HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

Complaint no.:	**478 of 2025**
Date of filing:	**07.04.2025**
First date of hearing:	**19.05.2025**
Date of decision:	**17.08.2026**

Annu Katoch and Guman Singh,
House no. 702, Sector-19, Panchkula-134113.

......COMPLAINANTS

Versus

Green Space Infraheights Pvt. Ltd.,
Regd. Office 306, 3rd Floor Indra Prakash Building 21,
Barakhamba Road, Connought Place, New Delhi 110001.

......RESPONDENT

Present: - Mr. Vineet Yadav, counsel for the complainants, through VC.
Mr. Vishwajeet Kumar, counsel for the respondent, through VC.

ORDER (NADIM AKHTAR - MEMBER)

1. Present complaint has been filed by the complainants on 07.04.2025 under Section 31 of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred as RERA, 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 RERA, 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, 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	Shree Vardhman Green Space, Sector-14, Panchkula Extension II (Affordable Group Housing)
2.	Name of the promoter	Green Space Infraheights Pvt. Ltd
3.	Flat No. allotted	0206, Tower E, 2nd Floor
4.	Flat area (Carpet area)	338 sq.ft
5.	Date of allotment	19.11.2019
6.	Date of execution Builder Buyer Agreement	Not executed
7.	Due date of offer of possession	15.03.2020
8.	Possession clause in BBA	Not available
9.	Basic sale consideration	₹14,00,000/-
10.	Amount paid by complainant	₹7,06,900/-
11.	Offer of possession	Not given till date

B. FACTS OF THE COMPLAINT

3. Facts of the complaint are as follows:

i. Case of the complainants is that complainants had applied for a residential flat in an affordable group housing project namely; "Shree Vardhman Green Space" being developed by respondent Green Space Infraheights Pvt. Ltd at Village Billah, Sector-14, Panchkula Extension-II, District, Panchkula, Haryana and complainants were allotted flat No.0206, Tower no. E, 2nd floor in the project, namely; "Shree Vardhman Green Space". A copy of allotment letter dated 19.11.2019 is annexed as Annexure-C-1.

ii. Complainants made total payment of ₹7,06,900/- against fixed price of ₹14,00,000/-. Copies of receipts are annexed as Annexure-C-2 (Colly).

iii. That no builder buyer agreement was executed between the parties till date despite several requests by the complainants.

iv. That complainants received a demand letter dated 15.05.2020 for the payment of ₹5,65,600/- which was duly deposited by the complainants vide receipt dated 29.10.2020. That complainants requested the respondent to send the builder buyer agreement for execution as complainants had already paid 50% of the total price of flat. Complainants also informed the respondent that complainants have to avail loan for disbursement of the rest of the amount for which builder buyer agreement is required for bank side but all in vain. Respondent kept sending demand letters dated on 20.10.2020, 21.10.2020, 29.06.2021 and 07.12.2023. copies of said demand letters are annexed as Annexure C-3(Colly).

v. Complainants again requests the respondent to execute the builder buyer agreement vide letter dated 14.07.2021 but all in vain. Copy of said letter is annexed as Annexure C-4. That respondent violated Section 13(1) of RERA Act of 2016 as respondent is not authorise to receive more than 10% of the cost of the flat which the complainants already paid and the rest of the amount was payable after the registration of the builder buyer agreement.

vi. That complainants wrote letters dated 20.01.2024 and 12.02.2024 while agitating that the respondents cannot demand more than 10% of the total cost or any further payment before execution of builder buyer agreement and complainants further agitated that builder failed to update the complainants about the project construction and construction is stalled from the year 2020 till date. Copies of said letters are annexed as Annexure C-5 (Colly).

vii. Complainants personally visited the office of the respondent and requested to refund the deposited amount but all in vain. Latest photograph of project site is attached as Annexure C-6.

viii. That at project site no construction activity is there and project is far from completion and complainants are suffering because of undue delay on part of respondent in handing over of possession. Therefore, complainants are now seeking refund of the paid amount alongwith interest as per Section 18 of the RERA Act of 2016.

C. RELIEFS SOUGHT

4. Complainants sought following reliefs :

   i. Issue an order/direction to refund the amount of ₹7,06,900/- alongwith interest prescribed under the Act and Regulation from the date of deposit till the realization while relying on the section 18 of RERA Act of 2016.

   ii. Issuance of any other direction, order of directions which this Hon'ble Authority deems fit and proper in the peculiar facts and circumstances of the case.

D. REPLY ON BEHALF OF RESPONDENT

5. Respondent had made the following submissions vide its reply dated 17.03.2026:

i. That the complainants had applied with the respondent for allotment of a residential flat in the project of the respondent via application form bearing no. 5461 dated 18.11.2019 signed and submitted by the complainants and complainants were made aware of all the necessary particulars of the residential scheme, such as description of land, license and building plans granted/approved by DTCP, Haryana and also, salient terms and conditions on which the allotment was to be made. The complainants were also apprised of the payment plan in accordance to which the complainants were to make payment of the due instalments. Copy of said application form dated 18.11.2019 is annexed as Annexure B.

ii. That respondent vide its letter dated 19.11.2019 intimated the complainants about the allotment of Flat No. E-0206 on 2nd Floor in Tower-E having carpet area of 338 square feet and balcony area of 96 square feet in the said scheme. Subsequently flat buyer agreement was sent to complainants for getting executed in regard to the said flat upon mutual agreement to the terms and conditions set forth therein. Complainants assured the respondent about the signing of the flat buyer agreement, however, for the reasons best known to the complainants the said signed agreement was never sent to respondent despite multiple request and communications.

iii. That the construction and development of the project was stalled on account of various unavoidable circumstances which were beyond control of the respondent company. Various such force majeure circumstances such as Covid 19 came into play during the course of the development of the project which had a catastrophic effect on the project's cash flow, resources, supply chains, planning etc, because of which the project was stuck. The said time period was also subject to timely payments by the allottees of the project, however, a large number of allottees including the complainants in the present case defaulted and /or delayed in making payment of the due instalments which also severely impacted the cash flows which was already under strain because of aforesaid circumstances.

iv. The company, however, now seeking to make progress with the construction of the project, and has already formulated a scheme for revival of the project. It is highly anticipated that the project would be completed and that possession of the units shall be handed over to all eligible allottees, within a period of next 12 months. That a major part of the construction work has already been completed. The main structure, external work, and much of the internal work have been finished. The remaining work relates mostly to finishing of internal works. Therefore, only for completion of the project a limited amount of work remains to be done.

v. That unprecedented situation created by the Covid-19 pandemic resulted in halting all project related activities, including construction, processing of approval files etc. The Ministry of Home Affairs, Government of India vide notification dated 24.03.2020 bearing no. 40- 3/2020-DM-I(A), recognised that India was threatened with the spread of Covid-19 epidemic and ordered a complete lockdown in the entire country for an initial period of 21 (twenty) days which started from 25.03.2020. By virtue of various subsequent notifications, the MHA, GOI further extended the lockdown from time to time. Even before the country could recover from the first wave of the pandemic, the second wave of the same struck very badly in the March/April 2021, disrupting all the activities again. Various State Governments, including the Government of Haryana had also enforced several strict measures to prevent the spread of Covid-19 pandemic including imposing curfew, lockdown, halting all commercial, construction activity. The pandemic created acute shortage of labour and material. The nation witnessed a massive and unprecedented exodus of migrant labourers from metropolitan cities to their native village. Due to the said shortage the construction activity could not resume at the full throttle even after lifting of restriction on construction sites.

vi. That respondent had duly sent the FBA to the complainants for execution , containing all the terms and conditions including payment schedule and proposed timeline for possession. Complainants had specifically assured the respondent that the same had been duly signed and will be returned soon. Relying upon such representations, respondent raised the demands under the legitimate belief that FBA stood executed. However, despite repeated follow ups, complainants failed to return the signed FBA and now cannot be allowed to take advantage of his default to allege illegality on the part of the respondent.

vii. It is denied receiving of amount of ₹5,65,600/-. However it is clarified that the basic sale price of the said flat was ₹14,00,000/-.

E. ARGUMENTS OF LEARNED COUNSEL FOR COMPLAINANT AND RESPONDENT

6. The following submissions were made by both the parties:

   1. As directed by the Authority vide order dated 19.01.2026, respondent has filed reply along with imposed cost. Counsel for the respondent relied upon the submissions made in the reply has been filed in the registry.

   2. Counsel for the complainants reiterated the facts of the complaints and requested for relief of refund of paid amount along with interest.

F. ISSUE FOR ADJUDICATION

7. Whether the complainants are entitled to refund of the amount deposited by the them along with interest in terms of Section 18 of RERA, Act of 2016?

G. OBSERVATIONS AND DECISION OF THE AUTHORITY

8. The Authority has gone through the rival contentions. In light of the background of the matter as captured in this order and also the arguments submitted by both parties, Authority observes as follows:

i. Admittedly, complainants booked a flat in the real estate project, "Shree Vardhman Green Space" being developed by the promoter namely; Green Space Infraheights Pvt. Ltd and complainants were allotted flat no.0206, Tower E, 2nd floor admeasuring 338 sq.ft. in said project at sector-14, Panchkula Extension-II, District Panchkula, Haryana vide allotment letter dated 19.11.2019. No builder buyer agreement was executed between the parties till date. Complainants has paid a total of ₹7,06,900/- against the total sale price of ₹14,00,000/- (as admitted by both the parties).

ii. It is contended by the complainants that despite paying an amount of ₹7,06,900/-, respondent failed to execute the builder buyer agreement and hand over possession to the complainants. Though no builder buyer agreement was executed between the parties, the fact remains that respondent allotted a unit in favour of complainants and said allotment was governed by "Affordable Housing Policy- 2013". As per clause 5 (iii) (b) of said policy, possession was to be offered within 4 years from date of sanction of building plans or receipt of environmental clearance whichever is later. Said clause of Affordable Housing Policy 2013, is reproduced for reference:

> "***Clause 5(iii) (b)*** : *All flats in a specific project shall be allotted in one go within four months of sanction of building plans or receipt of environmental clearance whichever is later and possession of flats shall be offered within the validity period of 4 years of such sanction/ clearance. Any person interested to apply for allotment of flat in response to such advertisement by a coloniser may apply on the*

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prescribed application form alongwith 5% amount of the total cost of the flat."

It came to the knowledge of the Authority while dealing with other cases against the same respondent namely; Green Space Infraheights Ltd., respondent received approval of building plans on 09.12.2014 and got the environment clearance on 15.03.2016. That means, as per possession clause, a period of 4 years is to be taken from 15.03.2016 and therefore, deemed date of handing over of possession comes to 15.03.2020.

iii. Respondent had taken plea of force majeure conditions like lockdown due to Covid 19, labour shortage as entire labours migrated to their respective states, construction activities for not performing the obligations as per terms and conditions of the agreement. Now, the question arises for determination as to whether any situation or circumstances which could have happened prior to this date due to which the respondent could not carry out the construction activities in the project can be taken into consideration. Looking at this aspect as to whether the said situation or circumstances was in fact beyond the control of the respondent or not? The obligation to deliver possession within a period of 4 years was not fulfilled by respondent. There is delay on the part of the respondent. The reason given by the respondent is ceasement of construction activities during.the COVID-19 period .As far as delay in construction due to outbreak of Covid-19 is concerned, Hon'ble Delhi High Court in case titled as ***M/s Halliburton Offshore Services Inc. vs Vedanta Ltd & Anr. bearing OMP (I) (Comm.) No. 88/2020 and I.A.s 3696-3697/2020*** dated 29.05.2020 has observed that:

> "69. *The past non-performance of the contractor cannot be condoned due to Covid-19 lockdown in March,2020 in India. The contractor was in breach since september,2019. Opportunities were given to the contractor to cure the same repeatedly. Despite the same, the contractor could not complete the project. The outbreak of pandemic cannot be used as an excuse for non-performance of a contract for which the deadline was much before the outbreak itself.*"

The respondent was liable to complete the construction of the project and the possession of the said unit was to be handed over by 15.03.2020 and is claiming the benefit of lockdown which came into effect on 23.03.2020, whereas the due date of handing over possession was prior to the event of outbreak of Covid-19 pandemic. Therefore, Authority is of view that outbreak of pandemic cannot be used an excuse for non-performance of contract for which deadline was much before the outbreak itself. To conclude, Authority observes that mere averment of force majeure without any relevant proof of the same for causing delay in offering the possession is not sufficient to justify the delay caused.

iv. Period of 4 years is a reasonable time to complete development works in the project and handover possession to the allottee. The project of the respondent is of an affordable group housing colony and allottees of such project are supposed to be mainly middle class or lower middle class persons. After paying their hard earned money, legitimate expectations of the complainants would be that possession of the flat will be delivered within a reasonable period of time. However, respondent has failed to fulfill its obligations as promised to the complainants. Thus, complainant are at liberty to exercise their right to withdraw from the project on account of default on the part of respondent to offer legally valid possession and seek refund of the paid amount along with interest as per section 18 of RERA Act.

v. Further, Hon'ble Supreme Court in the matter of "***Newtech Promoters and Developers Pvt. Ltd. versus State of Uttar Pradesh and others*** " in Civil Appeal no. 6745-6749 of 2021 has highlighted that the allottee has an unqualified right to seek refund of the deposited amount if delivery of possession is not done as per terms agreed between them. Para 25 of this judgement is reproduced below:

> "25. *The unqualified right of the allottee to seek refund referred under Section 18(1)(a) and Section 19(4) of the Act is not dependent on any contingencies or stipulations thereof. It appears that the legislature has consciously provided this right of refund on demand as an unconditional absolute right to the allottee, if the promoter fails to give possession of the apartment, plot or building within the time stipulated under the terms of the agreement regardless of unforeseen events or stay orders of the Court/Tribunal, which is in either way not attributable to the allottee/home*

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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 complainants wishes to withdraw from the project of the respondent, therefore, Authority finds it to be fit case for allowing refund in favour of complainant.

vi. 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;

vii. 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".*

viii. 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., 17.08.2026 is 8.80%. Accordingly, the prescribed rate of interest will be MCLR + 2% i.e., 10.80%.

ix. From the above discussions, it is amply proved on record that the respondent has not fulfilled its obligations cast upon him under RERA Act, 2016 and the complainants are entitled for refund of deposited amount along with interest. Thus, respondent will be liable to pay the interest from the dates the amounts were paid till the actual realization of the amount to the complainants. Authority directs the respondent to refund the amount deposited by complainants amounting to ₹7,06,900/-

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 8.80% (8.80% + 2.00%) from the date amounts were paid till the actual realization of the amount. Authority has got calculated the total amount along with interest calculated at the rate of 10.80% till the date of this order and total amount works out as per detail given in the table below:

Sr.no	Principal amount	Date of payments	Interest accrued till 17.08.2026
1.	₹70,700/-	19.11.2019	₹51546/-
2.	₹70,700/-	30.11.2019	₹51315/-
3.	₹5,65,500/-	29.10.2020	₹354564/-
	Total= ₹7,06,900/-		₹4,57,425/-
Total amount to be refunded by respondent to complainant = ₹7,06,900/- + ₹4,57,425/- = ₹11,64,325/-			

H. DIRECTIONS OF THE AUTHORITY

9. The Authority hereby passes this order and issue following directions under Section 37 of the Act to ensure compliance of obligation cast upon the promoter as per the function entrusted to the Authority under Section 34(f) of the Act of 2016:

   (i) Respondent is directed to refund the entire paid amount of ₹7,06,900/- with interest of ₹4,57,425/- to the complainants. It is further clarified that 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 no.1/ developer 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.

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

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NADIM AKHTAR
[MEMBER]