HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

Complaint No.:	**2817 of 2023**
Date of Filing:	**12.01.2024**
First Date of Hearing:	**19.02.2024**
Date of Decision:	**07.08.2026**

Smt. Ruchi Bansal W/o Sh. Sachin Bansal
R/o House No. 599, Randhir Lane,
Karnal ....COMPLAINANT(S)

VERSUS

JBB Infrastructures Private Limited
806, Meghdoot, 94, Nehru Palace
New Delhi-110019 ...RESPONDENT(S)

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

Hearing: **11th**

Present: - Mr. Akshat Mittal, Counsel for the Complainant through VC.
Mr. Neeraj Goel, Counsel for the Respondent through VC.

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 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	JBB Grand
2.	Nature of the Project	Residential
3.	RERA Registered/Not Registered	Unregistered (As per Proforma-B)
4.	Details of the Units/Plots	Flat No. 604, Tower 5 having an area of 1670 sq. ft. (as per the complaint)
5.	Date of Application Form	Undated and unsigned by the respondent
6.	Due Date of Possession	Within 2 years from the date of booking (as per the complaint)
7.	Basic Sale Consideration	₹25,88,500/-
8.	Amount paid by the Complainant	₹5,17,000/-
9.	Offer of Possession	None

B. FACTS OF THE PRESENT CASE AS STATED BY THE COMPLAINANT IN THE COMPLAINT:

3. Facts of the complaint are that the complainant entered into the booking qua the unit in project 'JBB Grand' of the respondent company in August 2010. The copy of the application form is annexed as Annexure C-1. In pursuance of the same, the complainant made payment of sum of ₹1,50,000/- vide cheque no. 432086 dated 13.08.2010 drawn on HDFC Bank Ltd. towards the said booking. The copy of the cheque dated 13.08.2010 as well as the receipt dated 20.08.2010 are annexed as Annexure C-2.

4. The complainant was allotted the unit/flat in question i.e. Flat No. 604, Tower 5, having an area of 1670 sq. ft., in project 'JBB Grand' of the respondent company. The unit was offered for the sale price of ₹25,88,500/- (@₹1550/- per sq. ft. for 1670 sq. ft.). The complainant had opted for construction linked payment plan in first three milestones which were as follows:-

Gh

1. At the time of booking - Booking Amount
2. Allotment within 60 days of booking amount- 20% (including booking amount)
3. On excavation 10% + 50% of EDC, IDC

The copy of the payment plan is annexed as Annexure C-3.

5. The complainant had been complying with the said payment plan and in accordance thereof, had made the payment qua the first two milestones as follows:

1. Payment of ₹1,50,000/- dated 13.08.2010.
2. Payment of ₹3,67,700/- dated 29.01.2011

As such, the complainant has made a total payment of ₹5,17,000/- qua the flat in question. Copy of the Cheques/Receipts/acknowledgements thereof are annexed as Annexure C-4.

6. At the time of the booking of the unit in question, it was assured by the respondent to the complainant that the possession of the unit in question will be duly handed over within a period of 2 years from the booking dated 20.08.2010 i.e. latest by 19.08.2012. The respondent company without even initiating construction, had issued demand letter dated 02.02.2011 and raised a demand for ₹3,96,625/- towards 3rd milestone and another demand letter dated 17.02.2011 for demand of ₹13,331/- towards alleged service tax, which was not agreed upon at the time of the booking. The copies of the demand letters dated 02.02.2011 and 17.02.2011 are being annexed as Annexure C-5.

7. Due to the stagnant project with no sign of construction and being shocked by the treatment meted out to the complainant by the respondent company, the complainant was constrained to write a letter/application dated 04.05.2011 to the respondent, seeking refund of the amounts alongwith interest

owing to non-redressal of the grievances and owing to delay in start of the construction work. However, the respondent paid no heed to the application and the grievances of the complainant. The respondent kept issuing subsequent demand letters again, pre-maturely and illegally against the construction linked payment plan. The copies of the demand letters dated 24.10.2011, 01.05.2012, 30.06.2012 and 23.07.2012 are annexed as Annexure C-6.

8. Further, the respondent issued a letter dated 25.07.2012 having subject *'Cancellation of request for allotment of flat in "JBB GRAND" KARNAL'*, stating therein that the allotment of flat stands cancelled owing to default in payments, further mentioning that the amount will be refunded as per term and conditions of the company. The copy of the cancellation letter dated 25.07.2012 is annexed as Annexure C-7.

9. The respondent harassed the innocent allottee, threatened with forfeiture of the complete amount paid and had not refunded even a single rupee in terms of cancellation letter 25.07.2012. The complainant having all efforts rendered futile and feeling helpless requested the respondent company to accept the further payments being made and to set aside the cancellation letter. The complainant even issued a cheque of ₹5,00,000/- bearing no. 548952 dated 22.03.2013 drawn on HDFC Bank in favour of the respondent company. The

said cheque was received by the respondent but was not encashed. The copy of the cheque dated 22.03.2013 is annexed as Annexure C-8.

10. The complainant also issued legal notices dated 05.12.2022 and 22.02.2023 to the respondent company seeking refund of the amount paid alongwith interest. The respondent did not adhere to the same and did not issue any reply. The copy of the legal notices dated 05.12.2022 and 22.02.2023 are annexed as Annexure C-10.

C. RELIEF SOUGHT

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

i. To direct the respondent to refund the entire deposited amount of ₹5,17,000/- (Rupees Five Lakh Seventeen Thousand only) which has been deposited against the property in question so booked by the complainant(s) along with interest as prescribed, on the amounts from the respective dates of deposit till its actual realization within 90 days according to Section 18(1) Real Estate (Regulation And Development) Act 2016 read with Rule 15 & 16 of Haryana Real Estate (Regulation & Development) Rules.

ii. To direct the respondent to pay an adequate compensatory interest on the entire deposited amount of ₹5,17,000/- for delayed offer of possession, as deemed fit by the authority.

iii. To direct the respondent to pay a sum of ₹10,00,000/- on account of grievance and frustration caused to the complainant(s) by the miserable attitude of the respondents and deficiency in service and for causing mental agony to complainant(s) along with interest from the date of filing the present complaint till its realization.

iv. The registration, if any, granted to the respondent for the project namely, "JBB Grand", situated in the revenue estates of District Karnal, Haryana, under RERA read with relevant Rules may kindly be revoked under Section 7 of the RERA for violating the provisions of the Act.

v. The complainant(s) may be allowed with costs and litigation expenses of ₹1,50,000/-;

vi. 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:

12. Upon receipt of notice, the reply was filed by the respondent on 20.05.2024, wherein it is stated that the complaint is grossly, misconceived, erroneous, wrong, unjustified and untenable in law. It is stated that the

respondent diligently sent demand letters and reminders requesting payment of the outstanding amount. However, despite these efforts, the complainant did not respond to any of these correspondences and the respondent found themselves compelled to cancel the allotment of the complainant's flat vide cancellation letter dated 25.07.2012, as no alternative options were available.

13. The complainant paid the demand raised vide demand letter dated 28.09.2010 for an amount of ₹3,67,700/-. Thereafter, on receipt of payment, the respondent issued an allotment letter on 28.01.2011. The respondent also sent two sets of agreement for signatures of the complainant as an alternative measure due to the non-appearance of the complainant at the respondent's office after requesting her to come there for signing of necessary documents. However, the same was not signed and sent by the complainant to the respondent. A copy of the allotment letter dated 28.01.2011 is annexed as Annexure - R/4.

14. The reliefs sought by the complainant are unjustified, baseless and beyond the agreed terms executed between the parties, which forms the basis for the subsisting relationship between the parties. The complainant agreed to the basic terms and conditions mentioned in the booking form which is signed and agreed by the complainant. Having agreed to the terms and conditions, the complainant is blowing hot and cold at the same time. As per Point No. 16 of the Booking Form, the respondent is entitled to cancel the

allotment of flat/unit. The Point No. 16 of the booking form is reproduced hereunder:

> *"The company at all times shall be entitled to cancel the booking and or allotment of the flat without assigning any reason whatsoever. Beside if the payment is not made within the stipulated time as per the payment plan and or cheque is dishonoured and or on the concealment of any material fact if defected at the time, then the booking and or allotment of the flat will be cancelled and the amount paid by the applicant shall stand forfeited. No interest will be paid or chargeable on the amount paid by the Applicant".*

The complainant abruptly after approximately 12 years of the cancellation, has approached this Hon'ble Authority seeking claim of the amount of ₹5,17,000/- with interest alongwith certain other reliefs, which the complainant is not entitled to seek. The copy of the booking form is annexed as Annexure-R/1.

15. The respondent issued a booking receipt bearing no. JBB-INFRA/159 dated 20.08.2010 in favor of the complainant for booking amount of ₹1,50,000/-. A copy of the booking receipt is annexed as Annexure-R/2.

16. It is pertinent to mention here that the project 'JBB Grand' was initiated before the commencement of RERA Act, 2016. The said tower of the project was completed before commencement of RERA Act, 2016. However, the Occupation Certificate was received on 20.06.2017. Moreover, the

respondent has validly cancelled the allotment way back in the year 2012 and the same was not challenged by the complainant from the past 12 years. In light of these facts, it becomes apparent that the complainant has failed to present the complete picture before the Hon'ble Authority, thereby misleading the proceedings. A copy of Reminder/Call Notice dated 28.09.2010 is annexed as Annexure-R/3.

17. The respondent issued a demand letter on 02.02.2011 for an amount of ₹3,96,625/- against the first instalment including 50% of EDC/IDC. A copy of demand letter dated 02.02.2011 and postal receipt are annexed as Annexure-R/5 .

18. The respondent issued another demand letter on 17.02.2011 for service tax @2.575% amounting to a sum of ₹13,331/-. A copy of the said demand letter dated 17.02.2011 along with the postal receipt is annexed as Annexure-R/6.

19. The respondent issued a demand letter on 24.10.2011 for a sum of ₹4,03,290/- towards the two instalments including 50% of EDC/IDC and service tax. A copy of the demand letter dated 24.10.2011 is annexed as Annexure -R/7.

20. The respondent issued a notice on 30.01.2012 for cancellation of allotment of flat due to non-payment of outstanding amount including the first

instalment, second instalment and service tax. A copy of notice dated 30.01.2012 is annexed as Annexure - R/8.

21. On the request of the complainant, the respondent issued a demand letter on 01.05.2012 for an amount of ₹2,00,137/- towards the third instalment including service tax. The notice amounted to a total of ₹10,20,048/- including the first instalment, second instalment, third instalment and service tax. A copy of the demand letter dated 01.05.2012 is annexed as Annexure-R/10.

22. The respondent again issued a demand letter on 30.06.2012 for an amount of ₹2,00,137/- towards the fourth instalment including service tax. The demand letter was for a total amount of ₹12,20,185/- including first instalment, second instalment, third instalment, fourth instalment and service tax. A copy of the demand letter dated 30.06.2012 is annexed as Annexure R/11.

23. The respondent issued a final cancellation notice on 25.07.2012 and cancelled the allotted flat to the complainant. A copy of cancellation letter dated 25.07.2012 and ledger account maintained by the respondent are annexed as Annexure - R/12.

24. Further, the respondent filed a synopsis of documents on 17.01.2026 wherein the respondent has attached photographs of the respondent project site dated 14.05.2011, 11.12.2011, 10.01.2013 and

16.11.2015 (sourced from google). It is further stated that the respondent has created third party rights in the said unit and a copy of the Apartment Buyer Agreement dated 14.04.2014 between respondent and Mr. Rupesh Sharma along with the Conveyance Deed dated 01.01.2019 has also been attached.

H. ARGUMENTS OF LEARNED COUNSEL FOR COMPLAINANT AND RESPONDENT

25. During the course of arguments, both the learned counsels for complainant and respondent reiterated the arguments as were submitted in their respective pleadings.

I. ISSUES FOR ADJUDICATION

26. Whether the complainant is entitled to refund of the amount deposited by her alongwith interest in terms of Section 18 of Act of 2016?

J. FINDINGS AND OBSERVATIONS OF THE AUTHORITY

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

Coh

i. It is an admitted fact that the complainant booked the unit/flat in question i.e. Flat no. 604 Tower 5, having an area of 1670 sq. ft., in Project "JBB Grand" of the respondent company.

The unit was offered for the sale price of ₹25,88,500/- (@ ₹1550/- per sq. ft. for 1670 sq. ft.). The complainant has made a total payment of ₹5,17,000/- qua the flat in question. The respondent has also acknowledged the said amount in its reply and therefore the payment made by the complainant stands duly established.

ii. It is also observed that the complainant opted for a construction-linked payment plan. Accordingly, the complainant made payments towards the first two milestones. Thereafter, no Builder Buyer Agreement (BBA) was executed or issued by the respondent. The respondent in its reply alleged that two sets of Builder Buyer Agreement were sent to the complainant for signing which were received back as unsigned but no documentary proof of such fact has been attached with the reply. Therefore, no BBA stands executed between the parties as on date.

iii. The primary grievance of the complainant is with regard to the grant of refund of the amount paid to the respondent and the primary defence of the respondent is with regard to the non-compliance and non-payment by the complainant despite issuance of multiple demand letters.

iv. It is an admitted fact that multiple demand letters were issued by the respondent from the year 2010 to 2012 followed by a final cancellation on 25.07.2012. The respondent has stated that the complainant failed to make the payments despite issuance of multiple demand letters which resulted in cancellation of the unit and the same was sold to some other party later. The respondent has further stated that the construction of the project was going on and the Occupation Certificate for the same was also received on 20.06.2017. On the other hand, the complainant has stated that the third installment was not paid due to absence of any visible construction activity and dissatisfaction with the conduct of the respondent. The complainant sent an application to the respondent on 04.05.2011 for refund of amount alongwith interest. On perusal of the record, it has been observed that no such application has been annexed with the complaint. However, such submission clearly establishes the fact that the complainant willingly chose not to pay the demands raised by the respondent and was willing to opt out of the project and get a refund.

v. It is also evident from the record that there was a delay in the construction of the project as the Occupation Certificate was received only on 20.06.2017 i.e. after almost 7 years from the booking in the year 2010. However, in the present case, the fact of the delay in the completion of the project remains irrelevant as the complainant has been trying to get a refund from the very start and the respondent has also cancelled the unit in question while creating third party rights.

vi. After the cancellation of the unit, the complainant issued a cheque of ₹5,00,000/- dated 22.03.2013 in favour of the respondent. However, no documentary evidence has been placed on record to establish that the cheque was received or encashed by the respondent. Furthermore, the complainant in her complaint has herself admitted that the cheque was never encashed by the respondent. Further, nor the cancellation letter 25.07.2012 was challenged by the complainant before any competent Authority at the relevant point of time neither the validity of the same has been challenged in the present complaint. It is observed that the complainant failed to make the payments of the demands raised by the respondent which resulted in the said cancellation of the unit. The prolonged silence and inaction on the part of the complainant clearly amount to acceptance of the cancellation. It is also observed that third party rights have been created in the unit in question and no challenge has also been made by the complainant with regard to the same. In view of the above, this Authority is of the considered view that the cancellation dated 25.07.2012 was a valid cancellation.

vii. Further, the respondent has also relied upon Clause 16 of the Booking Form, which is reproduced below:

> *"The company at all times shall be entitled to cancel the booking and/or allotment of the flat without assigning any reason whatsoever. Besides, if the payment is not made within the stipulated time as per the payment plan and/or any cheque is dishonoured and/or upon the concealment of any material fact detected at any time, then the booking and/or allotment of the flat shall stand cancelled and the amount paid by the applicant shall stand forfeited. No interest shall be paid or chargeable on the amount paid by the Applicant."*

In this regard, it is observed that mere application form or booking form does not, by itself, constitute a concluded and enforceable contract authorizing the forfeiture of the entire amount paid by the allottee. A bare perusal of the above said clause also appears to be arbitrary and one sided. In the absence of a duly executed and registered Agreement for Sale or Plot Buyer's Agreement incorporating such forfeiture terms, the respondent cannot legally forfeit the entire amount deposited by the complainant. Accordingly, the respondent's reliance on Clause 16 of the booking form is found to be misplaced and unsustainable in law. In support, decision in Appeal No. 292/2019 titled as

"***Experion Developers Pvt Ltd vs Sanjay Jain & Smt. Kokila Jain***" is relied upon, wherein Hon'ble Appellate Tribunal has observed that forfeiture amount of the earnest money shall not exceed more than 10% of the consideration amount of the Real Estate i.e. apartment/plot/building. Relevant part of the order is reproduced below for reference:-

> *"17. The legal position with regard to the earnest money has been dealt in detail by Hon'ble Supreme Court in citations Maula Bux v. Union of India (1969)(2) SCC 554, and Satish Batra's case (supra) and the same can be condensed as follows:- "Earnest money is part of the purchase price when the transaction goes forward; it is forfeited when the transaction falls through, by reason of the fault of failure of the vendee. Law is, therefore, clear that to justify the forfeiture of advance money being part of earnest money the terms of the contract should be clear and explicit. Earnest money is paid or given at the time when the contract is entered into and, as a pledge for its due performance by the depositor to be forfeited in case of non-performance, by the depositor. There can be a converse situation also that if the seller fails to perform the contract the purchaser can also get the double the amount, if it is so stipulated. In other words, earnest money is given to bind the contract, which is a part of the purchase price when the transaction is carried out and it will be forfeited when the transaction falls through by reason of the default or failure of the purchaser."*
>
> *18. The perusal of Article I Clause 1(xiii) of the agreement dated 11.11.2014 shows that it has been specifically stipulated that earnest money would be 15% of the basic sale price which was meant to ensure performance, compliance and fulfillment of obligations and responsibilities of the buyer. Though, the allottees have taken the stand that the earnest money in the present case is ₹11,00,000/- which was deposited by them at the time of booking of the plot, but the*

same cannot be attached any credence because the booking is only request for allotment and does not constitute a final allotment or agreement.

19. Now, the question to be determined is that whether the earnest money to the tune of 15% of the basic sale price, as stipulated in the Agreement of 11.11.2014 can be termed as reasonable or not? In citation Pioneer Urban Land and Infrastructure Ltd.'s case (supra), the Hon'ble Supreme Court has laid down that the courts will not enforce and will, when called upon to do so, strike down an unfair and unreasonable contract, or an unfair and unreasonable clause in a contract, entered into between the parties, who are not equal in bargaining power. A term of a contract will not be final and binding if it is shows that flat purchaser had no option but to sign on the dotted line, on a contract framed by a builder. Further, incorporation of one-sided clauses in an agreement constitutes an unfair trade practice since it adopts unfair methods or practices for the purpose of selling the flat by the builder.

20. In citation DLF Ltd.'s case (supra), the Hon'ble National Consumer Disputes Redressal Commission, while discussing the cases of Maula Bux's case (supra), Satish Batra's case (supra) and other cases as mentioned in para No.10 of the said order, has clearly laid down that only a reasonable amount can be forfeited as earnest money in the event of default on the part of the purchaser and it is not permissible in law to forfeit any amount beyond a reasonable amount unless it is shown that the person forfeiting the said amount had actually suffered loss to the extent of the amount forfeited by him. Further, it was held that 20% of the sale price cannot be said to be a reasonable amount which the petitioner company could have forfeited on account of default on the part of the complainants unless it can show it had suffered loss to the extent the amount was forfeited by it. In absence of evidence of actual loss, forfeiture of any amount exceeding 10% of the sale price, cannot be said to be a reasonable amount.

Gh

21. In his last desperate attempt, learned counsel for the promoter has submitted that since the allottees had specifically agreed to pay 15% of the sale price as earnest *money, the forfeiture to the extent of 15% of the sale price cannot be said to be unreasonable as the same is in consonance with the terms agreed between the parties. He has also submitted that so long as the promoter was acting as per the terms and conditions agreed between the parties, it cannot be said to be deficient in rendering services to the allottees. This aforesaid submission as put forward by the learned counsel for the promoter, was also submitted before the Hon'ble National Consumer Disputes Redressal Commission, New Delhi in DLF's case (supra) and while dealing with the same, it was observed that forfeiture of the amount which cannot be shown to be a reasonable amount, would be contrary to the very concept of forfeiture of the earnest money and if the said contention is accepted, then, an unreasonable person in a given case may insert a clause in Buyer's Agreement whereby say 50% or even 75% of the sale price is to be treated as earnest money and in the event of the default on the part of the buyer, he may seek to forfeit 50% sale price as earnest money. It was further observed and held that an agreement for forfeiting more than 10% of the sale price would be invalid since it would be contrary to the established legal principle that only a reasonable amount can be forfeited in the event of default on the part of the buyer. Here, it is also pertinent to mention that the deduction of 10% of the total sale consideration of the unit, out of the amount deposited by the allottees, is also inconformity with the Regulations 2018, as notified by the Authority, wherein, it has been stipulated that forfeiture amount of the earnest money shall not exceed more than 10% of the consideration amount of the Real Estate.*

viii. Further, the complainant has not disputed the receipt of demand letters. Rather, both the parties have placed on record the said demand notices, thereby establishing that the complainant was fully aware of his contractual payment obligations. The conduct of the complainant reflects failure to comply with contractual terms, thereby disentitling her from seeking equitable relief against the respondent. It is pertinent to note that the cancellation letter was issued by the respondent on 25.07.2012, however, the fact remains that no amount has been refunded by the respondent to the complainant. The respondent, in the event of cancellation was under an obligation to refund the amount to the complainant after necessary deductions. However, nothing has been placed on record to establish that the refund was actually issued to the complainant. The respondent has retained the amount paid by the complainant since the year 2012. The respondent is not entitled to wrongfully enrich itself over the hard earned money of the complainant. Therefore, equity demands that the complainant is entitled to receive a refund of her paid amount from the respondent and the said refund shall be subject to forfeiture of earnest money.

ix. In view of the observations as made above, the respondent is duty bound to refund the amount of ₹5,17,700/- subject to forfeiture of the earnest money i.e. 10% of the basic sale price/total sale consideration, with interest from date of payments till date of this final order at the rate prescribed under Rule 15 of HRERA Rules, 2017, SBI MCLR+2% which as on date comes to 10.80%.

In view of aforesaid discussion, earnest money, i.e. 10% of sale price i.e ₹25,88,500/- comes out to be ₹2,58,850/-. First instalment amount of ₹1,50,000/- was paid on 17.08.2010 and the same is adjusted in the amount to be deducted. Further, an amount of ₹1,08,850/- (₹2,58,850/- minus ₹1,50,000/-) is still pending to be adjusted which will be deducted from the second instalment amount of ₹3,67,700/- which was paid on 29.01.2011. After forfeiture of the balance deduction from the second instalment (₹3,67,700/- minus ₹1,08,850/- = ₹2,58,850/-), the amount of refund is arrived at ₹2,58,850/-.

Futrher, it is pertinent to mention that the complainant has sought a refund of ₹5,17,000/-. However, a perusal of the demand letters and proof of payments placed on record by the parties reveals that the total amount deposited by the complainant aggregates to ₹5,17,700/-. Accordingly, the amount of ₹5,17,700/- is being considered for the refund subject to forfeiture as per law.

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

29. 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"*

30. As per the website of the State Bank of India (https://sbi.bank.in), the highest Marginal Cost of Lending Rate (MCLR) as on 07.08.2026 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.

31. The calculation of interest is depicted below in the table:-

Sr. No.	Principal Amount in ₹	Date of payment	Interest Accrued till 07.08.2026
1.	₹2,58,850/-	29.01.2011	₹4,34,272/-
	Total Payable to the Complainant	**₹2,58,850/- + ₹4,34,272 /-**	**₹6,93,122/-**

32. Regarding relief no. (ii), (iii) and (v), 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 RE(RD) 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.

33. The complainant has not pressed on the relief no. iv in her arguments. Hence, no observations are being made in that regard.

K. DIRECTIONS OF THE AUTHORITY

34. Hence, the Authority hereby issues the following directions under Section 37 of the RE(RD) 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) The respondent is directed to refund the amount of **₹6,93,122/-** (as calculated above) to the complainant. It is further clarified that the respondent will remain liable to pay interest to the complainant till the actual realization of the amount.

(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.

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

CHANDER SHEKHAR
[MEMBER]

07.08.2026
Kanupriya
(Law Associate)