



Complaint No. 2809 of 2023

## HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

<b>Complaint No.:</b>	<b>2809 of 2023</b>
<b>Date of Filing:</b>	<b>16.01.2024</b>
<b>First Date of Hearing:</b>	<b>13.02.2024</b>
<b>Date of Decision:</b>	<b>10.04.2026</b>

Mandeep Singh S/o Sh. Gian Singh  
R/O Village Kharwan,  
Police Station Sadar Jagadhri,  
Yamuna Nagar, Haryana

....COMPLAINANT(S)

VERSUS

MVL Limited  
1201-B, 12th Floor,  
Hemkunt Chamber, 89,  
Nehru Place, New Delhi.

....RESPONDENT(S)

**CORAM:**                      **Sh. Chander Shekhar**                      **Member**

**Hearing:**                      **8<sup>th</sup>**

**Present: -**                      Mr. Sanjay Dhiman, Counsel for the Complainant through  
VC.  
Mr. Karan Kaushal, Counsel for the Respondent.

### ORDER

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, 2017 for violation or contravention of the provisions of the Act of 2016 or the Rules and Regulations made thereunder, wherein it is inter-alia prescribed that the promoter shall be responsible to fulfil all the obligations, responsibilities and functions towards the allottee as per the terms agreed between them.

#### A. UNIT AND PROJECT RELATED DETAILS

2. The particulars of the project, details of sale consideration, amount paid by the complainant, date of proposed handing over the possession, delay period, if any, have been detailed in the following table:

S.No.	Particulars	Details
1.	Name of the project	MVL River City, Yamuna Nagar
2.	Nature of the project	Residential
3.	RERA Registered/Not Registered	Unregistered
4.	Details of the Plot	Plot No. H-27 and H-49. (measuring 180 sq. yards each)
5.	Date of Plot Buyer Agreement	16.06.2014 (For H-27) 29.04.2015 (Buyer Agreement Requisition Form For H-49)
6.	Due Date of Possession	Not mentioned in the complaint.
7.	Total Sale Price/Basic Sale Consideration	₹18,90,000/- (H-27) ₹31,90,000/- (H-49)

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		(As per documents on record)
8.	Amount paid by the Complainant	₹18,07,500/- (total for two plots)
9.	Offer of Possession	None

### B. FACTS OF THE COMPLAINT AS MENTIONED IN THE COMPLAINT

3. Facts of the complaint are that the respondent launched a residential project named "River City" in November, 2012 and the same was advertised through various modes. The complainant inquired about the said project and the respondent stated that the project has been launched after obtaining all the required permissions and demarcation and zoning plan will be sanctioned soon. The respondent also informed the complainant that all the licenses were obtained and the layout plan was already approved.

4. On assurance of the respondent, the complainant purchased one plot i.e H-27, measuring 180 Sq. Yards and one villa type plot i.e. H-49, measuring 180 Sq. Yards under Construction Linked Plan. The complainant paid a total of ₹18,07,500/- to the respondent from 26.02.2013 to 19.02.2014. Copies of the payment receipts are annexed as Annexure 1 to 6 with the complaint. However, no construction started at the site. The respondent, at the time of booking had no permissions from the government to start construction

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of the said project. The respondent started demanding money from the complainant by issuing illegal notices dated 17.01.2014, 27.01.2014 and threatened the complainant that in case of failure to pay the amount demanded, the respondent will forfeit the entire amount paid till date.

5. After lapse of sufficient time, the complainant continuously contacted the respondent to enquire about the start of the construction to which the respondent stated that the construction work will begin soon. The complainant met with the officials of the concerned government departments and inquired about the approvals of the project. He received assurances, however nothing progressed on site. Thereafter, the complainant's counsel moved an application to the concerned department under the RTI Act to inspect the file of the project of the respondent and found that there are many grave irregularities in the project.

6. The complainant found that the respondent had no licenses/permissions granted at the time of booking of the plot. The concerned government departments took no action against the respondent despite having the knowledge of the respondent's illegal acts and conduct. The complainant on finding out all these facts contacted the representatives of the respondent company at the local office in Yamunagar and requested to return the amount of ₹18,07,500/-. The representatives of the company informed the complainant that the managing director of the respondent company will be visiting the office at

Yamunanagar and the complainant can meet him. The complainant visited the office but his efforts went in vain.

7. Thereafter, the complainant filed a complaint before the Chief Minister, Haryana, Chandigarh through C.M Window through Grievance No. CMOFF/N/2016/051459. The matter was then sent to the Police Station, Sadar, Jagadhri. However, no action has been taken till date. The complainant also filed a criminal complaint thereafter before the Judicial Magistrate at Yamunanagar.

8. The respondent is engaging in illegal, wrongful acts and has not fulfilled his promises to the complainant. Complaint Nos. 102/2022, 1890/2019, 2429/2019, 2430/2019 etc. filed against the respondent company have already been decided by this Hon'ble Authority vide order dated 05.05.2022 wherein refund was awarded to the complainants along with interest. A copy of the said order is attached as Annexure 6 with the complaint. Hence, the complainant has approached this Authority seeking relief.

**C. RELIEF SOUGHT**

Cst 9. In view of the facts mentioned above, the complainant has prayed for the following relief(s):-

- i. To direct the respondent to refund the amount of ₹18,07,500/- to the complainant along with interest @24% per annum till realization.
- ii. To direct the respondent to pay compensation of ₹5,00,000/- on account of harassment, mental agony and economic loss caused to the complainant due to the act and conduct of the respondent.
- iii. To direct the respondent to pay costs and litigation expenses of ₹25,000/-.
- iv. Any other relief as this Hon'ble Authority may deem fit and appropriate in the facts and circumstances of the present case.

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

10. Reply was filed by the respondent on 20.05.2024 stating that the complaint is not maintainable before this Hon'ble Authority for the reason that the complainant does not have any locus standi to file the present complaint. The complainant failed to make the payments of the due installments even after receiving the demand letters regarding the same in the years 2014, 2015 and 2016. The complainant is guilty of concealing material facts and circumstances before filing the present complaint.

11. The respondent had floated the project named "River City" situated in Sector 27 and Sector 29, Yamunanagar, Haryana. The complainant approached the respondent company and had booked two plots measuring 180

sq. yards each bearing nos. H-27 and H-49 in Sector 29 for the Total Sale Consideration/Basic Sale Price of ₹18,90,000/- for each plot. A Plot Buyer Agreement was entered into between the parties on 16.06.2014 with respect to Plot No. H-27 and a Buyer Agreement Requisition Form was made for the Plot No. H-49. A copy of the PBA and the Buyer Agreement Requisition form is annexed as Annexure R-1 and R-2. The complainant was provisionally allotted Plot No. H-27 vide allotment letter dated 26.02.2013 and had made a payment of ₹2.83 lakhs to the respondent company as a booking amount on 26.02.2013.

12. The respondent received ₹9,57,000/- for plot no H-49 against the Total Sale Consideration/Basic Sale Price of ₹31,90,000/- and received ₹8,50,500/- for plot no. H-27 against the Total Sale Consideration/Basic Sale Price of ₹18,90,000/-. Therefore, the complainant paid only ₹18,07,500/- against the Total Sale Consideration/Basic Sale Price of ₹50,80,000/-. The respondent company issued numerous demand letters towards both the plots. A copy of the reminder/demand letters is annexed as Annexure R-3 and R-4.

13. The complainant in his complaint never mentioned about the demands raised by the respondent and till date the rest of the amount stands payable by the complainant to the respondent company.

14. In the year 2016, the Government Of Haryana came up with a scheme named "Deen Dayal Jan Awas Yojana" with an aim to provide affordable housing to the residents. As the majority of the allottees were

reluctant to pay the EDC charges to the respondent company, the respondent offered a solution to the allottees to get their plots migrated to the DDJAY Scheme. It was stipulated in the acceptance letters that the respondent company will complete the entire infrastructure in 30 months from the date of migration of license. In order to get the license under DDJAY, the respondent company was asked to surrender the original license and then seek migration. Therefore, the respondent paid an amount of ₹22 Crores to the Town and Country Planning Department, Haryana and License No. 164/2023 was issued to the respondent company on 18.08.2023 with validity upto 17.08.2028. A copy of the license is annexed as Annexure R-5.

15. As per Clause 5.1 of the Plot Buyer Agreement dated 16.06.2014, the due date of possession of the plot was within a period of 4 years and 1 year extension from the date of execution of the PBA, subject to the receipt of complete dues and other charges as per the payment plan. The complainant has failed to make even half of the total payment towards the Total Sale Consideration/Basic Sale Price. The complainant paid only two instalments with respect to Plot No. H-49 and three installments with respect to Plot No. H-27 and all the other instalments are due along with interest.

16. Therefore, the present complaint may be dismissed with costs in view of the above made submissions in the interest of justice and equity.

**E. REJOINDER FILED BY THE COMPLAINANT**

17. Rejoinder has been filed by the complainant on 07.04.2025. The complainant has reiterated the submissions as made in the complaint and has stated that the respondent company did not provide a point-by-point reply to each allegation in the complaint and instead filed a general response.

18. The respondent has acknowledged the payment of ₹18,07,500/- and execution of the Plot Buyer Agreement along with the project being a payment linked plan. The respondent has contended that the complainant has paid ₹18,07,500/- against the Total Sale Consideration/Basic Sale Price of ₹50,80,000/- and is seeking the possession without the payment of the remaining amount. The said defence is completely false and devoid of merit. The project was a Construction Linked Plan and under such a scheme the payment had to be made only upon the completion of certain milestones in the project. Despite having received ₹18,07,500/- from the complainant, the respondent has not even laid a single brick at the project site. Therefore, the question of demanding further payment does not arise.

19. Therefore, the complainant prays to allow the present complaint.

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

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20. During the course of arguments, both the learned counsels for complainant and respondent reiterated the arguments as were submitted in complaint, reply and the rejoinder respectively.

**G. ISSUES FOR ADJUDICATION**

21. Whether the complainant is entitled for refund of the entire amount paid by them under Section 18 of the Real Estate (Regulation And Development) Act, 2016, along with interest at the prescribed rate of interest as per Rule 15 of the Haryana Real Estate (Regulation and Development) Rules, 2017?

**H. FINDINGS AND OBSERVATIONS OF THE AUTHORITY**

22. The Authority has carefully considered the submissions made by both the parties. In the light of background of the matter as recorded in this order and the arguments advanced by the parties, the Authority observes as follows:

- i. It is an admitted fact that the complainant booked two plots bearing nos. H-27 and H-49 measuring 180 sq. yards each in the project "River City" situated in Sector 29, Yamunanagar, Haryana and paid a total amount of ₹18,07,500/- to the respondent between 26.02.2013 and 19.02.2014. The respondent has also acknowledged the receipt of the said amount in its reply and

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therefore the payment made by the complainant stands duly established.

ii. It is also pertinent to note that the complainant in the present complaint has not mentioned certain material facts such as regarding the execution of the Plot Buyer Agreement, details of the Payment Plan and the Total Sale Consideration/Basic Sale Price of the plots among other facts. However, these facts have been specifically brought on record by the respondent in its reply along with the relevant documents and the complainant has not objected to the same.

iii. From the material placed on record by the respondent, it is observed that a Plot Buyer Agreement dated 16.06.2014 was executed between the parties with respect to Plot No. H-27 and the Total Sale Consideration/Basic Sale Price for the Plot No. H-27 was ₹18,90,000/-. With regard to the Plot No. H-49, a Buyer Agreement Requisition Form dated 29.04.2015 has been placed on record by the respondent which reflects the Total Sale Consideration/Basic Sale Price as ₹31,90,000/- for the said plot and the complainant has not objected to the same. It is clarified that the respondent has stated the Total Sale Consideration/Basic Sale Price to be ₹18,90,000/- each for both the plots in its reply and has also stated the Total Sale Consideration/Basic Sale Price to

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be ₹18,90,000/- and ₹31,90,000/- within the same reply which amounts to ₹50,80,000/-. However, on perusal of records i.e. Plot Buyer Agreement and Buyer Agreement Requisition Form, the Total Sale Consideration/Basic Sale Price is being considered as ₹50,80,000/- for two plots. On perusal of the contents of the payment plan, it is also observed that the payment plan was based on timelines after allotment of the plot and not strictly linked with construction milestones.

iv. The respondent has contended that the complainant has paid only ₹18,07,500/- out of the Total Sale Consideration/Basic Sale Price of ₹50,80,000/- for both the plots and has failed to pay the remaining installments despite issuance of several demand notices. Therefore the complainant cannot claim any relief without fulfilling the payment obligations on his part. It is observed that the plots were booked in the year 2013 and the Plot Buyer Agreement was executed in the year 2014. As per Clause 5.1 of the Plot Buyer Agreement, the possession of the plot was to be delivered within a period of four years with an extension of one year from the date of execution of the agreement. The respondent has not placed on record any document/evidence to demonstrate that the development of the project was completed within the stipulated time or that the possession was offered to the

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complainant. On the contrary, the respondent has admitted that the project license under the Deen Dayal Jan Awas Yojana scheme was obtained only on 18.08.2023 after surrendering the earlier license, i.e. after almost ten years from the date of the booking of the plots in question. The respondent has also not placed anything on record to apprise the Authority about the current status of construction at the project site.

v. The respondent has raised the contention that the complainant failed to make further payments as per the payment schedule and it is also not a disputed fact that the balance installments were not paid by the complainant as per the payment plan agreed upon between the parties. However, nothing has been placed on record to establish that the project has been completed. An allottee cannot be compelled to continue making payments indefinitely when the construction of the project itself has not progressed within reasonable timelines even when the payment plan was based on timelines after allotment and not strictly linked with construction milestones. If the respondent was aggrieved by the non-payment of the installments, the respondent had the right to act against the complainant and seek legal remedies or issue a cancellation letter and refund the amount after deduction of the earnest money. However, the respondent neither availed legal

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remedies against the complainant nor cancelled the allotment of the plots. It also did not proceed with the completion of the project in time. More than a decade has elapsed since the booking of the plots and yet the respondent has failed to complete the development of the project. The contention that the complainant failed to make the payments on time could have only weighed in favour of the respondent if the respondent had honoured its contractual and statutory duties or availed the legal remedies available to him in regard to non payment of the installments by the complainant. However, the respondent has also failed to avail any of the above remedies. Therefore, the Authority does not find merit in the said contention of the respondent.

vi. It is further observed that the Plot Buyer Agreement for Plot No. H-27 was executed on 16.06.2014. Clause 5.1 of the PBA stipulates a period of four years with an additional extension of one year for handing over the possession. For ready reference, clause 5.1 of the PBA has been reproduced below:

*"The Company shall endeavor to give possession of the Plot to the Intending Allottee(s) within a period of 4 (four) years with 1 (one) year extension from the date of execution of this Agreement ("Commitment Period"), subject however to Force Majeure Event and subject to receipt of complete dues and other charges as per payment plan opted by the Intending Allottee(s). During Force Majeure Event, the Company reserves the right to alter or vary the terms*

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*and conditions of this Agreement or if the circumstances so warrant, the Company may also suspend the development of the Colony for such period as is considered expedient, the Intending Allottee(s) agrees and consents that he/she/they shall have no right to raise any claim for compensation of any nature whatsoever for or with regard to such suspension. The Intending Allottee(s) shall not be entitled to any compensation on the grounds of delay in possession due to reasons beyond the control of the Company. The Intending Allottee(s) further agrees and understands that the Company shall additionally be entitled to a period of twelve (12) months as Grace Period after the expiry of the aforesaid Commitment Period."*

In the present case, the respondent has failed to honour its contractual obligations within the stipulated period without any reasonable justification for both the plots.

vii. Besides this, 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:

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*"25. The unqualified right of the allottee to seek refund referred under Section 18(1)(a) and Section 19(4) of the Act is not dependent on any contingencies or stipulations thereof. It appears that the legislature has consciously provided this right of refund on demand as an unconditional absolute right to the allottee, if the promoter fails to give possession of the apartment, plot or*

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

23. Therefore, considering the aforesaid observations and the statutory and contractual obligations of the respondent, the Authority finds it a fit case for allowing refund of the entire amount paid by the complainant along with interest. The complainant's claim is, therefore, held to be just and enforceable under the provisions of Section 18(1)(a) of the RERA Act, 2016.

24. The 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*

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*allottee defaults in payment to the promoter till the date it is paid;*

25. As per the website of the State Bank of India (<https://sbi.bank.in>), the highest Marginal Cost of Lending Rate (MCLR) as on 10.04.2026 is 8.80%. Accordingly, in terms of HRERA rules, the prescribed rate of interest for the refund shall be  $MCLR + 2\% = 10.80\%$  per annum, calculated from the date of deposit of each installment until the date of actual payment.

26. Rule 15 of HRERA Rules, 2017 provides for prescribed rate of interest which is as under:

***“Rule 15:** “Rule 15. Prescribed rate of interest- (Proviso to section 12, section 18 and sub-section (4) and subsection (7) of section 19] (1) For the purpose of proviso to section 12; section 18, and sub sections (4) and (7) of section 19, the "interest at the rate prescribed" shall be the State Bank of India highest marginal cost of lending rate +2%:*

*Provided that in case the State Bank of India marginal cost of lending rate (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”*

27. In view of the foregoing findings, the Authority directs the respondent to refund an amount of ₹18,07,500/-, deposited by the complainant along with interest at the rate prescribed under the RERA Act, 2016.

28. The Authority has calculated the total refundable amount along with interest at the prescribed rate of 10.80% per annum till the date of this

order. The total amount payable by the respondent to the complainant works out to be ₹42,71,154/-, as detailed in the table below:

Sr. No.	Principal Amount in ₹	Date of payment	Interest Accrued till 10.04.2026
1.	₹4,78,500/- (H-49)	26.02.2013	₹6,78,468/-
2.	₹2,83,500/- (H-27)	26.02.2013	₹4,01,977/-
3.	₹2,83,500/- (H-27)	11.12.2013	₹3,77,818/-
4.	₹4,78,500/- (H-49)	10.01.2014	₹6,33,445/-
5.	₹2,83,500/- (H-27)	19.02.2014	₹3,71,946/-
	<b>Total = ₹18,07,500/-</b>		<b>Total= ₹24,63,654/-</b>
	<b>Total Payable to the Complainant</b>	<b>₹18,07,500/- + ₹24,63,654/-</b>	<b>₹42,71,154/-</b>

29. The complainant has also sought compensation on account of harassment, mental agony, undue hardship and litigation costs. In this regard, 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 complainant is, therefore, advised to approach the learned Adjudicating Officer for seeking relief in respect of compensation and litigation expenses.

30. The complainant has prayed for interest @24% in the complaint and @18% per annum in the rejoinder. However, the RERA Act, 2016, read with Rule 15 of the Haryana Real Estate (Regulation and Development) Rules, 2017, prescribes interest at the rate of SBI MCLR + 2%, which, as on date, works out to be **10.80% per annum**. Accordingly, the interest shall be calculated and awarded at this statutory rate.

#### I. DIRECTIONS OF THE AUTHORITY

31. Hence, the Authority hereby issues the following directions under Section 37 of the RERA Act, 2016, to ensure compliance with the obligations cast upon the promoter as per the functions entrusted to the Authority under Section 34(f) of the Act, 2016:

- i. Respondent is directed to refund the amount of ₹18,07,500/- with interest of ₹24,63,654/- to the complainant i.e. ₹42,71,154/- in total within 90 days from the date of passing of this order. It is further clarified that respondent will remain liable to pay interest to the complainant till the actual realization of the amount.

ii. The respondent-promoter is directed to comply with all the directions issued in this order within a period of 90 days from the date of receipt of this order, as provided under Rule 16 of the Haryana Real Estate (Regulation & Development) Rules, 2017.

32. Accordingly, the case is **Disposed of**. File be consigned to the record room after uploading of order on the website of the Authority.

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

10.04.2026  
Raghav Jain  
(Law Associate)