



BEFORE THE HARYANA REAL ESTATE REGULATORY AUTHORITY, GURUGRAM

Date of decision: 12.07.2024

NAME OF THE BUILDER PROJECT NAME		M/S OCEAN SEVEN BUILDTECH PRIVATE LIMITED		
		The Venetian		
S. No.	Case No.	Case title	Appearance	
1	CR/2957/2023	Veena Chawla V/S M/S Ocean Seven Buildtech Private Limited	Sh. Vijender Parmar for complainant None on behalf of respondent	
2	CR/2959/2023	Ayushi Gupta V/S M/S Ocean Seven Buildtech Private Limited	Sh. Vijender Parmar for complainant None on behalf of respondent	

CORAM:

Shri Sanjeev Kumar Arora

Member

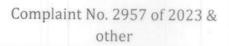
ORDER

1. This order shall dispose of the two complaints titled above filed before this authority under section 31 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred as "the Act") read with rule 28 of the Haryana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred as "the rules") for violation of section 11(4)(a) of the Act wherein it is inter alia prescribed that the promoter shall be responsible for all its obligations, responsibilities and functions to the allottees as per the agreement for sale executed inter se between parties.



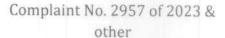
- 2. The core issues emanating from them are similar in nature and the complainant(s) in the above referred matters are allottees of the project, namely, The Venetian situated at Sector-70, Gurugram being developed by the same respondent/promoter i.e., M/s Ocean Seven Buildtech Private Limited. The terms and conditions of the Buyer's agreements, fulcrum of the issue involved in all these cases pertains to failure on the part of the promoter to deliver timely possession of the units in question, thus seeking refund of the unit along with interest.
- 3. The details of the complaints, reply status, unit no., date of agreement, possession clause, due date of possession, total sale consideration, total paid amount, and relief sought are given in the table below:

Project Name and Location	"The Venetian" at sector 70, Gurgaon, Haryana.		
Project area	5.10 acres		
Nature of Project	Affordable Group Housing Colony		
DTCP License No.	103 of 2019 dated 05.09.2019 valid upto 04.09.2024 Licensee: Shree Ratan Lal and others		
Rera Registered	Registered vide no. 39 of 2020 dated 27.10.2020 valid upto 02.09.2024 07.02.2020 (as per DTCP website) Not yet obtained		
Building Plan			
Approval			
Environment clearance			
Occupation Certificate	Not yet obtained		
Possession clause as per Affordable Housing Policy, 2013	All such projects shall be required to be necessarily completed within 4 years from the approval of building plans or grant of environmental clearance, whichever is later. This date shall be referred to as the "date of commencement of project" for the purpose of this policy. The licenses shall not be renewed beyond the said 4 years period from the date of commencement of project.		





Sr. No	Complaint No., Case Title, and Date of filing of complaint	Unit No.	Unit admeasu ring	Date of apartme nt buyer agreeme nt	Due date of possession	Total Sale Consider ation / Total Amount paid by the complain ant	Relief Sought
1.	CR/2957/2023 Veena Chawla Vs. M/s Ocean Seven Buildtech Private Limited DOF: 26.06.202 3 Reply status: 02.02.202 4	003, Tower-5	571.105 sq. ft. (carpet area) 98 sq. ft. (balcony area)	Not Execute d Allotme nt Letter: 09.03.20 21	Cannot be ascertaine d	TSC: - 22,84,00 0 (as alleged by complainant) AP:- Rs. 8,83,785	Refund along with interest
2.	CR/2959/ 2023 Ayushi Gupta Vs. M/s Ocean Seven Buildtech Private Limited	304, Tower-3	556.280 sq. ft. (carpet area) 90 sq. ft. (balcony area)	Not Execute d Allotme nt Letter: 09.03.20 21	Cannot be ascertaine d	TSC: - Rs.22,84 ,400/- (as alleged by complai nant) AP: - Rs. 8,59,811	Refund along with interest





DOF:		
26.06.202		
3		
Reply		
Reply status:		
02.02.202		
4		
100 1000		

Note: In the table referred above certain abbreviations have been used. They are elaborated as follows:

Abbreviation Full form

DOF Date of filing of complaint

TSC Total Sale consideration

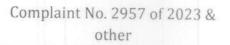
AP Amount paid by the allottee(s)

- 4. It has been decided to treat the said complaints as an application for non-compliance of statutory obligations on the part of the promoter /respondent in terms of section 34(f) of the Act which mandates the authority to ensure compliance of the obligations cast upon the promoters, the allottee(s) and the real estate agents under the Act, the rules and the regulations made thereunder.
- 5. The facts of all the complaints filed by the complainant(s)/allottee(s) are similar. Out of the above-mentioned case, the particulars of lead case CR/2957/2023 Veena Chawla V/S M/S Ocean Seven Buildtech Private Limited are being taken into consideration for determining the rights of the allottee(s) qua refund of the amount paid.

A. Project and unit related details

6. The particulars of the project, the details of sale consideration, the amount paid by the complainant(s), date of proposed handing over the possession, delay period, if any, have been detailed in the following tabular form:

CR/2957/2023 Veena Chawla V/S M/S Ocean Seven Buildtech Private
Limited.





S. N.	Particulars	Details		
1.	Name and location of the project	"The Venetian" at Sector 70, Gurugram		
2.	Nature of the project	Affordable Group housing Colony		
3.	Project area	5.10 acres		
4.	DTCP license no.	103 of 2019 dated 05.09.2019 valid upto 04.09.2024		
5.	Name of licensee	Shree Ratan Lal and others		
6.	RERA Registered/ not registered	Registered vide no. 39 of 2020 dtaed 27.10.2020 Valid upto 02.09.2024		
7.	Allotment letter	09.03.2021 (page no. 14 of complaint)		
8.	Unit no.	003, tower no. 5 (page no. 14 of complaint)		
9.	Unit area admeasuring	571.105 sq. ft. (carpet area) 98 sq. ft. (balcony area) (page no. 14 of complaint)		
10.	Building plan approval	07.02.2020 (as per project details)		
11.	Environment clearance	Not yet obtained		
12.	Request by complainant for cancellation/surrender	26.03.2022 (Page no. 21 of complaint)		

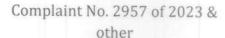


13.	Reminder by complainant for refund	nant 11.11.2022, 12.01.2023 (page no. 22-23 of complaint)	
14.	Date of builder buyer agreement	Not executed	
15.	Total sale consideration	Rs. 22,84,000/- (as alleged by complainant)	
16.	Amount paid by the complainant	Rs. 8,83,785/- [as per demand letter at page no. 20 of complaint]	
17.	Occupation certificate	Not obtained	
18.	Offer of possession	Not obtained	

B. Facts of the complaint

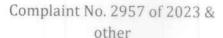
The complainant has made the following submissions in the complaint: -

- 7. That on the representations made by the respondent company the complainant had paid ₹1,16,671/- on 14.11.2020 and booked a unit in the project of the respondent company namely The Venetian situated at sector-70, Gurugram.
- 8. That the complainant was one of the successful applicants in the draw conducted on 9th march 2021 by the respondent for the allotment of residential apartments in the aforementioned project and the complainant was allotted a residential flat bearing no.003 in Tower No.5 of 2BHK (Type-1), having carpet area of 571.105 Sq. ft. approx. and balcony area of 98 Sq. ft. approx. vide allotment letter / demand letter dated 09.03.2021.





- 9. That vide the aforementioned allotment letter / demand letter the respondent further raised a demand of ₹4,72,518/- to be remitted in favor of the respondent within 15 days from the date of the aforementioned allotment letter / demand letter i.e. by 24.03.2021, which was duly paid by the complainant vide cheque bearing no.000027 dated 19.03.2021.
- 10. That thereafter, the respondent further raised the demand of money vide demand letter dated 26.08.2021 of Rs.2,94,596/- which was duly paid by the complainant via RTGS / NEFT transfer on 09.09.2021. The complainant regularly paid the instalments as demanded by the respondent without any delay and within the stipulated time.
- 11. That the respondent further raised a demand of ₹ 2,94,596/- vide demand letter dated 23.02.2022. Till now the complainant had paid a total amount of ₹ 8,83,785/- for the aforementioned project as demanded by the respondent.
- 12. However, as the respondent did not started the construction of the said project as per the schedule informed to the complainant, the complainant was forced to write a letter dated 26.03.2022 to the respondent intimating the respondent that the complainant wanted to cancel her allotment of the flat bearing no.003 in Tower 5 allotted to her vide application no.1346 in the aforementioned project of the respondent and requested a refund for the amount paid by the complainant till date i.e. Rs.8,83,785/-.
- 13. That the complainant further sent multiple emails dated 11.11.2022 and 12.01.2023 to the respondent enquiring about the status of the refund of its money upon the cancellation of the unit allotted to the complainant but there was either no response from the respondent or just empty assurances. The complainant also intimated to the respondent that the





complainant is suffering mentally and financially leading the but all the requests of the complainant fell on deaf ears as there was no response regarding the same by the respondent even after numerous attempts by the complainant.

- 14. That mentioned above the project developed by the respondent is an affordable project under the Affordable Housing Policy, 2013 and as per latest amendment dated 05th July 2019 in clause 5(iii) h of the policy, in case of the surrender of unit made by the successful allottee, developer/colonizer cannot forfeit and deduct more than Rs. 25,000/from the amount paid by the allottee and in the present case the respondent has not refunded a single penny to the complainant in the name of refund and therefore the same is in gross violation of provisions of the Affordable Housing Policy, 2013 and for that the respondent is also liable to be prosecuted separately under the relevant provisions of law.
- 15. That the complainant further wrote an email dated 12.01.2023 and a letter to Mr. Sanjeev Mann, Senior Town Planner having office at HUDA Complex, Sector14, Gurugram, stating that the complainant had cancelled her allotment of the flat bearing no.003 in Tower 5 allotted to her vide application no.1346 in the aforementioned project of the respondent and even after passing of over 9 months the refund has still not been issued to the complainant (1 year and 2 months currently) and requested the intervention of Mr. Sanjeev Mann (Senior Town Planner) for the refund owed to the complainant by the respondent along with interest, due to the delay caused by the respondent for the payment of refund. To the utter shock of the complainant there was no response from Mr. Sanjeev Mann



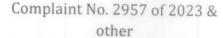
(Senior Town Planner), which led to the filing of the present complaint in the Hon'ble Regulatory Authority.

C. Relief sought by the complainant: -

- 16. The complainant has sought following relief(s):
 - I. Direct the respondent to refund an amount of ₹ 8,83,785/- being the principal amount paid by the complainant towards the sale consideration of aforesaid flat and to pay ₹ 1,95,683/- as interest on prescribed rate upon the said outstanding amount from the date of payment till realization.
- 17. On the date of hearing, the authority explained to the respondent/ promoter about the contraventions as alleged to have been committed in relation to section 11(4) (a) of the act to plead guilty or not to plead guilty.

D. Reply by the respondent.

- 18. That this hon'ble authority lacks jurisdiction to adjudicate upon the present complaint. Both parties have executed an arbitration clause, clearly outlined in the agreement, empowering either party to seek resolution through arbitration. As per the said arbitration clause, any disputes arising out of the agreement shall be submitted to an arbitrator for resolution. Therefore, the present matter be referred to arbitration in accordance with the terms set forth in the agreement.
- 19. That as expressly stipulated in the agreement to sale, the parties, herein, the complainant and respondent, have unequivocally agreed to resolve any disputes through arbitration. This agreement to sell is fortified by clause 16.2 wherein it is stated that all or any disputes arising out of or touching upon or relating to the terms of this agreement to sell/conveyance deed including the interpretation and validity of the terms hereof and the





respective rights and obligations of the parties, which cannot be amicably settled despite best efforts, shall be settled through arbitration. The arbitration proceedings shall be governed by the Arbitration and conciliation Act, 1996 or any statutory amendments/modifications thereof for the time being in force. The arbitration proceedings shall be held at the office of the company in Gurgaon by a sole arbitrator who shall be appointed by the company. The cost of the arbitration proceedings shall be borne by the parties equally. The language of arbitration shall be in English. In case of any proceeding, reference etc. touching upon the arbitration subject including any award, the territorial jurisdiction of the courts shall be Gurgaon, Haryana as well as of Punjab and Haryana High Court at Chandigarh.

- 20. That the complainant is a willful defaulter and deliberately, intentionally and knowingly have not paid timely installments. The complainant is a defaulter under section 19(6) & 19(7) of the Act. It is humbly submitted that the complainant failed to clear his outstanding dues despite several reminders that were issued by the respondent.
- 21. That the complainant's motives are marred by malafide intentions. The present complaint, founded on false, fabricated, and erroneous grounds, is perceived as an attempt to blackmail the respondent. The complainant, in reality, is acting as an extortionist, seeking to extract money from the respondent through an urgent and unjustified complaint. This action is not only illegal and unlawful but also goes against the principles of natural justice.
- 22. That there is every apprehension that the complainant in collusion with any staff member of the respondent company including ex-employee or those



who held positions during that time may put forth the altered and fabricated document which is contradictory to the affordable housing policy & should not be considered binding on the company in any manner whatsoever.

23. Copies of all the relevant documents have been filed and placed on the record. Their authenticity is not in dispute. Hence, the complaint can be decided on the basis of these undisputed documents and submission made by the parties.

E. Jurisdiction of the authority

24. The authority observes that it has territorial as well as subject matter jurisdiction to adjudicate the present complaint for the reasons given below.

E.I Territorial jurisdiction

25. As per notification no. 1/92/2017-1TCP dated 14.12.2017 issued by Town and Country Planning Department, the jurisdiction of Real Estate Regulatory Authority, Gurugram shall be entire Gurugram District for all purpose with offices situated in Gurugram. In the present case, the project in question is situated within the planning area of Gurugram District. Therefore, this authority has complete territorial jurisdiction to deal with the present complaint.

E.II Subject matter jurisdiction

26. Section 11(4)(a) of the Act, 2016 provides that the promoter shall be responsible to the allottee as per agreement for sale. Section 11(4)(a) is reproduced as hereunder:

Section 11

Page 11 of 20



(4) The promoter shall-

(a) be responsible for all obligations, responsibilities and functions under the provisions of this Act or the rules and regulations made thereunder or to the allottees as per the agreement for sale, or to the association of allottees, as the case may be, till the conveyance of all the apartments, plots or buildings, as the case may be, to the allottees, or the common areas to the association of allottees or the competent authority, as the case may be;

Section 34-Functions of the Authority:

34(f) of the Act provides to ensure compliance of the obligations cast upon the promoters, the allottees and the real estate agents under this Act and the rules and regulations made thereunder.

- 27. So, in view of the provisions of the Act quoted above, the authority has complete jurisdiction to decide the complaint regarding non-compliance of obligations by the promoter leaving aside compensation which is to be decided by the adjudicating officer if pursued by the complainant at a later stage.
- 28. Further, the authority has no hitch in proceeding with the complaint and to grant a relief of refund in the present matter in view of the judgement passed by the Hon'ble Apex Court in Newtech Promoters and Developers Private Limited Vs State of U.P. and Ors. (Supra) and reiterated in case of M/s Sana Realtors Private Limited & other Vs Union of India & others SLP (Civil) No. 13005 of 2020 decided on 12.05.2022 wherein it has been laid down as under:

"86. From the scheme of the Act of which a detailed reference has been made and taking note of power of adjudication delineated with the regulatory authority and adjudicating officer, what finally culls out is that although the Act indicates the distinct expressions like 'refund', 'interest', 'penalty' and 'compensation', a conjoint reading of Sections 18 and 19 clearly manifests that when it comes to refund of the amount, and interest on the refund amount, or directing payment of interest for delayed delivery of possession, or penalty and interest thereon, it is the regulatory authority which has the power to examine and determine the outcome of a complaint. At the same time, when it comes to a question of seeking the

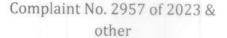


relief of adjudging compensation and interest thereon under Sections 12, 14, 18 and 19, the adjudicating officer exclusively has the power to determine, keeping in view the collective reading of Section 71 read with Section 72 of the Act. if the adjudication under Sections 12, 14, 18 and 19 other than compensation as envisaged, if extended to the adjudicating officer as prayed that, in our view, may intend to expand the ambit and scope of the powers and functions of the adjudicating officer under Section 71 and that would be against the mandate of the Act 2016."

- 29. Hence, in view of the authoritative pronouncement of the Hon'ble Supreme Court in the cases mentioned above, the authority has the jurisdiction to entertain a complaint seeking refund of the amount and interest on the refund amount.
- F. Findings on objections raised by the respondent
 - F.I Objection regarding complainant is in breach of agreement for non-invocation of arbitration.
- 30. The respondent had raised an objection for not invoking arbitration proceedings as per the provisions of flat buyer's agreement which contains provisions regarding initiation of arbitration proceedings in case of breach of agreement. The following clause has been incorporated w.r.t arbitration in the buyer's agreement:

"16.2. Dispute Resolution by Arbitration

All or any disputes arising out of or touching upon or in relation to the terms of this Agreement to sell/Conveyance deed including the interpretation and validity of the terms hereof and the respective rights and obligations of the parties, which cannot be amicably settled despite best efforts, shall be settled through arbitration. The arbitration proceedings shall be governed by the Arbitration and Conciliation Act, 1996 or any statutory amendments/modifications thereof for the time being in force. The arbitration proceedings shall be held at the office of the company in Gurgaon by a sole arbitrator who shall be appointed by the company. The cost of arbitration proceedings shall be borne by the parties equally. The language of arbitration shall be in English. In case of any proceeding, reference etc. touching upon the arbitration subject including any award, the territorial jurisdiction of the courts shall be Gurgaon, Haryana as well as of Punjab and Haryana High Court at Chandigarh."





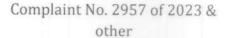
- 31. The authority observes that no BBA has been executed inter se parties and the respondent's plea in this regard is completely devoid of merits. Without prejudice to the aforesaid view, the authority is of the opinion that the jurisdiction of the authority cannot be fettered by the existence of an arbitration clause in the buyer's agreement as it may be noted that section 79 of the Act bars the jurisdiction of civil courts about any matter which falls within the purview of this authority, or the Real Estate Appellate Tribunal. Thus, the intention to render such disputes as non-arbitrable seems to be clear. Also, section 88 of the Act says that the provisions of this Act shall be in addition to and not in derogation of the provisions of any other law for the time being in force. Further, the authority puts reliance on catena of judgments of the Hon'ble Supreme Court, particularly in National Seeds Corporation Limited Vs. M. Madhusudhan Reddy & Anr. (2012) 2 SCC 506, wherein it has been held that the remedies provided under the Consumer Protection Act are in addition to and not in derogation of the other laws in force, consequently the authority would not be bound to refer parties to arbitration even if the agreement between the parties had an arbitration clause. Therefore, by applying same analogy, the presence of arbitration clause could not be construed to take away the jurisdiction of the authority.
- 32. Therefore, in view of the above judgments and considering the provision of the Act, the authority is of the view that complainant is well within his rights to seek a special remedy available in a beneficial Act such as the Consumer Protection Act and RERA Act, 2016 instead of going in for an arbitration. Hence, we have no hesitation in holding that this authority has



the requisite jurisdiction to entertain the present complaint and that the dispute does not require to be referred to arbitration necessarily.

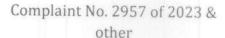
F.II Apprehension by the respondent regarding fabrication of the documents by the complainant-allottee.

- 33. The respondent has raised an objection that it has apprehension that the present complaint is founded on false, fabricated, and erroneous grounds, is perceived as an attempt to blackmail the respondent. It is further stated that the complainant, in reality, is acting as an extortionist, seeking to extract money from the respondent through an urgent and unjustified complaint.
- 34. The authority observes that the objection raised by the respondent are vague and false as the respondent has not specified as to what documents have been fabricated which is in violation of the Affordable Housing Policy, 2013. Further, the respondent has failed to substantiate the said allegations during the course of arguments and has failed to corroborate the same by placing on record requisite documents. The authority is of the view that only apprehension cannot be a ground for dismissal of complaint and cannot defeat the ends of justice. Thus, the objection raised by the respondent stands rejected.
- G. Findings on the relief sought by the complainant.
- G.I Direct the respondent to refund an amount of ₹ 8,83,785/- being the principal amount paid by the complainant towards the sale consideration of aforesaid flat and to pay ₹ 1,95,683/- as interest on prescribed rate upon the said outstanding amount from the date of payment till realization.





- 35. The complainant was allotted a unit bearing no. 003, in Tower-5 having carpet area of 571.105 sq. ft. along with balcony with area of 98 sq. ft. in the project of respondent named "The Venetian" at Sector 70, Gurugram under the Affordable Housing Policy, 2013 vide allotment letter dated 09.03.2021. The builder buyer agreement has not been executed inter se parties in respect of the subject unit so far. As per clause 1(iv) of the Affordable Housing Policy, 2013, all projects under the said policy shall be required to be necessarily completed within 4 years from the date of approval of building plans or grant of environmental clearance, whichever is later. Thus, the possession of the unit was to be offered within 4 years from the approval of building plans (07.02.2020) or from the date of environment clearance (not obtained yet). Therefore, the due date of possession cannot be ascertained. As per record, the complainant has paid an amount of ₹ 8,83,785/- to respondent. Further, due to failure on the part of the respondent in obtaining environment clearance from the concerned authority and inordinate delay on part of the respondent to start construction of the project in question, the complainant has surrendered the unit/flat vide letter dated 26.03.2022.
- 36. However, it has come to the notice of the authority that the respondent has failed to obtain environmental clearance from the competent authority till date. It is pertinent to mention here that as per the clause 5 (iii)(b) of the Affordable Housing Policy, 2013 as amended by the State Government on 22.07.2015, it is provided that if the licensee fails to get environmental clearance even one year of holding draw, the licensee is liable to refund the amount deposited by the applicant along with an interest of 12%, if the





allottee so desires. The relevant provision is reproduced below for ready reference:

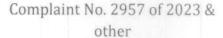
"The flats in a specific project shall be allotted in one go within four months of the sanction of building plans. In case, the number of applications received is less than the number of sanctioned flats, the allotment can be made in two or more phases. However, the licencee will start the construction only after receipt of environmental clearance from the competent authority.

The licencee will start receiving the further installments only once the environmental clearance is received. Further, if the licencee, fail to get environmental clearance even after one year of holding of draw, the licencee is liable to refund the amount deposited by the applicant alongwith an interest of 12%, if the allottee so desires."

- 37. Also, the respondent has raised an objection that complainant allottee is a wilful defaulter and has failed to make payment of the instalments and has thus violated provisions of section 19(6) & (7) of the Act. In this regard, the authority observes that as per clause 5(iii)(b) of the Affordable Housing Policy, 2013, the licencee will start receiving the further installments only once the environmental clearance is received. As delineated hereinabove, the respondent has failed to obtain environmental clearance till date, thus, are not entitled to receive any further payments. Hence, the objection raised by the respondent is devoid of merits.
- 38. Further, as per amendment dated 09.07.2018 in Affordable Housing Policy, 2013, the rate of interest in case of default shall be as per rule 15 of the Haryana Real Estate (Regulation and Development) Rules, 2017. Rule 15 of the rules is reproduced as under:

Rule 15. Prescribed rate of interest- [Proviso to section 12, section 18 and sub-section (4) and subsection (7) of section 19] 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.

- 39. The legislature in its wisdom in the subordinate legislation under the rule 15 of the rules has determined the prescribed rate of interest. The rate of interest so determined by the legislature, is reasonable and if the said rule is followed to award the interest, it will ensure uniform practice in all the cases.
- 40. Thus, the complainant-allottee is entitled to refund of the entire amount deposited along with interest at the prescribed rate as per aforesaid provisions laid down under Affordable Housing Policy, 2013 and the Act of 2016.
- 41. Hence, the respondent/promoter is directed to refund the entire paid-up amount of Rs.8,83,785/- as per clause 5(iii)(b) of the Affordable Housing Policy, 2013 as amended by the State Government on 22.07.2015, along with prescribed rate of interest i.e., @10.95% p.a. (the State Bank of India highest marginal cost of lending rate (MCLR) applicable as on date +2%) as prescribed under rule 15 of the Haryana Real Estate (Regulation and Development) Rules, 2017 from the date of each payment till the actual realization of the amount within the timelines provided in rule 16 of the Haryana Rules 2017 ibid.
- 42. The authority observes that the respondent promoter has taken a sum more than 10% of the cost of apartment without first entering into builder buyer agreement for sale hence, vide proceeding dated 17.05.2024 it was directed to file reply within 30 days as to why penalty under section 61 of the Act should not be imposed for violation of section 13 of the Act, 2016.



The respondent has not filed any reply till now. The authority is of the view that the promoter has violated the section 13(1) of the Act, for which liability flows from section 61 which read as follows: -

"Section 61. Penalty for contravention of other provisions of this Act.

If any promoter contravenes any other provisions of this Act, other than that provided under section 3 or section 4, or the rules or regulations made thereunder, he shall be liable to a penalty which may **extend up to five per cent** of the estimated cost of the real estate project as determined by the Authority."

43. Accordingly, the authority establishes the violation on part of the respondent and hereby imposes a token penalty under section 61 of ₹50,000/- in complaint within 30 days from this order.

H. Directions of the authority

- 44. Hence, the authority hereby passes this order and issues the following directions under section 37 of the Act to ensure compliance of obligations cast upon the promoter as per the function entrusted to the authority under section 34(f):
 - i. The respondent is directed to refund the entire paid-up amount (in both cases) as per clause 5(iii)(b) of the Affordable Housing Policy, 2013 as amended by the State Government on 22.07.2015, along with prescribed rate of interest i.e., @10.95% p.a. as prescribed under rule 15 of the rules from the date of each payment till the actual realization of the amount.
 - ii. The authority establishes the violation on part of the respondent for section 13(1) and hereby imposes a token penalty under section 61 of ₹50,000/- in complaint within 30 days from this order.
 - iii. The respondent is directed to pay cost of Rs. 5,000/- imposed by the authority to the complainant if not paid.



- iv. A period of 90 days is given to the respondent to comply with the directions given in this order failing which legal consequences would follow.
- 45. This decision shall mutatis mutandis apply to cases mentioned in para 3 of this order.
- 46. The complaints stand disposed of.

47. Files be consigned to registry.

(Sanjeev Kumar Arora)

Member

Haryana Real Estate Regulatory Authority, Gurugram

Dated: 12.07.2024

HARERA