HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

Complaint No:	1482 of 2025
Date of Filing:	03.10.2025
Date of First Hearing:	19.12.2025
Date of Decision:	21.08.2026

Sharda Bansal W/o Late Sh. Suresh Bansal
R/o House No.104/23, Inderlok,
Behind Gur Mandi, Sonipat, Haryana-131001.

....COMPLAINANT(S)

VERSUS

TDI Infrastructure Ltd. through its MD/Chairman
9, Kasturba Gandhi Marg,
New Delhi-110001.

....RESPONDENT(S)

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

Hearing: **4th**

Present: - Mr. Gaurav Gupta, Advocate, for the Complainant through VC.
Mr. Shubhnit Hans, Advocate, for the Respondent.

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ORDER:

Present complaint has been filed by the complainant under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (for short Act, 2016) read with Rule 28 of the Haryana Real Estate (Regulation and Development) Rules, 2017 for violation or contravention of the provisions of the Act, 2016 and 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, the details of sale consideration, the amount paid by the complainant, date of proposed handing over of the possession, delay period, if any, have been detailed in the following table:

S.No.	**Particulars**	**Details**
1.	Name of the Project	TDI Park Street, Sector-19, Village-Kamsapur, Sonipat.
2.	Name of the Promoter	TDI Infrastructure Ltd.
3.	RERA Registered/Not Registered	Not registered.
4.	DTCP License Nos.	999, 1000, 1001 and 1002 of 2006 dated 16.06.2006.
5.	Licensed Area	8.31 Acres
6.	Unit No.(Shop)	LG-156
7.	Unit Area	500 sq. ft.
6.	Date of Booking	12.01.2007
7.	Date of Buyer's Agreement	NA
8.	Due Date of Offer of Possession	NA
9.	Total Sale Consideration	₹25,67,722/- As per Annexure C-2

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10.	Amount Paid by the Complainant	₹7,00,000/-
11.	Offer of Possession	Not offered

B. FACTS OF THE COMPLAINT

3. Brief facts of the complaint are that relying upon the representations and assurances made by the respondent, the complainant applied for the registration of a commercial shop measuring 500 sq. ft. on the Lower Ground Floor (LGF) in the project namely, "Park Street Commercial Shopping Mall". This application was submitted via a Registration Form dated 12.01.2007, copy of which is annexed as Annexure-C1, by virtue of which the complainant was classified as an "Intending Allottee." Along with the application, the complainant deposited an initial booking amount of ₹4,25,000/- via Cheque No. 510652 dated 10.01.2007. The parties mutually agreed to a construction-linked payment plan. The basic sale price of the shop was fixed at ₹4,250/- per sq. ft., totaling an agreed price of ₹21,25,000/-. Under the express terms of the Registration Form, the respondent was obligated to issue the allotment of the shop within a mandatory period of six months from the date of registration, i.e., on or before 10.06.2007. In compliance with subsequent demands made by the respondent, the complainant deposited an additional sum of ₹2,75,000/- on 22.04.2008. With this payment, the complainant had deposited a cumulative

total of ₹7,00,000/- toward the booking of the shop, as verified by the Statement of Account attached at Annexure-C2. Following these payments, the respondent completely ceased all communications with the complainant and failed to take any progressive steps toward developing the proposed project within the contractually agreed timelines. The complainant and her family members made numerous visits to the respondent's office to inquire about development progress, the allotment status and the finalized date for physical possession. During these visits, the respondent continually turned the complainant away using false assurances and misrepresentations, repeatedly stating that the allotment and offer of possession would be made shortly.

4. On 22.10.2011, upon another physical visit and persistent follow-up by the complainant, the respondent finally produced an Annexure/Statement of Account dated 22.10.2011. Through this statement, the respondent arbitrarily demanded a payment of ₹8,48,549/-, which wrongfully included delayed payment penalties that the complainant was not legally liable to pay. Furthermore, the complainant discovered that the respondent had unilaterally increased the super area of the shop by 104.17 sq. ft. without any prior consent, notice, or structural justification. Although the Statement of Account indicated that Shop No. LG-156 was allocated to the complainant, the respondent failed to ever issue a formal, legally valid Allotment Letter. Finally, while the respondent demanded heavy financial

amounts strictly payable at the final stage of physical possession, the actual ground status of construction and development was far from completion and nowhere near the stage of handover.

5. The complainant immediately objected to these discrepancies and formally requested the respondent to provide full justification for the unilateral increase in the shop's area, a transparent update on the actual construction progress, the immediate removal of the wrongfully charged delayed payment interest, the issuance of a formal, valid Allotment Letter, the immediate handover of physical possession of the shop and severe delay and reassurances. The complainant highlighted that more than four years had already passed between the initial booking date i.e. 12.01.2007 and 22.10.2011. In response to these objections, the respondent once again offered assurances to the complainant that a revised Statement of Account would be issued shortly. The respondent further promised that physical possession would be handed over upon the completion of all necessary development works and formalities. Despite these assurances, the respondent has failed to provide any response, to issue the allotment letter, or to hand over actual physical possession of the shop to date.

6. The respondent never informed the complainant about the actual development status of the project. The complainant has not received any letter, reminder, or demand notice from the respondent till date. The respondent has failed to issue a formal allotment or execute an Agreement to

Sell with the complainant. The respondent is illegally retaining the complainant's hard-earned money and gaining unfair financial benefits from it, depriving the complainant of the benefits to which she is rightfully entitled. More than 18 years have passed since the initial booking date, the respondent remains unable to deliver actual physical possession of the shop because they have failed to obtain an Occupation Certificate for the project in question. Prior to filing this complaint, the complainant served a formal Legal Notice dated 28.08.2025, demanding a full refund of the deposited amount along with interest and compensation. Despite receiving the Legal Notice on 02.09.2025, the respondent has neither replied to the notice nor refunded any amount to the complainant. Copies of the Legal Notice along with the relevant postal receipts and delivery tracking reports, are attached as Annexure-C3.

7. Under well-settled law, if a contract does not state a specific delivery date, a three-year period from the booking date is considered a reasonable timeframe to hand over the possession. Accordingly, 12.01.2010, serves as the deemed date of possession for the shop in question. The complainant cannot be expected to wait any longer and forcing her to continue with this booking would cause irreparable injustice. Given these circumstances, the complainant wishes to withdraw from the project and to claim refund of the entire paid amount along with appropriate compensation and interest as provided under the law.

C. RELIEF SOUGHT

8. The complainant in her complaint has sought following reliefs:

i. To direct the respondent to refund the paid amount of ₹7,00,000/- along with interest at the prescribed rate in Rule 15 of HRERA, Rules, 2017 from the date of payment till date of the amount so refunded;

ii. Any other relief, the Authority finds appropriate based on the facts of the case.

D. REPLY SUBMITTED ON BEHALF OF RESPONDENT:

9. Learned counsel for the respondent filed a detailed reply on 19.03.2026 pleading therein that due to the reputation of the respondent company, the complainant had voluntarily invested in the project of the respondent company namely, Park Street, Sector-19, NH-1, Sonipat, Haryana. The said project is covered under the license nos.999 of 2006, 1000 of 2006, 1001 of 2006 and 1002 of 2006 all dated 16.06.2006. When the respondent company commenced the construction of the said project, the RE(RD) Act was not in existence, therefore, the respondent company could not have contemplated any violations and penalties thereof, as per the provisions of the RE(RD) Act, 2016. Therefore, the provisions of the RE(RD) Act are to be applied prospectively. Thus, the present complaint is not maintainable and falls outside the purview of provisions of RE(RD) Act.

10. The respondent company issued various reminder letters to the complainant between 29.07.2010 and 06.11.2017, demanding the payment of outstanding dues for the commercial unit. Copies of these letters, along with verified proof of service, are attached as Annexure R-2. The complainant consistently failed to respond to any of these reminder letters or contact the respondent company after receiving them. Despite repeated demands to clear an outstanding balance of ₹34,63,670.65/-, the complainant took no steps to settle the dues and instead filed the present complaint against the respondent company.

11. The respondent company issued a formal Cancellation Letter dated 13.01.2012, copy of which is annexed as Annexure R-3, after providing the complainant with multiple reminders and sufficient opportunities to clear their outstanding dues. The complainant failed to fulfill her contractual payment obligations and has deliberately concealed the fact that her unit allotment was cancelled. Consequent to the cancellation, the total booking amount previously paid by the complainant stood forfeited in accordance with the agreed terms and conditions of registration. The complainant was fully aware of this forfeiture condition and are now suppressing these material facts to mislead this Honorable Authority. It is a settled legal principle that a litigant approaching the Court must do so with clean hands and disclose all material facts. Reliance is placed on the Supreme Court judgment in *S.P. Chengalvaraya Naidu v. Jagannath*, which

held that any person who suppresses material facts or makes false statements is not entitled to any relief. Such proceedings are liable to be dismissed out of hand. Consequently, the present complaint deserves to be dismissed on this ground alone.

12. The complainant is not entitled to a refund of the ₹7,00,000/- because she paid only 27.6% of the basic sale price, leaving a substantial outstanding balance of ₹34,63,670.65/- unpaid. Under Section 19(6) of the RE(RD) Act, 2016, every allottee is statutorily responsible for making necessary payments within the time and manner specified in the agreement for sale. Because the complainant failed to discharge her mandatory statutory and contractual payment obligations, she cannot now seek equitable relief from this Authority.

13. The respondent company could not proceed with construction because various allottees, including the complainant, persistently failed to clear their outstanding dues. The respondent company's continuous intention to complete and deliver a well-constructed project was directly frustrated by these payment defaults. The complainant failed to pay even half of the total sale price, abandoned her contractual obligations and filed this belated claim for a refund with interest after an inordinate delay. Such a claim is legally untenable because the respondent company is contractually and statutorily entitled to forfeit up to 10% of the total consideration amount. Consequently, the complainants' claim for a full refund is not maintainable under the law.

14. The present complaint is also barred by limitation. The complainant should have approached this Authority within three years from the date when possession is to be offered i.e. 12.01.2010. However, the complainant took no action for a long time and has now filed the complaint only to harass the respondent and seek money. As per Section 29(2) of the Limitation Act, 1963, where a special law provides a different limitation period, the provisions of limitation will apply accordingly. Therefore, the present complaint is liable to be dismissed entirely.

E. ARGUMENTS OF LEARNED COUNSEL FOR COMPLAINANT AND RESPONDENT

15. During the course of oral arguments, learned counsel for the complainant pressed for refund of the amount deposited along with interest, submitting that there is no likelihood of the complainant obtaining possession in the near future, as the construction of the project remains incomplete as of today. He further submitted that the complainant no longer wishes to continue with the project.

16. Learned counsel for the respondent reiterating the submissions made in the written statement admitted that the project in which the subject shop was booked has been at a standstill for the past 3-4 years. He stated that although the basic structure of the shops has been completed, the

construction is still not complete and the occupation certificate is yet to be obtained.

F. ISSUE FOR ADJUDICATION

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

G. OBSERVATIONS AND DECISION OF THE AUTHORITY:

18. The Authority has carefully considered the contentions and submissions made by both the parties. In view of the factual matrix of the case as recorded hereinabove and upon perusal of the arguments advanced by both the parties, the Authority observes as follows:

(i) With regard to the plea raised by the respondent that the provisions of RE(RD) Act, 2016 are applicable with prospective effect only and therefore the same were not applicable as on 12.01.2007 when the allottee/complainant was allotted a shop bearing No.LG-156, Park Street, Sonipat. It is observed that the issue regarding operation of RE(RD) Act, 2016 whether retrospective or retroactive has already been decided by the Hon'ble Supreme Court in its judgment dated 11.11.2021 passed in ***Civil Appeal No. (s) 6745-6749 OF 2021 titled as Newtech Promoters and Developers Pvt. Ltd. versus State of***

Uttar Pradesh and others. Relevant part is reproduced below for reference:-

> *"51. Thus, it is clear that the statute is not retrospective merely because it affects existing rights or its retrospection because a part of the requisites for its action is drawn from a time antecedent to its passing, at the same time, retroactive statute means a statute which creates a new obligation on transactions or considerations already passed or destroys or impairs vested rights.*
>
> *52. The Parliament intended to bring within the fold of the statute the ongoing real estate projects in its wide amplitude used the term "converting and existing building or a part thereof into apartments" including every kind of developmental activity either existing or upcoming in future under Section 3(1) of the Act, the intention of the legislature by necessary implication and without any ambiguity is to include those projects which were ongoing and in cases where completion certificate has not been issued within fold of the Act.*
>
> *53. That even the terms of the agreement to sale or home buyers agreement invariably indicates the intention of the developer that any subsequent legislation, rules and regulations etc. issued by competent authorities will be binding on the parties. The clauses have imposed the applicability of subsequent legislations to be applicable and binding on the flat buyer/allottee and either of the parties,*

promoters/home buyers or allottees, cannot shirk from their responsibilities/liabilities under the Act and implies their challenge to the violation of the provisions of the Act and it negates the contention advanced by the appellants regarding contractual terms having an overriding effect to the retrospective applicability of the Authority under the provisions of the Act which is completely misplaced and deserves rejection.

54. From the scheme of the Act 2016, its application is retroactive in character and it can safely be observed that the projects already completed or to which the completion certificate has been granted are not under its fold and therefore, vested or accrued rights, if any, in no manner are affected. At the same time, it will apply after getting the on-going projects and future projects registered under Section 3 to prospectively follow the mandate of the Act 2016."

Further, the same legal position was laid down by the Hon'ble Bombay High Court in "***Neel Kamal Realtors Suburban Pvt. Ltd. & Anr. Vs. Union of India and others" 2018(1) RCR (Civil) 298 (DB)***, wherein it was laid down as under: -

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"122. We have already discussed that the above stated provisions of the RERA are not retrospective in nature. They may to some extent be having a retroactive or quasi retroactive effect but then on that ground the

validity of the provisions of RERA cannot be challenged. The Parliament is competent enough to legislate law having retrospective or retroactive effect. A law can be even framed to affect subsisting/existing contractual rights between the parties in the larger public interest. We do not have any doubt in our mind that the RERA has been framed in the larger public interest after a thorough study and discussion made at the highest level by the Standing Committee and Select Committee, which submitted its detailed reports. As regards Article 19(1)(g) it is settled principles that the right conferred by sub-clause (g) of Article 19 is expressed in general language and if there had been no qualifying provisions like clause (6) the right so conferred would have been an absolute one."

Thus, it is clear from the above said law that the provisions of the Act are retroactive in nature and are applicable to an act or transaction in the process of completion. Thus, the rule of retroactivity will make the provisions of the Act and the Rules applicable to the acts or transactions, which were in the process of the completion even though the amendment/contract/agreement have taken place before the Act and the Rules became applicable.

(ii) The respondent in its reply has contended that the complainant is an "investors" who has invested in the project for monetary returns and taking undue advantage of RE(RD) Act, 2016 as a weapon during the present down side conditions in the real estate market, therefore, they are not entitled to the protection of the Act of 2016. In this regard, the Authority observes that "any aggrieved person" can file a complaint against a promoter if the promoter contravenes the provisions of the RE(RD) Act, 2016 or the rules or regulations. In the present case, complainants are an aggrieved person who have filed the present complaint under Section 31 of the RE(RD) Act, 2016 against the promoter for violation/contravention of the provisions of the RE(RD) Act, 2016 and the Rules and Regulations made thereunder. Here, it is important to emphasize upon the definition of term "allottee" under the RE(RD) Act of 2016, reproduced below: -

Section 2(d) of the RERA Act:

> *(d) "allottee" in relation to a real estate project, means the person to whom a plot, apartment or building, as the case may be, has been allotted, sold (whether as freehold or leasehold) or otherwise transferred by the promoter, and includes the person who subsequently acquires the said allotment through sale, transfer or otherwise but does not include a person to whom such plot, apartment or building, as the case may be, is given on rent;*

In view of the above-mentioned definition of "allottee" as well as upon careful perusal of the application form and receipts issued by the respondent, it is clear that the complainant is an "allottee" as shop bearing no. LG-156 in the Real Estate Project of the respondent namely, "Park Street, Sector-19", Sonipat, was allotted to her by the respondent/promoter. The concept/definition of investor is not provided or referred to in the RE(RD) Act, 2016. As per the definitions provided under Section 2 of the RE(RD) Act, 2016, there will be "promoter" and "allottee" and there cannot be any party having a status of an investor. Further, the definition of "allottee" as provided under RE(RD) Act, 2016 does not distinguish between an allottee who has been allotted a plot, apartment or building in a real estate project for self-consumption or for investment purpose. The Maharashtra Real Estate Appellate Tribunal in its order dated 29.01.2019 in appeal no. 0006000000010557 titled *as **M/s Srushti Sangam Developers Ltd. Vs Sarvapriya Leasing (P)Ltd. And Anr.*** had also held that the concept of investors not defined or referred to in the Act. Thus, the contention of the promoter that allottees being investors are not entitled to protection of this Act also stands rejected.

(iii) The respondent has raised an objection that the present complaint is barred by limitation. In this regard, the Authority is of the considered view that the law of limitation does not apply to complaints filed under the provisions of the RE(RD) Act. The

RE(RD) Act is a special enactment and does not prescribe any specific period of limitation for filing a complaint before the Authority. In terms of Section 29(2) of the Limitation Act, 1963, the provisions of the Limitation Act apply only insofar as they are not expressly excluded by a special or local law. Therefore, in the absence of any prescribed limitation period under the RE(RD) Act, the Limitation Act has no direct applicability. For ready reference, Section 29 of the Limitation Act, 1963, is reproduced below:

> ***Section 29 - Limitation Act, 1963***
> *29. Savings– (1) Nothing in this Act shall affect section 25 of the Indian Contract Act, 1872 (9 of 1872).*
> *(2) Where any special or local law prescribes for any suit, appeal or application a period of limitation different from the period prescribed by the Schedule, the provisions of section 3 shall apply as if such period were the period prescribed by the Schedule and for the purpose of determining any period of limitation prescribed for any suit, appeal or application by any special or local law, the provisions contained in sections 4 to 24 (inclusive) shall apply only in so far as, and to the extent to which, they are not expressly excluded by such special or local law.*
> *(3) Save as otherwise provided in any law for the time being in force with respect to marriage and divorce, nothing in this Act shall apply to any suit or other proceeding under any such law.*
>
> *(4) Sections 25 and 26 and the definition of "easement" in section 2 shall not apply to cases arising in the*

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territories to which the Indian Easements Act, 1882 (5 of 1882), may for the time being extend.

Even, Section 18(2) of RE(RD) Act, brings the complaint out of the purview of the Limitation Act, 1963.

Further, the Hon'ble Apex Court, in ***Consolidated Engg. Enterprises vs. Irrigation Department, (2008) 7 SCC 169***, has held that the provisions of the Limitation Act, 1963, are not applicable to quasi-judicial authorities or tribunals unless specifically provided for in the statute governing such bodies. A similar view has been reiterated by the Hon'ble Supreme Court in ***M.P. Steel Corporation vs. Commissioner of Central Excise, (2015) 7 SCC 58***, wherein it was observed that the Limitation Act would not apply to proceedings before quasi-judicial forums created under special enactments.

Notwithstanding anything stated hereinabove, even assuming that the law of limitation were applicable to quasi-judicial proceedings, which otherwise is not the case, it would still have no bearing in the present case, as the project remains incomplete till date. Consequently, the cause of action continues to subsist and the complainant's claim for refund along with interest remains alive and enforceable until the project is completed or the matter is finally adjudicated.

(iv) Regarding reminders and cancellation sent by the respondent, it is observed that the reminder letters issued by the respondent between 29.07.2010 and 06.11.2017 contain no specific clause or written warning indicating that failure to pay would result in the cancellation of the unit. Instead, the express remedy specified by the respondent within those communications was the levying of penal interest on delayed amounts. Consequently, the respondent cannot retroactively substitute a penalty of interest with an absolute cancellation and forfeiture of property without providing prior, unambiguous notice of intent to cancel. The purported Cancellation Letter dated 13.01.2012 is legally void and invalid because the respondent has failed to obtain a Part Completion Certificate or an Occupation Certificate for the project till date. Under established RERA jurisprudence, a developer who is in fundamental default of its primary statutory obligation i.e. delivering a project with a valid Occupation Certificate/Completion Certificate cannot exercise an equitable right to cancel an allotment or forfeit buyer funds. The builder cannot penalize an allottee for stopping payments when the project itself has stalled indefinitely and lacks the mandatory government sanctions required to hand over legal possession. The respondent's reliance on the Supreme Court ruling in ***S.P. Chengalvaraya Naidu v. Jagannath*** does not apply to the facts of this case. There is no suppression of material facts by the complainant. Rather, there is a legitimate legal dispute over the validity of a hidden, unilateral cancellation issued in the year 2012. A developer cannot accuse an allottee of having "unclean hands" when the developer has illegally retained ₹7,00,000/- for over 18 years without fulfilling the basic contractual promise of building completion and delivery of possession. It is also observed that the respondent cancelled the allotment on 13.01.2012, however, no refund was ever made to the complainant. Instead, the respondent company itself sent multiple demand letters/reminders from the years 2013 to 2017. This conduct is contradictory to the defence pleaded by the respondent company.

(v) The respondent cannot claim that construction was delayed by the complainant's non-payment, as the respondent was already in fundamental breach of contract long before the payment disputes arose. Under the express terms of the Registration Form , the respondent was contractually obligated to issue a formal allotment on or before 10.06.2007. Having failed to issue a valid Allotment Letter or execute an Agreement to Sell within the stipulated timeframe, the respondent committed the first material breach, disentitling them from shifting the blame for the subsequent project delay onto the consumer. The respondent's claim of an absolute entitlement to forfeit up to 10% of the total consideration amount is legally untenable under the RE(RD) Act, 2016. Forfeiture clauses are only enforceable when a buyer backs out of a project that is progressing on time or where the developer is ready to fulfill their obligations. Because the respondent has failed to obtain a Part Completion Certificate or an Occupation Certificate for over 18 years, the project is a total failure. A promoter in absolute, perennial default cannot invoke forfeiture clauses to pocket a consumer's hard-earned money. The complainant did not "abandon" her obligations, rather she stopped making payments into a stalled, unauthorized project that unilaterally inflated its super area by 104.17 sq. ft. and added wrongful penalties without consent. Furthermore, the claim that this action is "belated" lacks legal backing. Under

RERA jurisprudence, the cause of action in stalled projects is continuous. As long as the developer remains unable to deliver legal, physical possession backed by a valid Occupation Certificate, the allottee's right to seek a full refund with interest remains active and fully maintainable.

19. In the present case, the deemed date of possession has not been specified as no allotment or agreement has been executed between the parties. In the absence of a specific date for handing over of possession, it is not possible to precisely ascertain the date on which possession of the said unit was to be delivered to the complainant. In ***Appeal No. 273 of 2019, TDI Infrastructure Ltd. v. Manju Arya,*** the Hon'ble Appellate Tribunal referred to the observations of the Hon'ble Supreme Court in ***M/s Fortune Infrastructure (now known as M/s Hicon Infrastructure) & Anr. v. Trevor D'Lima & Ors., 2018 STPL 4215 SC,*** wherein it was held that a period of three years constitutes a reasonable time for completion of construction and delivery of possession. In the present case, the complainant booked the unit/shop on 12.01.2007 by filing an application form. Accordingly, taking a period of three years from the date of application form as a reasonable time for completion of development work and delivery of possession, the deemed date of possession is computed as 12.01.2010. The respondent has failed to fulfil its contractual obligations within this reasonable period and has not

provided any cogent justification for the delay. Fact remains that the possession has not been offered to the complainant till date for the reason that the project is lying incomplete.

20. The delay of more than 16 years beyond the promised possession date is excessive and unreasonable, entitling the complainant to appropriate relief. Overall, the conduct of the respondent reflects clear deficiency in service and failure to comply with its contractual as well as statutory obligations, thereby justifying the complainant's claim for refund along with applicable interest and compensation. On the other hand, the complainant has unequivocally stated in her complaint that she is interested in seeking refund of the paid amount along with interest on account of inordinate delay caused in delivery of possession.

21. 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 the said 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.*"

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.

22. This project did not get completed within the time stipulated as discussed in aforesaid paragraphs and possession of the booked shop is not possible even in near future. In these circumstances, the Authority finds it to be fit case for allowing refund along with interest in favor of the complainant in terms of provisions of Section 18(1) (a) of RE(RD) Act, 2016.

23. The definition of term 'interest' is defined under Section 2(za) of the Act which is as under:

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> *(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;*

24. 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".*

25. Consequently, as per the 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. 21.08.2026 is 8.80%. Accordingly, the prescribed rate of interest will be MCLR + 2% i.e., 10.80%.

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26. The 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 to **₹21,45,499/-** as per detail given in the table below:

Sr. No.	Principal Amount in ₹	Date of payment	Interest Accrued till 21.08.2026
1.	₹4,25,000/-	12.01.2007	₹9,00,646/-
2.	₹2,75,000/-	22.04.2008	₹5,44,853/-
	Total=₹7,00,000/-		Total=₹14,45,499/-
	Total Payable to the complainant	**₹7,00,000/- + ₹14,45,499/-**	**₹21,45,499/-**

H. DIRECTIONS OF THE AUTHORITY

27. 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/respondent 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 ₹7,00,000/- with interest of ₹14.45,499/- (**Total ₹21,45,499/-**) 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 and Development) Rules, 2017 failing which legal consequences would follow.

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

(CHANDER SHEKHAR)
MEMBER

21.08.2026
Narinder Kaur
(Law Associate)