HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

COMPLAINT NO. 373 OF 2025

Harish Kumar Choudhary and Yogender Singh .....COMPLAINANT

Versus

Ozone GSP Infratech Sarvome House .....RESPONDENT

Date of Hearing: 13.10.2026

Hearing: 9th

Present: Adv. Shivang Berry, Ld. Counsel for the Complainant through VC.

None for the Respondent.

ORDER : DR. GEETA RATHEE SINGH -(MEMBER)

1. Today, case is fixed for the arguments.
2. Arguments heard.
3. Case **Disposed of**. Detailed order shall follow.

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DR. GEETA RATHEE SINGH

[MEMBER]

HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

Complaint No.:	**373 of 2025**
Date of Filing:	**25.03.2025**
First Date of Hearing:	**08.05.2025**
Date of Decision:	**13.10.2026**

Harish Kumar Choudhary and Yogender Singh
R/o 1-865, Gali No. 18,
Hai Nagar Extn., Jaitpur,
South Delhi, New Delhi.

....COMPLAINANTS

VERSUS

Ozone GSP Infratech
Ozone GSP Infratech, Sarvome House,
Sector-45, Faridabad, Haryana, 121003.

....RESPONDENT

Present: - Adv. Shivang Berry, Ld. Counsel for the Complainant through VC.

None for the Respondent.

ORDER : DR. GEETA RATHEE SINGH -(MEMBER)

1. Present complaint has been filed by the complainants 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

Rathee

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	"The Presidio", Sector-31, Faridabad, Haryana.
2.	Nature of the project.	Residential
3.	RERA Registered/Not Registered	Registered vide Registration No. 276 of 2017
4.	Details of the unit	Apartment No. 902, Tower Castello/Tower-3, measuring 153.8 sq. mtr.
5.	Date of Builder Buyer Agreement	15.12.2017
6.	Due Date of Possession	30.09.2019

7.	Possession clause 23.I as per BBA dated 15.12.2017	That the possession of Apartment is proposed to be delivered by the Developer to the Allottee(s) within 42 months of date of start of excavation subject to Force Majeure or circumstances beyond the control of the Developer, provided all amounts due and payable by the Allottee(s) as provided herein have been paid to the Developer. It is, however, it is understood between the parties that various Towers comprised in the Complex shall be ready and completed in phases and handed over, accordingly. The Developer shall be entitled to a grace period of 180 days, after the expiry of 42 months for finishing construction work & applying the occupation certificate in respect of the project from the concerned authority.
8.	Basic Sale Consideration	₹75,95,640/-
9.	Amount paid by the complainant	₹71,88,689/-
10.	Offer of Possession	None.

B. FACTS OF THE COMPLAINT AS MENTIONED IN THE COMPLAINT

3. That the respondent promoter, M/s Ozone G.S.P. Infratech, launched a group housing real estate project named "The Presidio", situated at Sector 31, Faridabad,

Haryana, in the year 2015, widely advertising that the project comprised 78 luxury residential apartments across 3 BHK, 3+1 BHK, and 4+1 BHK configurations with state-of-the-art amenities and connectivity, targeted for completion by February 2019. Induced by these assurances, the complainants booked an apartment having a super built-up area of 1,656 sq. ft. for a total agreed sale consideration of ₹75,95,640/-. In furtherance thereof, the complainants remitted an initial booking amount of ₹5,00,000/- vide Cheque No. 000030 dated 30.09.2017 drawn on Standard Chartered Bank, Saket, New Delhi. Upon the respondent's representation that the project had reached an advanced stage of development requiring payment within 60 days of allotment, the complainants further paid ₹11,43,000/- as the first instalment vide Cheque No. 488854 drawn on HDFC Bank, New Delhi.

4. That the parties entered into a Builder-Buyer Agreement on 28.11.2017. Pursuant to Clause 23 thereof, possession of the unit was agreed to be handed over within 42 months from the date of excavation, which, having commenced in September 2015, pegged the committed date of possession as March 2019. Thereafter, vide Allotment Letter dated 15.12.2017, the respondent allotted Apartment No. 902 in Tower Castello (Tower-3) to the complainants. For funding the purchase, the complainants secured a housing loan sanction limit of ₹64,90,000/- from Allahabad Bank (now Indian Bank) under a Tripartite Agreement, where under an amount of ₹55,45,689/- was directly disbursed to the respondent on 22.02.2018, bringing the total amount paid by the complainants towards the

transaction to ₹71,88,689/-. The complainants have been regularly discharging their monthly EMI obligations towards the bank loan.

5. That the respondent completely failed to adhere to the contractual timeline and did not offer possession by the agreed due date of March 2019. Although the respondent, vide email dated 26.11.2019, expressly admitted the default and undertook to disburse delay possession charges at the rate of 10% per annum with effect from October 2019 until possession was handed over, it made only piecemeal payments from October 2020 to December 2022 and abruptly stopped all remittances thereafter. With the construction work coming to a standstill and the project remaining incomplete and delayed by over six years, the complainants, burdened by concurrent EMI repayments and rental expenses for alternate housing, withdrew from the project and sought a refund of the total deposited amount along with prescribed interest, but the respondent failed to redress their claim.

ADDITIONAL AFFIDAVIT DATED 19.05.2026 FILED BY THE COMPLAINANTS

6. In compliance with the Authority's Order dated 10.03.2026 directing the submission of proof of transactions, the complainants filed an additional affidavit placing on record consolidated banking and financial records. The complainants substantiated the total remittance of ₹71,88,689/- paid towards the subject unit, comprising ₹5,00,000/- remitted at booking, ₹11,43,000/- paid as the first instalment both duly acknowledged in the builder-buyer agreement and a housing

loan disbursement of ₹55,45,689/- made on 23.02.2018 through Allahabad Bank (now Indian Bank). The bank records and confirmation letter dated 17.03.2026 clarify that out of the disbursed loan amount, a sum of ₹53,64,689/- was credited directly to the respondent's State Bank of India account via NEFT under transaction reference No. ALLAH18054964915, while ₹1,79,490.21 was debited towards mandatory home loan insurance under Kotak Group Assure, with the residual amount of approximately ₹1,510/- attributable to incidental banking charges.

7. The complainants submitted that these entries, evidenced by certified bank account statements showing valid debits without subsequent reversals, constitute admissible prima facie evidence under Section 4 of the Bankers' Books Evidence Act, 1891, and sufficiently prove inter-bank remittance and final credit settlement under the Reserve Bank of India's NEFT clearing regulations. Pleading that the internal records and beneficiary accounts of the respondent remain exclusively within its possession, the complainants reiterated that the full payment stands established. On these premises, the complainants prayed for taking the documents on record, directing the respondent to produce all statutory sanctions and EDC/IDC payment records, quashing all pending illegal demands towards maintenance, GST, and interest, and ordering a complete refund of ₹71,88,689/- along with prescribed statutory interest under Section 18 of the Real Estate (Regulation and Development) Act, 2016 read with Rule 15 of the Haryana Real Estate (Regulation and Development) Rules, 2017.

C. RELIEF SOUGHT

8. In view of the facts mentioned above, the complainants have prayed for the following relief(s):-

i. In exercise of powers under Section 35, direct the respondent to place on record all statutory approvals and sanctions of the project; and/or

ii. In exercise of powers under section 35 of RERA and rule 21 of HRE(R&D), Rules, 2017, to provide complete details of EDC/IDC and statutory dues paid to the competent authority and pending demand if any; and/or

iii. To refund the entire amount of ₹71,88,689/- along with simple interest @ 18% p.a. from date of respective payment till the date of realization; and/or

iv. To quash any/ all the illegal demands raised by the respondents-builder on account of pending instalment, monthly maintenance charges, GST, interest on delayed payment, club charges and/or arrears of previous demands etc., as the same are in contravention of settled legal principles; and/or

v. 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

9. That the respondent promoter contested the maintainability as well as the merits of the complaint by filing its written reply, raising preliminary objections that the complainants approached this Authority with unclean hands by deliberately suppressing material facts and prior settlement proceedings. The respondent submitted that no actionable cause of action survives under Section 18 of the Real Estate (Regulation and Development) Act, 2016, as it had proactively and repeatedly offered a full refund of the principal sum received along with interest at the prescribed statutory rate, subject only to the adjustment of sums already disbursed towards delay compensation in complete discharge of its statutory obligations. In the alternative, to mitigate the complainants' hardship, the respondent in the year 2024 proposed a substitution mechanism whereby the subject unit would be re-allotted to an incoming buyer who would take over the financial obligations and ensure complete reimbursement of the complainants' funds, but the complainants obstinately and inexplicably refused both the unconditional refund and the substitution proposal. The respondent further pleaded that the complainants had earlier agitated a substantially similar relief arising out of the very same transaction before the learned Adjudicating Officer, HRERA, Panchkula, in Complaint No. 374 of 2025, which was dismissed vide order dated 30.10.2025, and that the filing of the present complaint amounts to an impermissible re-litigation and gross abuse of the process of law.

10. That the complainants applied on 30.09.2017 for residential apartment No. 902 in Tower Castello (Tower-3) and entered into the builder-buyer agreement on 28.11.2017, the respondent submitted that under clause 23 thereof, possession was proposed to be delivered within 42 months from the start of excavation, with an additional grace period of 180 days for completing construction and obtaining the occupation certificate, expressly subject to force majeure circumstances beyond the developer's control. The respondent emphasized that the project was critically stalled on account of an unprecedented liquidity crunch and an intractable dispute with its financing consortium bank, State Bank of India, which abruptly suspended sanctioned term loan limits, withheld project funding, and declared the project account an NPA. This led to prolonged litigation before the Debts Recovery Tribunal-II, Delhi in O.A. No. 72 of 2020, wherein the Tribunal, vide interim injunction dated 19.02.2020, restrained the respondent from creating any third-party encumbrances or dealing with the project assets, effectively paralyzing all development and construction works. The distress was further aggravated by external events, including successive nationwide COVID-19 lockdowns and recurring winter construction bans imposed under the Graded Response Action Plan (GRAP) by the Commission for Air Quality Management and the National Green Tribunal.

11. That the direct consequence of the DRT restraint and frozen financial facilities, the respondent has had no operative bank account, rendering it impossible to collect funds from buyers or incur capital expenditure on site, and vital statutory

approvals such as the Environment Clearance, Building Plans, and Airport Authority NOC lapsed due to lack of operational funding, making any definitive commitment on a project completion timeline entirely speculative and contingent upon judicial resolution of the bank litigation. The respondent affirmed that it has completely frozen fresh bookings, collected no new monies, and has already moved a formal application before the Full Bench of this Authority seeking an extension of the project's registration on grounds of force majeure, which was scheduled for hearing on 15.07.2026 and 05.08.2026.

12. Notwithstanding these severe, beyond-control impediments, the respondent demonstrated its absolute bona fides by not seeking refuge behind the lower contractual delay compensation of ₹10/- per sq. ft. per month provided under Clause 25(B) of the agreement. Instead, it voluntarily applied the statutory rate under Rule 15 of the Haryana Real Estate (Regulation and Development) Rules, 2017 (SBI highest MCLR + 2%) as communicated vide its email dated 26.11.2019, and actually disbursed an aggregate amount of ₹13,42,876/- directly to the complainants between October 2020 and February 2023, as duly recorded in its ledger. The respondent highlighted that the complainants have omitted to perform their reciprocal statutory obligations under Section 19(4) of the Act by refusing to cooperate in finalizing the refund formalities. Lastly, the respondent refuted all allegations concerning misleading marketing, fraudulent inducement, or unfair trade practices as vague, baseless, and unsubstantiated by any marketing brochure or contemporaneous material, and prayed that the complaint be

dismissed with exemplary costs as frivolous, malicious, and lacking cause of action.

E. ARGUMENTS OF LEARNED COUNSEL FOR COMPLAINANT AND RESPONDENT

13. Ld. Counsel for the complainants submitted that in terms of Clause 23 of the builder-buyer agreement dated 15.12.2017, the respondent was obligated to deliver physical possession of the allotted unit within 42 months, reckoned from the date of start of excavation. It was urged that since the excavation of the project undisputedly commenced in September 2015, the committed due date for handing over possession fell in March 2019, long before the onset of the COVID pandemic. Consequently, the respondent cannot seek refuge under the doctrine of force majeure. Ld. Counsel further highlighted that the complainants have duly discharged their financial obligations by remitting ₹71,88,689/- out of the total consideration. Ld. Counsel contended that the project has been inordinately delayed by over six years and remains stalled with lapsed statutory approvals, thereby conferring an unconditional and absolute statutory right upon the complainants to withdraw from the project and claim a full refund of the deposited amounts along with prescribed interest. It was also argued that the personal monetary refund decree is independent of any third-party loan litigation, and the one-sided delay compensation clause of ₹10/- per sq. ft. cannot override the statutory rate of interest.

14. Per contra, ld. counsel for the respondent resisted the claim, submitting that the non-completion of the project was wholly attributable to genuine force majeure circumstances beyond the promoter's reasonable control. It was urged that the project came to an abrupt halt due to an unforeseen dispute with its term-lending institution, State Bank of India, which declared the project account an NPA and initiated recovery proceedings before the Debts Recovery Tribunal-II, Delhi in O.A. No. 72 of 2020. In those proceedings, the DRT passed an interim restraint order on 19.02.2020 prohibiting the creation of any third-party encumbrances on the project property, completely freezing further development and causing necessary statutory approvals to lapse. Ld. Counsel submitted that the respondent has actively defended the proceedings and lodged a counter-claim against the bank, but owing to the operative judicial restraint and lack of working capital, the occupation certificate could not be procured. Emphasizing the bona fides of the developer, ld. counsel submitted that the respondent did not enforce the restricted contractual compensation under Clause 25(B), but voluntarily disbursed an aggregate sum of ₹13,42,876/- directly to the complainants between October 2020 and February 2023 at the statutory rate of SBI MCLR + 2%. Furthermore, the respondent had proactively offered a complete refund as well as a re-allotment substitution option to the complainants, both of which were arbitrarily turned down. Ld. Counsel also contended that the complainants failed to pay the entire sale consideration.

F. ISSUES FOR ADJUDICATION

15. Whether the complainants in the above captioned complaint is entitled to refund alongwith delay interest on the amount deposited by him in terms of Section 18 of RERA Act of 2016?

G. FINDINGS AND OBSERVATIONS OF THE AUTHORITY

16. Upon perusal of the pleadings, a minor discrepancy concerning the execution date of the Builder-Buyer Agreement requires clarification. While the complainants in paragraph 5 of the complaint and the respondent in paragraphs 3 and 6 of its reply have averred that the agreement was executed on 28.11.2017, the complainants in paragraph 10 of their additional affidavit have referred to the agreement as dated 15.12.2017. Upon a careful examination of the actual copy of the builder-buyer agreement annexed as Annexure C-1 to the complaint, it is evident that the agreement specifically bears the date of 15.12.2017, coinciding with the issuance of the allotment letter. The reference to 28.11.2017 appears to be an inadvertent clerical error carried into the pleadings by both parties. In any event, this variance does not prejudice either side or affect the merits of the dispute.

17. As per facts and circumstances complainants had booked a residential unit in the project of the respondents namely "The Presidio" situated in sector -31, Faridabad, Haryana. Builder buyer agreement was executed between the parties with respect to apartment No. 902, Tower Castello/Tower-3, measuring 153.8 sq. mtr. for a basic sale consideration of ₹75,95,640/- against which the complainants

has paid an amount of ₹71,88,689/- till date. As per clause 23.I of builder buyer agreement, the possession is proposed to be delivered by the developer to the allottee within 42 months of date of start of excavation, with an allowable grace period of 180 days for finishing construction and applying for the occupation certificate. It is an undisputed fact on record that excavation commenced in September 2015.

18. Complainants are aggrieved by the fact that despite a lapse of more than 7 years from the date of execution of the agreement, respondent has not delivered the possession of the booked unit.

19. Admittedly delivery of possession has been delayed beyond the stipulated period of time. The Relevant clause of the apartment buyer agreement dated 15.12.2017 is reproduced herein:

> *"23.I That the possession of Apartment is proposed to be delivered by the Developer to the Allottee(s) within 42 months of date of start of excavation subject to Force Majeure or circumstances beyond the control of the Developer, provided all amounts due and payable by the Allottee(s) as provided herein have been paid to the Developer. It is, however, it is understood between the parties that various Towers comprised in the Complex shall be ready and completed in phases and handed over, accordingly. The Developer shall be entitled to a grace period of 180 days, after the expiry of 42 months*

for finishing construction work & applying the occupation certificate in respect of the project from the concerned authority."

20. Accordingly, the 42-month period expired in March 2019, and even upon computing the 180-day grace period, the committed due date for handing over physical possession was September 2019. Further, it is a matter of fact that the respondent promoter has till date not handed over possession, thus, the respondent has failed to fulfil its obligation to handover the possession within stipulated/agreed time.

21. During oral arguments, learned counsel for the respondent admitted that the occupation certificate for the subject unit has not been obtained till date. The respondent placed reliance on the doctrine of force majeure citing the COVID-19 pandemic, GRAP restrictions, and proceedings before the Debts Recovery Tribunal-II, Delhi in O.A. No. 72 of 2020 (wherein an interim restraint order was passed on 19.02.2020). As established from the factual matrix, the due date for handing over physical possession even after taking into account the 180-day grace period expired in September 2019. The nationwide lockdown and the outbreak of the COVID-19 pandemic commenced only in the latter part of March 2020, well after the contractual timeline had already lapsed. The respondent had thus already committed default prior to the emergence of the pandemic. It is a settled principle of law that a party in prior breach cannot seek shelter under subsequent supervening disruptions to excuse its failure of performance.

Regarding the ongoing litigation before the Debts Recovery Tribunal, the respondent cannot plead external financial disputes, loan recall, NPA classification, or judicial restraint orders as *force majeure* events to extinguish its statutory liabilities towards the allottees. In this context, reference may be made to the landmark ruling of the Hon'ble Supreme Court in ***Pioneer Urban Land and Infrastructure Ltd. & Anr. v. Union of India & Ors.*, (2019) 8 SCC 416**, wherein the Apex Court examined the primacy and parallel remedies available under the RERA Act, 2016 alongside recovery proceedings under the IBC and SARFAESI Act / DRT, observing:

> *"49. ... It is clear that the RERA is to be read in addition to, and not in derogation of, other laws... When we come to the Insolvency Code, it is clear that the remedies under the Consumer Protection Act and RERA are concurrently available to allottees... In case the project is stalled and the promoter is in financial distress or facing recovery proceedings, the allottee cannot be left in the lurch without recourse to the beneficial provisions of the RERA Act."*

22. The financial defaults, and resultant DRT litigation between the respondent and its lending bank (State Bank of India) fall squarely within the internal commercial domain of the developer and cannot be shifted onto innocent allottees. Furthermore, an order of refund under Section 18 of the Act of 2016 constitutes a personal monetary liability of the promoter and does not create any charge, mortgage, or encumbrance upon the project property. Therefore, neither the

outbreak of the COVID-19 pandemic nor the interim restraint order of the DRT operates as an impediment to this Authority or grants any *force majeure* benefit to the respondent.

23. Further, respondent has also taken a plea that due to various order of NGT the project could not be completed on time and therefore such period for which the construction work remained suspended should be treated as force majeure period. In this regard, Authority is of the view that NGT has regularly been passing orders suspending construction activity in the Delhi NCR region every year due to rise in pollution specially in the month of October- November. The promoters who are in the business of real estate development are aware of fact that such orders are passed every year w.r.t Delhi NCR region due to rise in pollution. Therefore, such events should be considered at the time of planning/envisaging the development works. Annual directions by statutory agencies due to human caused reasons cannot be allowed/considered as a force majeure event. Hence, the commitment period of the promoter regarding handing over of possession of the unit is taken accordingly which in the present case is 48 months from the start of excavation. The due date for possession as per the agreement remains unchanged and the promoter is liable for the consequences and obligations under section 18(1) of the Real Estate (Regulation and Development) Act, 2016 arising out of failure in handing over possession by the due date as committed by him in the apartment buyer's agreement i.e., 15.12.2017. Therefore, the delay in offering possession is attributable to the respondent.

24. Therefore, the due date of completion of the apartment shall be considered from 48 months from the start of excavation i.e., September 2015, which in this case works out to September 2019.

25. With regard to the quantum of the refundable amount, the complainants have claimed a total refund of ₹71,88,689/-. However, perusal of the records and the additional affidavit placed on record reveals that out of the housing loan disbursement of ₹55,45,689/-, a sum of ₹53,64,689/- was credited directly into the respondent promoter's bank account, whereas an amount of ₹1,79,490.21/- was deducted towards home loan insurance under Kotak Group Assure, along with incidental banking charges of approximately ₹1,510/-. Under Section 18(1) of the Act of 2016, the promoter is liable to return only the 'amount received by him in respect of that apartment'. Since the insurance premium and banking charges were retained by the lending institution and the insurance provider and were never received by the respondent promoter, the same cannot be included in the refund order directed against the respondent. The net amount actually received by the respondent promoter towards the sale consideration stands computed at ₹70,07,689/- (₹5,00,000/- + ₹11,43,000/- + ₹53,64,689/-).

26. Furthermore, the complainants had already filed the instant complaint, exercising their legitimate right to exit the project, well before any valid offer of possession could be made by the respondent. A homebuyer cannot be expected to wait indefinitely for a defaulting promoter. This position is squarely protected by the law laid down by the Hon'ble Supreme Court in ***M/s IREO Grace Realtech***

Pvt. Ltd. v. Abhishek Khanna & Ors. (2021) 3 SCC 241. The Hon'ble Apex Court, while dealing with allottees where units were incomplete or where a valid occupation certificate was not in place at the time of the promised timeline (categorized under Chart B/Category B), unequivocally held that such buyers cannot be compelled to take possession after an inordinate delay and are fully entitled to terminate the agreement and seek a full refund. The facts clearly establish that the respondent was utterly unable to complete the project or secure the necessary statutory approvals within the promised timeline.

27. Complainants in this case does not wish to continue with the project on account of inordinate delay caused in delivery of possession and are hence seeking refund of paid amount along with interest as per RERD Act 2016. In such circumstances, complainants cannot be compel to wait any further and forced to accept the possession. Especially in light of the ratio of the law laid down by the 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.*

Ratnee

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 Hon'ble 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 a fit case for allowing refund along with interest at prescribed rate in favour of complainants.

28. Authority hereby concludes that complainants are entitled to receive a refund of the paid amount along with interest as per Rule 15 of HRERA Rules 2017 on

account of failure on part of the respondent. As per Section 18 of the RERA Act, interest shall be awarded at such rate as may be prescribed. Section 18 of RERA Act, 2016 is reproduced below for reference:

> *"If the promoter fails to complete or is unable to give possession of an apartment, plot or building,- (a) in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or (b) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason. He shall be liable on demand to the allottees, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act: Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed"*

Further, the definition of term 'interest' is defined under Section 2(za) of the Act which is as under:

> *(za) "interest" means the rates of interest payable by the promoter or the allottee, as the case may be.*
> *Explanation.-For the purpose of this clause-*
> *(i) the rate of interest chargeable from the allottee by the promoter, in case of default, shall be equal to the rate of interest which the promoter shall be liable to pay the allottee, in case of default;*
> *(ii) the interest payable by the promoter to the allottee shall be from the date the promoter received the amount or any part thereof till the date the amount or part thereof and interest thereon is refunded, and the interest payable by the allottee to the promoter shall be from the date the allottee defaults in payment to the promoter till the date it is paid;*

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

> ***"Rule 15:*** *"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 (NCLR) 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"*

29. As per the website of the State Bank of India (https://sbi.co.in), the highest Marginal Cost of Lending Rate (MCLR) as on 13.10.2026 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.

30. The complainants has prayed for interest @18% per annum. 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.

31. 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. However, it is undisputed that excavation commenced in the month of September 2015, the respondent has failed to place on record or disclose the exact date of the start of excavation. In the absence of the specific date of commencement and

considering that the committed period of 48 months matured in September 2019, the Authority deems it equitable and appropriate to adopt the end of the month, i.e., 30.09.2019, as the benchmark date for the purpose of computing delay possession interest. The total amount payable by the respondent to the complainant on the date of this order works out to be ₹70,07,689/-. Complainants shall be entitled to further interest on the paid amount till realization beginning from September, 2019 at the rate of 10.80%.

Sr. No.	Principal Amount in ₹	Date of payment	Interest Accrued till 13.10.2026
1.	₹5,00,000/-	30.09.2017	₹4,88,367/-
2.	₹11,43,000/-	27.11.2017	₹10,96,791/-
3.	₹53,64,689/-	23.02.2018	₹50,08,121/-
	Total = ₹70,07,689/-		Total= ₹65,93,279/-
	Total Payable to the complainant	₹70,07,689/- + ₹65,93,279/-	₹1,36,00,986/-

G. DIRECTIONS OF THE AUTHORITY

32. 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 ₹70,07,689/- with interest of ₹65,93,279/- total to ₹1,36,00,986/- to the complainants i.e. within 90 days from the date of passing of this order. It is further clarified that respondent will remain liable to pay interest at the prescribed rate to the complainants till the actual realization of the amount.

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

.....
DR. GEETA RATHEE SINGH
[MEMBER]