016
7.	Basic Sale Consideration	₹24,00,000/-
8.	Amount paid by the complainant	₹4,80,000/-
9.	Offer of Possession	None

Rathore

B. FACTS OF THE COMPLAINT AS MENTIONED IN THE COMPLAINT

3. That in 2010, the respondent launched a housing project named "Splendor Adharshila" in Sector-19, Panipat, Haryana, marketed via print and tele-marketing. The respondent assured the complainant that the project was centrally located, possessed all necessary competent authority approvals, and that possession would be delivered within 36 months of the construction commencement/agreement execution.
4. That on 06.08.2010, relying on these assurances, the complainant booked a 3BHK (FF) Flat for a total consideration of ₹24,00,000/-. The complainant paid a total of ₹4,80,000/- to the respondent, broken down as, ₹30,000/- on 06.08.2010, ₹2,10,000/- on 23.09.2010 and ₹2,40,000/- on 25.10.2010.
5. That the respondent failed to hand over possession within the promised 36-month timeline. Instead, after a lapse of 48 months from the date of the agreement, the respondent arbitrarily changed the project's name to "Splendor Grande" and, via Annexure C-2, raised an uncertified and arbitrary demand of ₹35,00,000/- for the same 3 BHK flat.
6. That the complainant had preserved all original representations and project documents at his bookstore, "Mukesh Pustak Bhandar". However, on 20.02.2016, during the Jaat Aarkshand Andolan incident, the entire shop was



destroyed by fire. This incident is supported by photographs dated 24.02.2016 and FIR No. 0094 dated 23.02.2016 registered under Sections 148, 149, 395, 427, and 436 of the Indian Penal Code at Police Station Gohana City.

7. That on 19.09.2019, the complainant requested the respondent to provide copies of the relevant project and allotment documents since the originals were destroyed in the fire. The respondent has completely failed to provide any copies till date.

8. That the complainant repeatedly requested either the delivery of possession or a full refund of the deposited Rs. 4,80,000/-. The respondent kept delaying the matter on evasive pretexts and ultimately flatly refused to refund the amount. Aggrieved, the complainant initially filed a dispute case (Case No. PLA 37/2020, titled "*Mukesh Kumar & another Vs. Splendor Landbase Ltd. & others*") under Section 22(C) of the Legal Services Authorities Act, 1987, before the Ld. Lok Adalat, Panipat, which remains pending.

**APPLICATION FILED BY THE COMPLAINANT ON DATED
11.08.2025:**

9. The complainant has submitted that in compliance with this Authority's order dated 25.03.2025, the complainant clarified that against a total sale consideration of ₹24,00,000/- for the 3 BHK flat in question, a total sum of ₹4,80,000/- (comprising payments of ₹30,000/-, ₹2,10,000/-, and ₹2,40,000/-) stands paid to the respondent.



10. That the itemized details of the total payment made by the complainant are as follows:

Sr. No.	Amount	Cheque No.	Dated	Bank	Respondent Receipt No. & Dated	Annexure & Page No. of Paper book
1	₹30,000/-	889783	06.08.2010	OBC	193 & 06.08.2010	Respondent receipt C-1, at Page 30
2	₹2,10,000/-	575907	23.09.2010	OBC, now merged into PNB	358 & 23.09.2010	Respondent receipt C-1, at Page 31 & Bank Statement C-5
3	Out of ₹5,23,644/-, complainant paid ₹2,40,000/-	57590	23.10.2010	OBC, now merged into PNB	452 & 25.10.2010	Respondent receipt C-1, at Page 32 & Bank Statement C-5

APPLICATION FILED BY THE COMPLAINANT ON DATED 02.04.2026:


11. That the pending case no. 37/20 titled as "Mukesh & another Vs. Splender Landbase Ltd. & others" has been withdrawn with liberty to file fresh application/petition in a competent court of law/forum, vide Hon'ble Permanent Lok Adalat for Public Utility Service, Panipat, Haryana order dated 14.03.2024. (copy attached)

C. RELIEF SOUGHT

Rathee

12. In view of the facts mentioned above, the complainant has prayed for the following relief(s):-

- i. That to direct the respondent to refund the Complainant total paid amount of Rs.4,80,000/- back to the complainant along with the interest of 18% per annum.
- ii. That to direct the respondent to pay a sum of ₹5,00,000/- as mental harassment, damages and ₹1,00,000/- as litigation, expenses.
- iii. That to restrain the respondent to sell/to allot the complainant flat to any one, during the pendency of this matter.
- iv. That to impose penalty upon the respondent, in compliance of the of section 60 of The Real Estate (Regulation and Development) Act, 2016 for wilful default committed by respondent.
- v. That to impose penalty upon the respondent, in compliance of the of section 61 of The Real Estate (Regulation and Development) Act, 2016 in contravention of sections 12, 13, 14 & 16 of The Real Estate (Regulation and Development) Act, 2016.
- vi. That to issue directions to make a liable, every officer concerned that is director, manager, secretary or any other authorised officer of the respondent company, at whose instance, connivance, acquiescence, neglect, any of the offences has been committed as mentioned in section 69 of The Real Estate (Regulation and Development) Act, 2016 to be right with Haryana, Real Estate Regulatory Rules, 2017.


Rathee

- vii. That to recommend criminal action against the respondent for the criminal offence of cheating, fraud and criminal breach of trust under sections 420, 406 and 409 of the Indian penal code.
- viii. To pass any other relief or any other order or direction, which this Hon'ble Authority deem fit and appropriate in the view of the facts and circumstances of this complaint.

D. REPLY ON BEHALF OF RESPONDENT

13. Learned counsel for the respondent filed detailed reply on 05.07.2024 pleading therein:

PRELIMINARY OBJECTIONS

14. That this Hon'ble Authority lacks the jurisdiction to entertain the present complaint. The project in question, "Splendor Aadharshila," is neither an ongoing project nor registered under the Real Estate (Regulation and Development) Act, 2016 (RERA Act). The project was unviable and scrapped long before the enactment and enforcement of the RERA Act. Since the project does not fall within the scope of registration under Section 3 of the Act, a complaint under Section 31 for any alleged violation or contravention is entirely non-maintainable and liable to be dismissed *in limine* (at the threshold).



15. That the complaint is hopelessly barred by time under the Limitation Act, 1963 (specifically Articles 55, 47, and 113), which applies to these proceedings by virtue of Section 29(2) of the Limitation Act read with Section 88 of the RERA Act. The respondent offered the allotment of an alternative unit to the complainant via letters dated 16.08.2014, and 26.08.2015. The final offer explicitly stated it was valid until 30.11.2015, after which it lapsed. Consequently, any alleged cause of action or right to sue for recovery accrued on 30.11.2015, making the 3-year limitation period expire on 30.11.2018. The Complainant remained dormant for nearly 8 years before approaching this Authority in 2023. Relying on settled law, including the Supreme Court judgments in *B.L. Sreedhar v. K.M. Munireddy* and *HUDA v. Tej Refrigeration Industries Ltd.*, as well as Gurugram Authority's ruling in *Sameer Suhag v. M/s Aaliyah Real Estates Pvt. Ltd.*, the respondent emphasizes that equity and law assist the vigilant, not those who sleep over their rights.

16. That the complaint fails to disclose any valid cause of action against the respondent. It is argued that the current litigation is a vexatious attempt at forum hunting and extortion, designed to capitalize on real estate price appreciation over a decade. Under principles akin to Order VII Rule 11 of the Civil Procedure Code (CPC), a complaint that is legally barred or lacks a clear cause of action must be nipped in the bud.



SUBMISSIONS ON MERIT

17. That over the years, the respondent company has successfully developed various Real Estate Projects across Delhi NCR, Panipat, and the Punjab region, establishing an impeccable reputation built on an uncompromising work ethic, honesty, construction quality, and timely delivery. Driven by this market prestige, the complainant voluntarily chose to invest in the respondent's proposed project "**Splendor Aadharshila**" situated at Sector 19, Panipat, Haryana.
18. That initial project conceptualized in 2010 was a 6-storey linear row housing development named "Splendor Aadharshila." However, the project became entirely impractical and failed to take off due to several unavoidable administrative and structural impediments:
- i. Delays arising from the order dated 24.03.2009, passed by the Hon'ble Punjab & Haryana High Court in CWP No. 21308 of 2008 regarding the clearance of zoning plans.
 - ii. Severe delays by the Town & Country Planning Department, Haryana, in providing basic trunk services, such as peripheral sewerage, storm water drains, and identified water mains.
 - iii. The unexpected inability to realign high-tension electricity wires passing over a significant section of the project land.



Consequently, the Respondent was compelled to redesign the layout into a 13-storey high-rise project ("Splendor Grande"). The zoning and building plans for this modified project were subsequently sanctioned on 11.09.2012, and 27.02.2013, respectively.

19. That the Application Form dated August 6, 2010, the Complainant explicitly agreed and acknowledged that:

- i. The application did not constitute an Agreement to Sell or an entitlement to a provisional/final allotment.
- ii. Construction had not yet commenced, and the plans, designs, and layout specifications were entirely tentative.
- iii. The respondent was fully authorized to make suitable alterations, modifications, or height adjustments to the layout plans as deemed fit or as directed by competent authorities.

20. That following the sanction of the new building plans, the respondent repeatedly requested the complainant to visit the site office to complete the necessary documentation and finalize the allotment. When the complainant failed to respond, the respondent issued a formal offer letter on 16.08.2014, followed by a final reminder letter on 26.10.2015, offering an apartment in the revised high-rise colony at the original basic sale price along with a clear payment plan. The complainant failed to reply to either communication, failed



to execute an apartment buyer agreement, and did not adhere to the payment schedules, effectively abandoning their interest in the investment.

21. That the complainant is not a genuine consumer but a speculative investor who booked the space solely for commercial gains and profit-earning purposes. Having failed to fulfill their payment obligations, the complainant has now approached this Authority after a prolonged, unexplained delay of 8 years to seek unjust enrichment due to rising real estate prices. The respondent denies all allegations of violations, asserts an unblemished market reputation, and prays for the total dismissal of the complaint.

**E. WRITTEN SUBMISSIONS ON BEHALF OF RESPONDENT
DATED 15.05.2026.**

22. That the original project, "Splendor Aadharshila" (a linear row-housing development), could not take off and became non-existent due to administrative and infrastructural bottlenecks, including delayed zoning plan approvals, lack of essential trunk services, and overhead high-tension electricity lines. Consequently, the project was revised, zoning plans were approved on 11.09.2012, and revised building plans for a novel 13-storey high-rise project named "Splendor Grande" were sanctioned on 27.02.2013.

23. The project "Splendor Aadharshila" was never an ongoing project under Section 3 of the Real Estate (Regulation and Development) Act, 2016 (RERA), as it had ceased to exist long before the enactment and enforcement of the Act.



24. Admittedly, no allotment letter, apartment buyer agreement, or agreement to sell was ever executed between the parties. The complainant had merely submitted provisional application forms in 2010, which explicitly stated that construction was yet to commence, allotment was subject to availability, and plans were tentative. Despite reminders dated 16.08.2014 and 26.10.2015 offering allotment in the revised high-rise project, the complainant failed to complete the requisite documentation. In the absence of a concluded contract or an agreement for sale as contemplated under Sections 12, 14, 18, and 19 of RERA, the complainant does not hold the status of an "allottee."
25. That the respondent issued a final reminder/offer letter on 26.10.2015, valid until 30.11.2015. The cause of action, if any, accrued on 30.11.2015. The present complaint was filed after a gross, unexplained delay of nearly 8 years.
26. That in terms of Section 88 of RERA, the provisions of the Act are in addition to, and not in derogation of, other laws. Where a special Act does not prescribe a limitation period, the general principles of Article 113 of the Limitation Act, 1963 apply, prescribing a 3-year window. Subsequent correspondences or reminders do not extend this period, as held by the Hon'ble Delhi High Court in *Rakman Industries Limited vs. Sumaja Electro Infra Private Limited* (2022 SCC Online Del 3719).
27. Following the project revisions, the respondent company repeatedly offered the complainant an allotment at the original basic sale price, but the complainant failed to execute documentation or adhere to the payment plan. Any objections



to the revised allotment should have been raised immediately upon receiving the letters dated 16.08.2014 and 26.10.2015. Instead, the complainant remained silent for nearly 8 years, filing this complaint only after market prices appreciated. The claim is a clear afterthought aimed at unjust enrichment.

**F. ORAL ARGUMENTS OF LEARNED COUNSEL FOR
COMPLAINANT AND RESPONDENT**

28. During arguments ld. counsel for the complainant submitted that he had paid a total sum of ₹4,80,000/- to the respondent towards the booked property. To date, the respondent has failed to offer possession of the property. The money has been sitting with the respondent without any project development, which amounts to a gross deficiency in service. We draw the Hon'ble Authority attention to the fact that the complainant's original transaction and booking documents were unfortunately destroyed in fire during the Jat Andolan riots, as evidenced by the FIR dated 23.02.2016.
29. Ld. counsel for the respondent submitted that the subject matter of the dispute is pending before Hon'ble Permanent Lok Adalat and also submitted that the project was never an ongoing project under Section 3 of the Real Estate (Regulation and Development) Act, 2016 (RERA), as it had ceased to exist long before the enactment and enforcement of the Act.
30. In rebuttal, ld. counsel for the complainant submitted that, pursuant to the order to the order dated 14.03.2024 of the Hon'ble Permanent Lok Adalat



(Public Utility Service), Panipat, the proceedings were dismissed as withdrawn with a liberty to file a fresh application/petition before competent court of law/forum and the copy of the order had been submitted in the Authority on 02.04.2026.

H. ISSUES FOR ADJUDICATION

31. Whether the respondent is liable to refund the amount of ₹4,80,000/- received by them in lieu of above said 3 BHK Flat?

I. FINDINGS ON THE OBJECTIONS RAISED BY THE RESPONDENT

I. a) The present Complaint is filed in respect of 'Splendor Aadharshila' Project which is admittedly neither an ongoing Project nor registered with HARERA, hence this Hon'ble Authority had no jurisdiction on the said Project.

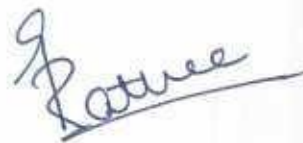
In this regard, reference is made to the first proviso to section 3(1) of the RERA Act, 2016 which provides that the projects which were 'ongoing' on the date of commencement of the Act and for which the completion certificate has not been issued, the promoter shall make an application to the authority for registration of the said project within a period of three months from the date of commencement of the Act. The position further becomes clear from Section 3(2)(b) of the Act which states that the registration of the real estate



project shall not be required where the promoter had received the 'completion certificate' for the said project prior to the commencement of the Act. Thus, if we read Section 3 of the Act, it is evident that only that project shall be excluded from the purview of the 'on going project' which had received the completion certificate prior to the commencement of the Act and such project will not require registration. All 'ongoing projects', i.e., those that commenced prior to the Act coming into force, and in respect of which no completion certificate is yet issued, are covered under the Act. It is apparent that the legislative intent was to make the Act applicable to not only to the projects which were to commence after the Act became operational but also to ongoing projects. Only those projects which had got the completion certificate before the commencement of the Act will not require registration and will certainly fall beyond the purview of the 'ongoing project'.

Further, this issue has also been dealt with and settled by the Hon'ble Supreme court in **Newtech Promoters and developers Pvt. Ltd Civil Appeal no. 6745-6749 of 2021** herein reproduced:

"37. Looking to the scheme of Act 2016 and Section 3 in particular of which a detailed discussion has been made, all "ongoing projects" that commence prior to the Act and in respect to which completion certificate has not been issued are covered under the Act. It manifests that the legislative intent is to make the Act applicable not only to the projects which were yet



to commence after the Act became operational but also to bring under its fold the ongoing projects and to protect from its inception the inter se rights of the stake holders, including allottees/home buyers, promoters and real estate agents while imposing certain duties and responsibilities on each of them and to regulate, administer and supervise the unregulated real estate sector within the fold of the real estate authority."

Wherein Hon'ble Apex held that the projects in which completion certificate has not been granted by the competent Authority, such projects are within the ambit of the definition of on-going projects and the provisions of the RERA Act, 2016 shall be applicable to such real estate projects. Furthermore, complainant in the present complaint is seeking refund along with interest i.e, a statutory relief under Section 18 of RERA Act, 2016. Authority observes that Section 18 of the Act relates to obligation of promoter regarding return of amount and compensation. Section 18 is reproduced herein below:

"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



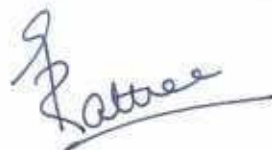
the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act: Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the 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.”

This provision nowhere states that the remedies provided hereunder will be available only to the allottees of a registered project or registrable project. Therefore, even if the project is not registered with the Authority, same does not extinct the remedy available to an allottee of a real estate project.

**I. b) The Complainant is not an Allottee as provided under RERA Act
(There is not even an Allotment Letter in favour of the Complainant):**



In this regard, it is essential to analyze the literal and remedial intent of Section 2(d) of the RERA Act, 2016, which defines an "allottee":

"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 bare reading of the provision reveals that the legislature deliberately utilized the phrase "or otherwise transferred by the promoter". The inclusion of this phrase expands the scope of the definition beyond those who hold a finalized contract or formal document. The moment a promoter accepts booking amounts or advance consideration for an intended unit, a stack of rights is created in favor of the buyer, placing them squarely within the ambit of an "allottee".

Furthermore, Section 13(1) of the Act strictly prohibits a promoter from accepting more than 10% of the cost of the apartment/plot without first entering into a written agreement for sale. If a promoter accepts funds but fails to execute an Allotment Letter or Agreement, the promoter committed a statutory infraction. It is evident from the documents placed on record that the complainant has paid a substantial consideration of ₹4,80,000/- out of total



sale consideration of ₹24,00,000/-, to the respondent towards the booking/purchase of the unit, which has been duly accepted and acknowledged by the respondent via receipts dated 11.08.2010, 23.09.2010 and 25.10.2010.

Allowing the respondent to dismiss a complaint because an Allotment Letter is missing would mean allowing them to benefit from their own legal wrongdoing.

The Hon'ble Supreme Court in **Imperia Structures Ltd. v. Anil Patni (2020) 10 SCC 783**, held that the lack of a formally executed registered builder-buyer agreement does not preclude an allottee from approaching the authority or seeking remedies like a refund under Section 18. The Apex Court confirmed that supporting documents, such as advance payment receipts, allocation details, or booking forms, are completely sufficient to recognize a binding relationship under the RERA framework.

The Hon'ble Apex Court in **Newtech Promoters and Developers Pvt. Ltd. v. State of UP & Ors. (2021)** re-emphasized that the RERA Act is a beneficial and remedial legislation enacted to protect homebuyers from unfair, manipulative trade practices. Technical anomalies or omissions by the developer, such as failing to provide formal contracts, cannot defeat the absolute statutory right of a consumer who has financially invested in a project.



Therefore, the complainant holds a valid stake in the real estate project as a buyer, satisfying the requirement of an "allottee" under Section 2(d) through the concept of "otherwise transferred."

I. c) The present complaint is barred by Limitation.

Respondent had raised objection regarding maintainability of the complaint on ground of that complaint is barred by limitation. In this regard the Hon'ble Apex Court in **Civil Appeal no. 4367 of 2004 titled as M.P Steel Corporation v/s Commissioner of Central Excise** has held that the Limitation Act applies only to courts and not to the tribunals. Relevant para is reproduced herein:

"19. It seems to us that the scheme of the Indian Limitation Act is that it only deals with applications to courts, and that the Labour Court is not a court within the Indian Limitation Act, 1963."

Authority observes that the Real Estate Regulation and Development Act, 2016 is a special enactment with particular aim and object covering certain issues and violations relating to housing sector. Provisions of the Limitation Act 1963, thus, would not be applicable to the proceedings under the Real Estate Regulation and Development Act, 2016 as the Authority established under the Act is a quasi-judicial body and not Court. Therefore, in view of above objection of respondent with respect to the fact that complaint is barred by limitation is rejected.



J. FINDINGS AND OBSERVATIONS OF THE AUTHORITY

32. The Authority has gone through the documents on record and submission made by both parties. In light of the background of the matter, Authority observes that complainant booked a unit (floor) in the project "Splender Adharshila" being developed by the respondent/promoter namely Splender Landbase Ltd. and accordingly complainant booked a unit in the said project located at Sector-19, Panipat, Haryana vide application form dated 06.08.2010. Complainant had paid a total sum of ₹4,80,000/- against the total sale consideration price of ₹24,00,000/-. It is an admitted position on record that despite the lapse of the promised delivery timelines, no formal allotment letter or apartment buyer's agreement was ever executed between the parties, and no valid offer of possession was delivered to the complainant in respect of the booked unit.
33. In the complaint, the complainant pleaded that an amount of ₹4,80,000/- had been paid to the respondent towards the booked unit, supported by certain bank statement copies, asserting that the remaining transactional documents had been destroyed in a shop fire during the Jat Aarkshan Andolan.
34. The Authority further observes that in the absence of a Builder-Buyer Agreement (BBA), a reasonable period of 36 months is typically adopted as the standard timeline for the completion and delivery of a residential project. However, in the peculiar facts of the present case, the provisional application form executed between the parties itself dictated the governing terms and



conditions relative to the project's construction schedule. Specifically, Clause 15 of the said application form explicitly stipulated that the respondent was under an obligation to deliver possession within a period of 3 years from the date of receipt of all requisite statutory approvals, including the sanction of the building plans.

35. In this regard, the respondent through its pleadings has brought on record that the project was initially envisioned as a 6-storey linear row-housing development, which subsequently had to be re-engineered into a 13-storey high-rise configuration due to unavoidable administrative, legal, and infrastructural bottlenecks. The respondent has submitted that following these necessary design alterations, the revised zoning plans were duly approved by the competent authority on 11.09.2012, and the corresponding building plans for the 13-storey structures were subsequently sanctioned on 27.02.2013. Consequently, computing the 3-year construction period from the date of the final building plan approval as per the covenants of Clause 15, the promised timeline for delivery of possession was legally extended and bound to be completed on or before 27.02.2016.

36. The issue that needs to be adjudicated by the Authority is determining which respondent is responsible for refunding the amount paid by the complainant. From the facts and circumstances placed on record, it is undeniably clear that the respondents have failed to fulfil their duty of delivering possession by the stipulated date of 27.02.2016. Fact remains that till date neither respondent has



offered the possession of the unit and nor has refunded the paid amount to the allottee. Now, the innocent allottees who had invested their hard earned money in the project with the hope to get a flat and who were to get possession of the unit by 27.02.2016 cannot be forced/ compelled to accept possession of the unit in the project even if respondents have completed the project now after delaying it for more than 10 years. The complainants cannot be expected to wait indefinitely for possession when the respondent has not demonstrated any significant progress in construction. Thus, the inordinate delay in completing the project and the failure to deliver possession justify the complainant request for refund of the amounts paid along with interest. Given the circumstances, the Authority finds that the complainant is entitled to a refund of the money paid, along with interest for the delay caused by the respondents' negligence in completing the project.

37. 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*

Rattree

of refund on demand as an unconditional absolute right to the allottee, if the promoter fails to give possession of the apartment, plot or building within the time stipulated under the terms of the agreement regardless of unforeseen events or stay orders of the Court/Tribunal, which is in either way not attributable to the allottee/home buyer, the promoter is under an obligation to refund the amount on demand with interest at the rate prescribed by the State Government including compensation in the manner provided under the Act with the proviso that if the allottee does not wish to withdraw from the project, he shall be entitled for interest for the period of delay till handing over possession at the rate prescribed.”

The decision of the Supreme Court settles the issue regarding the right of an aggrieved allottee such as in the present case seeking refund of the paid amount along with interest on account of delayed delivery of possession. The complainant wishes to withdraw from the project of the respondent; therefore, Authority finds it to be fit case for allowing refund in favour of complainant.

38. 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;

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".

39. 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., 26.05.2026 is 8.80%. Accordingly, the prescribed rate of interest will be MCLR + 2% i.e., 10.80 %.

40. From above discussions, it is amply proved on record that the respondent has not fulfilled its obligations cast upon them under RERA Act, 2016 and the complainants are entitled for refund of her deposited amount along with interest as per RERA rules, 2017. Accordingly, respondent will be liable to pay the



interest to the complainants from the dates when amounts were paid till the actual realization of the amount. Hence, Authority directs the respondent to refund the paid amount to the complainant 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 10.80% (8.80% + 2.00%) from the date amounts were paid till the actual realization of the amount.

41. Authority has got calculated the total amounts along with interest and monthly interest as per detail given in the table below:

Sr. No.	Principal Amount (in ₹)	Date of payment/ transfer	Interest (in ₹) till 26.05.2026
1.	30,000/-	06.08.2010	51,245/-
2.	2,10,000/-	23.09.2010	3,55,734/-
3.	2,40,000/-	25.10.2010	4,04,81/-
Total	4,80,000/-		8,11,260/-

42. The complainant is seeking sum of ₹5,00,000/- as mental harassment and litigation cost of ₹1,00,000/-. It is observed that the Hon'ble Supreme Court of India in *Civil Appeal Nos. 6745-6749 of 2027, M/s Newtech Promoters and Developers Pvt. Ltd. v. State of U.P. & Ors. (supra)*, has held that an allottee is entitled to claim compensation and litigation charges under Sections 12, 14, 18, and 19 of the RERA Act, 2016. The Court further clarified that such claims are to be adjudicated by the learned Adjudicating Officer under Section 71 of the Act, 2016, and the quantum of compensation and legal expenses is to be determined having due



regard to the factors enumerated in Section 72 of the Act, 2016. Accordingly, the Authority observes that the claim for compensation and litigation costs cannot be adjudicated in the present proceedings. The complainants are, therefore, advised to approach the learned Adjudicating Officer for seeking relief in respect of compensation and litigation expenses.

43. Complainant is also seeking relief sought at sr. nos. (iii) to (vii). However, said relief(s) are neither part of the pleading nor pressed upon by the complainant during hearing. Hence, no observation is made in this regard.

K. DIRECTIONS OF AUTHORITY

44. 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 amount along with interest of @ 10.80% to the complainant as specified in the tables provided above in Paras no. 41 of this order. Interest shall be paid uptill actual realization of amounts as provided under Section 2(za) of RERA Act, 2016.
- 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.

45. Hence, the complaint is accordingly **disposed of** in view of above terms. File be consigned to the record room after uploading of the order on the website of the Authority.



DR. GEETA RATHEE SINGH

[MEMBER]

