

# THE ADVISOR

A NEWSLETTER ON LANDMARK JUDGEMENTS FOR THE HOMEBUYERS ARGUED BY PSP LEGAL



## *In This Issue*

Delhi High Court Adjudicates the issue with respect to the Non-Payment of the PRE-EMI'S promised by the Developer under

Innovative schemes  
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NCDRC Paves way for the Homebuyers of the Delayed Projects

## About PSP Legal

PSP Legal is one of the leading Corporate & Commercial Disputes Resolution law firms of the country today, presently, serving more than 75,000 clients. PSP Legal is a go-to firm in commercial sectors and is known for its pragmatic ability to get the deal done. With its team of 45 lawyers in Delhi, PSP Legal proudly supports its clients, based across the globe.

In recent times **Mr. Aditya Parolia and Mr. Piyush Singh**, Partners & Founders of PSP Legal have been instrumental in shaping the Real Estate & Commercial Law Jurisprudence of our country. Their contribution towards the development of the Insolvency & Bankruptcy Code and Consumer Protection Act is unparalleled. At PSP, through our practice goals, we have been able to create and preserve value in providing legal services.

Our principle of operation is the partners' personal commitment and their responsibility for content and result. PSP aims to provide these services promptly with particular emphasis on quality.

PSP Legal has been at the forefront of protecting consumer (homebuyer) rights at various fora. In the interest of all our existing clients, we have decided to share a few of our landmark judgments on the Builder-Buyer Disputes from the Hon'ble High Court at Delhi and National Consumer Disputes Redressal Commission here for their knowledge & reference. The highlights of the cases pursued and resolved on the rights of the homebuyers in the month of March, April, May and June fought by PSP Legal are as brought out:

## **M/s Ireo Pvt. Ltd. v. Alope Anand & Ors., Civil Appeal No. 180 of 2022 (Order by Supreme Court) - Project: Skyon**

An Appeal was preferred before the Hon'ble Supreme Court by the Developer against an order passed by the Hon'ble National Consumer Disputes Redressal Commission (NCDRC) in respect of a housing project called "Skyon", wherein, the Hon'ble Commission looking into the delay caused by the developer in completing the construction of the Project and handing over possession of the Units directed the developer to refund the whole amount paid by the homebuyers for their respective Units along with simple interest at the rate of 10.25 % per annum.

**FACTS:** Due to the apartment not being handed over within the stipulated time by the Developer, the Homebuyers filed a Consumer Complaint before the Hon'ble Commission seeking a direction for the delivery of possession of the Units along with compensation for delayed possession, however, the alternative relief was also set up by the Homebuyers wherein, it was sought that if the Developer fails to deliver the possession of the apartment within six months, he should be bound to refund the principal amount along with the interest from the date amount was paid by homebuyers.

Thus, the Hon'ble Commission in its interim order whilst determining in the favor of Homebuyers directed the Developer to deliver possession of the Units, however, later when it was witnessed that the Units which were offered by the Developer for possession were neither complete nor in a habitable condition, the Hon'ble Commission ordered the Developer to refund the total amount along with simple interest at the rate of 10.25 % per annum.

Consequently, the Developer challenging this order before the Hon'ble Supreme Court contended that the period for delivery of possession is reckoned only when the Fire NOC(No Objection Certificate) is granted and also averred that the direction for refund together with interest was not warranted because the relief sought in the Consumer Complaint was the only possession of the Units and the prayer for refund was set up as alternative relief, in the event that possession could not be offered.



It was vehemently argued before the Hon'ble Supreme Court that the Developer was not in a position to hand over possession even after seven months of the order of the Hon'ble Commission as the Units were not complete and were not in a habitable condition. It was further argued that the construction of the Project started even before the issuance of the Fire NOC thus the plea that the period for the delivery of possession of the apartment commenced only from the date of the Fire NOC is not tenable.

The Supreme Court observed that even if it is accepted that the period for delivery of possession of the Unit would end from the date of the Fire NOC is granted, the order of the Hon'ble Commission for the grant of a refund at the appropriate rate of interest cannot be faulted as the Developer was not in a position to comply with the order of the Hon'ble Commission for handing over of Units and it is evident that the Developer was not in a position to hand over the possession of the Units even in near future. The Hon'ble Supreme Court upheld the Order of the Hon'ble Commission directing refund of amounts paid by Homebuyers and further held that the representation of the amenities in the Project to the homebuyers stands as solemn representation breach of which is actionable in law.

## **M.G. Fincap Pvt. Ltd. Vs Green Bay Infrastructure Pvt. Ltd., Civil Appeal No. 6319/2021**

The Complainant due to the inordinate delay in delivery of the possession of the Unit booked in the Project “Green Bay Golf Village” filed the Consumer Complaint before the National Consumer Disputes Redressal Commission against the Developer.

Wherein, the aggrieved complainant initially in his prayer before the Hon’ble Commission sought that the Developer should be directed to deliver the possession of the Unit along with compensation for the delay in delivery of the Unit, however, subsequently looking into the deficiency of the services by the Developer the Complainant filed an application before the Hon’ble Commission for the amendment of the initial prayer sought by the Complaint and claimed that the Developer should be directed to refund the total principal amount along with interest and compensation.

Since the alternative relief of refund of the total amount with interest and compensation was sought, the Hon’ble Commission observed that incorporating an additional prayer takes the Complaint back to its nascent position and thereby does not require to be adjudicated and directed the complainant to file a fresh complaint along with the relief claimed within 60 days from the date of instant order.

Consequently, the PSP Legal team approached the Hon’ble Supreme Court on behalf of the Complainant/Appellant challenging the impugned order of the Hon’ble Commission where it was vehemently argued by the PSP Legal Team that looking into the deficiency of the services by the Developer the alternate relief was sought and in no case, was the said amendment in the relief necessitate the opposite party to file its fresh written version and to thereafter undertake the whole process of the procedure.

The Hon’ble Supreme Court after hearing detailed arguments presented by the PSP Legal Team set aside the order passed by the Hon’ble Commission and observed that an amendment sought in the complaint filed to substitute the prayer for possession of the flat with the prayer of refund of the amount should have been allowed by the Hon’ble Commission rather than dismissing the complaint with liberty to file a fresh complaint. Further, the Hon’ble Supreme Court directed that the proceedings in the instant Complaint be restored to the state existing before the dismissal.

## **Pawan Kumar Gupta & Anr. v. ATS Housing Private Ltd.- NCLT, New Delhi, CP (IB) 718/2021**

The aggrieved Financial Creditors approached the Hon’ble NCLT, New Delhi under Section 7 of the Insolvency and Bankruptcy Code, 2016 for initiation of the Corporate Insolvency Resolution Process against M/s ATS Housing Pvt. Ltd. (“Corporate Debtor”(CIRP) in pursuance of a loan agreement dt. 21.02.2016, whereby, a loan of Rs. 1,00,00,000/- was extended to the Corporate Debtor. Whereafter when the Corporate Debtor failed to pay the said amount and default occurred by virtue of dishonor of the cheque. The Hon’ble Tribunal after hearing the arguments presented by the PSP Legal, admitted the application of CIRP by the Financial Creditors and Appointed Interim Resolution Professional to carry out the CIRP.



## **Sudhanshu Jayaswal and Ors. v. Union of India and Ors. (W.P.(C) 7828/2022) (Order on 20.05.2022)- Project: Vatika Turning Point**



A petition was filed before the **Hon'ble Delhi High Court**, by the aggrieved Homebuyers, who had booked their unit by availing Home Loans as suggested by the Developer under various innovative payment schemes. Wherein, the Banks and Developers were in the constant practice of entering into a Tripartite Agreement (TPA)/ Memorandum of Understanding (MOUs) with the Homebuyers while sanctioning the Home Loans and a hefty amount out of the total loan amount which was sanctioned by the Banks/ NBFCs was disbursed to the Developer at the very beginning without doing any due diligence over the Project. Wherein, in the case of Subvention Payment Plan, the Developer promised to pay the PRE-EMIs of these Home Loans on behalf of the Homebuyers till the offer of possession of the said unit and the Banks were also in agreement to the same. However, when the Developer started defaulting in the payment of these Pre- EMIs, to the utter shock of the Homebuyers the Banks/ NBFCs started taking coercive actions against the Homebuyers instead of asking the Developer to pay the same.

Similarly, PSP Legal also represented other Homebuyers of different Projects who are also facing similar grievances before the Hon'ble Delhi High Court vide the below-mentioned writ petitions to stop this malpractice.

- Shirish Chandra & Ors v. Union of India & Ors. (W.P.(C) 7582/2022 ) - Project: **Aarcity by Aarcity Infrastructure Pvt. Ltd (Company under CIRP)**
- Damnish Kumar & Ors v. Union of India & Ors. (W.P.(C) 7812/2022)- Project: **Rise SkyBunglows by Rise Projects Private Limited**
- Himadri Nayak & Ors v. Union of India & Ors (W.P.(C) 5192/2022) - Project: **Supertech Romano by Supertech Limited (Company under CIRP)**
- Ankesh Saksena & Ors. v. Union of India & Ors. (W.P.(C) 6142/2022) - Project: **Ajnara Belvedere by Sequel Buildcon Private Limited (Ajnara Group)**



- Mukesh Sharma & ors v. Union of India & ors (W.P.(C) 5199/2022) - Project: **Casa Royale by Earthcon Universal Infratech Private Limited (Company under CIRP)**

In light of various guidelines issued by the Reserve Bank of India (RBI) and National Housing Bank (NHB), the PSP Legal Team sought relief from the Hon'ble High Court to issue directions to the Banks/NBFCs to restrain from taking any coercive action against the Petitioners.

Held: The Hon'ble High Court passed an interim order restraining the Banks, Non-Banking Financial Companies, and Housing Finance Companies from taking any coercive action against Petitioners/Homebuyers till the next date of hearing and further directed them to provide information qua the Homebuyers' CIBIL score to TransUnion CIBIL Limited so that CIBIL scores of the Petitioners are suitably amended in order to ensure that the Petitioners are not financially prejudiced.

**Manjit Singh & Anr., V. Emaar Mgf Land Ltd. (CC No. 457 of 2019) (Refund Order by NCDRC) -Project: Palm Garden**

In this matter, the Complainants (Homebuyers) booked a flat in the Project "**Palm Garden**" of the Builder/Developer. According to the Agreement executed between the Developer and the Complainants/Homebuyers, the possession of the said flat was to be handed over to the Homebuyers within 36 months along with 3 months grace period from the date of start of construction which was August 2012. Wherein, despite collecting 90% of the total consideration from the Complainants according to the payment plan, the Developer failed to timely complete the construction and hand over the possession of the flat. Wherein, after constant follow-ups from the Developers, the Complainants/Homebuyers had no option but to approach the Hon'ble National Consumer Disputes Redressal Commission (NCDRC) for redressal of their grievances.

**HELD:** On 25.06.2022 the Hon'ble Commission after hearing the arguments put forward by the PSP Legal Team directed the Developer to refund the entire amount with compensation along with 9% interest per annum along with litigation cost of Rs. 50,000/- within 2 months from the date of receipt of this order.

The Hon'ble Commission also directed that in case the Developer fails to comply with the said order within 2 months, in that case, the same will attract interest @12% for the same period.



**Manoj Malhotra & Anr., v. Anant Raj Ltd. (CC No. 469 of 2020) (Refund Order by NCDRC) - Project: Anant Raj Estate**

In this matter, the Complainants booked a Villa in the Project “**Anant Raj Estate**” and subsequently signed an agreement dated 27.06.2014 according to which, the possession of the villa was to be handed over within 36 months with a grace period of 6 months, from the date of execution of the Agreement, i.e, by 27.12.2017. Wherein, the Complainants paid a substantial amount against the total consideration of the Villa. However, despite making all the timely payments as and when demanded by the Opposite Party, the Opposite Party failed to complete the construction and hand over the Villa within the promised time period.

Consequently, the Complainants exercised their right to terminate the Agreement by serving 30 days’ notice, seeking a refund along with interest. On the failure of the Developer/ Opposite Party to do so, the Complainants approached the Hon'ble National Consumer Disputes Redressal Commission (NCDRC) for the redressal of their grievances.

**HELD:** On 04.05.2022 the Hon'ble Commission heard the arguments put forward by the PSP Legal Team and directed the developer to refund the amount with 9% interest per annum as compensation within 2 months from the date of receipt of this order.

The Hon'ble Commission also directed that in case the Developer fails to comply with the said order within 2 months, in that case, the same will attract interest @12% for the same period.



**Gaurav Bhambri v. M/s Nexgen Infracon Pvt. Ltd. (CC No. 1653 of 2019) (Refund Order by NCDRC) - Project: Mahagun Mezzaria**

In this matter, the Complainants booked a unit in the Residential Complex “**Mahagun Mezzaria**” and entered into an agreement with the Opposite Party, wherein the Opposite Party promised to deliver the possession of the said unit by 30.06.2016. Despite receiving 100% payment from the Complainants towards the total consideration of the unit, the Opposite Party failed to hand over the possession of the unit within the promised time period. The Complainant approached the Hon'ble NCDRC for the redressal of his grievances.

**HELD:** On 13.04.2022 the Hon'ble Commission after hearing the arguments put forward by the PSP Legal Team directed the Opposite Party to refund the full amount received from the Complainant along with reasonable interest @9% p.a. as compensation.

**Paras Chopra v. Emaar MGF Land ltd. (C.C. No. 3439 of 2017) (Refund Order by NCDRC)- Project: Palm Gardens**

In the present matter, the Complainant had booked an apartment for residential purposes in the Project “**Palm Gardens**” and a Builder Buyer Agreement

was executed between the parties on 16.02.2012, according to which the possession of the apartment was to be delivered within 36 months, with an additional grace period of 3 months. The Homebuyer/Complainant diligently following the Construction Linked Payment Plan paid a substantial amount towards the total sale consideration of the unit. However, to the Developer failed to complete the construction of the said Project and deliver the possession of the said unit within the stipulated time period. Wherein, the Complainant approached the Hon'ble National Consumer Disputes Redressal Commission (NCDRC) for the redressal of his grievances.

**HELD:** On 04.04.2022, after hearing the detailed arguments presented by the PSP Legal Team, the Hon'ble Commission was of the opinion that the buyer was entitled to a whole refund with adequate compensation in the form of interest due to the inordinate delay in handing over the possession. The Opposite Party was directed to refund the entire amount received as a deposit along with 9% interest p.a. along with a litigation cost of Rs. 50,000/- within 2 months from the date of receipt of this order.

The Hon'ble Commission also directed that in case the Developer fails to comply with the said order within 2 months, in that case, the same will attract interest @12% for the same period.



## **Suparna Nihal Singh v. Ireo Grace Realtech Pvt. Ltd., CC No. 1736/2018 (Refund Order by NCDRC)- Project- Ireo Corridors**

The Hon'ble NCDRC was approached by the Homebuyers of the residential project "The Corridors" as the project was delayed beyond the promised time period and the clauses of the Agreement executed by the Opposite Party were one-sided and arbitrary.

When the Complainant approached the Hon'ble National Consumer Disputes Redressal Commission (NCDRC) for the redressal of their grievances through PSP Legal Team upon hearing the detailed arguments presented by PSP Legal Team, the Hon'ble NCDRC considered the fact that the Buyer's Agreement comprises of one-sided clauses, wherein buyers are forced to sign the agreement without any alternative. Since it adopts unfair methods or practices to sell the flats by the Developer, such actions constitute an "Unfair Trade Practice" under the Consumer Protection Act and thus the terms of the contract will not be final and binding.

**HELD:** Based on the arguments presented by the team of PSP Legal, on 14.06.2022, the Hon'ble Commission directed the developer to refund the entire amount paid by the Complainant along with simple interest at 9% p.a. from the date of committed possession till the date of payment along with a litigation cost of Rs. 50,000/- within 3 months from the date of the receipt of this order. The Hon'ble Commission also Any delay beyond 3 months will attract interest @ 12% for the same period.

**Rupika Arora & Anr. v. EMAAR MGF  
Land Limited, CC/3277/2017 (Refund  
Order by NCDRC)- Project- Emaar  
Palm Garden**

In this matter, the Complainants had booked a flat in "**Palm Garden**" and opted for the "Construction Linked Payment Plan". Although the Developer used to realize the installments from time to time but they did not proceed with the construction according to the schedule of the installments. Aggrieved by the delay in delivery of the possession of the flat despite of depositing the instalments as per demand, the Hon'ble NCDRC was approached by the homebuyers.

**HELD:** In view of the arguments advanced by the team of PSP Legal, the Hon'ble Commission on 13.06.2022 directed the Opposite Party to refund the entire amount deposited by the Complainants with interest @9% p.a. from the date of respective deposit till the date of actual payment.



**Ajay Kumar Verma & Ors. v M3M  
India Private Limited & Ors,  
CC/849/2020 (Order by NCDRC)-  
Project- M3M Merlin**

**ISSUES:** The matter was regarding oppression & use of deceptive methods, by the builder(M3M) against the allottees by illegally constructing an entirely tower in an already delivered project. Collection of excess amount of EDC (External Development Charges)/IDC (Infrastructure Development Charges) & IFMS (Interest-Free Maintenance Security Charges). Further, non-delivery of amenities that were being promised to the allottees. The new tower being constructed was Tower No. 11, for which no permission whatsoever was taken from the existing buyers yet authorities gave permission to construct the same and approved the plan despite the opposition of the allottees. Self-serving RWA was made by a builder consisting of its own employees in order to achieve all its purposes including Tower construction and non-refund of EDC/IDC/IFMS collected in excess.

**HELD:** The Hon'ble Commission after hearing the detailed arguments presented by the PSP Legal Team held:-

**A.** That the Tower 11 of the said project is illegal and directed the Developer to stop the construction of the same immediately as the said tower was not included in the initial layout plan and the Developer constructed the same without any prior permission/approval from all the Residents.

**B.** On the issue of defects in the construction of the Apartments and Towers in the Project, the Opposite Parties 1 and 2 are directed to appoint statutory approved Architect and Engineer within a period of 15



days who will submit a report within one month on the actual position on the ground with respect to what was proposed in the Agreement and the Opposite Parties 1 and 2 shall carry out such changes/ rectification as recommended within four months of receipt of this report.

**C.** On the issue of EDC/ IDC, the Opposite Parties 1 and 2 will get the account of receipt and expenditure vetted by a Chartered Accountant within one month and return the excess fund, if any, collected from the Complainants/ flat owners.

**D.** On the issue of the IFMS fund, the Opposite Parties 1 and 2 shall get the account vetted by a Chartered Accountant within two months and share the report of the Chartered Accountant with all the flat owners regarding the status of the IFMS account.

**Raj Kumar Gupta v. Emaar MGF Land Limited, CC/1468/2019 (Delayed Compensation Order by NCDRC) Project- Palm Gardens**

In this matter, the Complainants had booked a flat in the project "Palm Gardens" and executed a Builder Buyer's Agreement, according to which the possession was to be offered by November 2015. However, the possession was not offered at the committed time despite the homebuyers having complied with various demands for payment. The possession of the flat was already taken by the Complainant after making all the residential payment. The only issue, therefore, was that of compensation for the delayed possession.



**HELD:** On 27.05.2022 the Hon'ble Commission after hearing the arguments put forward by the PSP Legal Team directed the Developer to pay compensation along with 9% interest per annum from the proposed date of possession as per the Agreement which will include the grace period, till the date of the offer of possession along with a litigation cost of Rs. 50,000/- within 3 months from the date of receipt of this order.

The Hon'ble Commission also directed that in case the Developer fails to comply with the said order within 3 months, in that case, the same will attract interest @12% for the same period.

**Ashay Shah v. Ireo Grace Realtech Pvt. Ltd. & Ors., CC/2028/2018 (Refund Order by NCDRC) - Project: The Corridors**

The Complainants had booked a flat in the Project "The Corridors" promoted and developed by the Opposite Parties. Wherein the Complainant had deposited a substantial amount of amount towards the total consideration of the unit but the Opposite Party failed to acquire Occupancy Certificate (OC) and deliver the possession of the said unit within the prescribed time period. Therefore, the Complainant/Homebuyers, aggrieved by the actions of the Opposite Party was constrained to approach the Hon'ble National Consumer Disputes Redressal Commission (NCDRC).

**HELD:** On 14.06.2022 the Hon'ble Commission after hearing the arguments put forward by the PSP Legal Team directed the Developer to refund the entire amount with compensation along with 9% interest per annum along with litigation cost of Rs. 50,000/- within 3 months from the date of receipt of this order.

The Hon'ble Commission also directed that in case the Developer fails to comply with the said order within 3 months, in that case, the same will attract interest @12% for the same period.



**Sangeeta Agarwal & Anr. v. M/s.  
Chintels India Ltd., CC/2562/2018  
(Refund Order by NCDRC) - Project:  
Chintels Serenity**

The Complainant had booked a flat in "**Chintels Serenity**" being developed by the Opposite Party. Despite receiving all the payments including the payment due "on possession", the Developers failed to hand over the possession of the property as per the day committed in accordance with the Apartment Buyer's Agreement. A complaint was filed by the homebuyers in the NCDRC, aggrieved by the inordinate delay in handing over the possession while continuing to receive payments for the same.

**HELD:** On 27.05.2022 the Hon'ble Commission after hearing the arguments put forward by the PSP Legal Team directed the Developer to refund the entire amount with compensation along with 9% interest per annum along with litigation cost of Rs. 50,000/- within 3 months from the date of receipt of this order.

The Hon'ble Commission also directed that in case the Developer fails to comply with the said order within 3 months, in that case, the same will attract interest @ 12% for the same period.

**Dolly Sureka & Anr. v. N.D.  
Developers Pvt. Ltd. & Ors.,  
CC/528/2020 (Refund Order by  
NCDRC) - Project: ND Passion Elite**

In this matter, the Opposite Parties were the developer and landowners of the Project, "**ND Passion Elite**" in which the Complainants had booked a Unit. Despite receiving a substantial amount for the consideration of the Unit, the Opposite Party(s) failed to hand over the possession of the Unit to the homebuyers. Further, the possession of the Unit was impossible in the near future as the construction was far from completion.

**HELD:** On 24.05.2022 the Hon'ble Commission after hearing the arguments put forward by the PSP Legal Team directed the Developer to refund the entire amount with compensation along with 9% interest per annum along with litigation cost of Rs. 50,000/- within 2 months from the date of receipt of this order.

The Hon'ble Commission also directed that in case the Developer fails to comply with the said order within 2 months, in that case, the same will attract interest @ 12% for the same period.

**Priya Sareen & Anr. v. Pivotal Infrastructure Private Limited, CC/408/2020  
(Refund Order by NCDRC) - Project: Royal Heritage**

In this matter, the Complainants had booked an Apartment in the Project "**Royal Heritage**" of the Opposite Party. The Apartment Buyer's Agreement was executed on 27.07.2013, according to which the possession of the flat was to be delivered within 42 months from the date of execution of the Agreement. The homebuyers duly paid the majority of the amount by June 2016, whereas the developer failed to deliver the possession of the Unit within the promised time period, i.e. by January 2017.

The Complainants approached the Hon'ble NCDRC for redressal of their grievances. That, after hearing the detailed arguments presented by the PSP Legal

Team, the Hon'ble NCDRC considered the fact that the Buyer's Agreement compromised of one-sided clauses, which are unreasonable and unfair towards the homebuyers.

**HELD:** On 23.06.2022 the Hon'ble Commission after hearing the arguments put forward by the PSP Legal Team directed the Developer to refund the entire amount with compensation along with 10% interest per annum along with litigation cost of Rs. 50,000/- within 2 months from the date of receipt of this order. The Hon'ble Commission also directed that any delay beyond 2 months will attract interest @ 12% as delayed compensation for the same period and will attract interest @9% on the litigation cost.

**Mrs. Gulab Modi & Anr. v. M/s. Ireo Grace Realtech Pvt. Ltd., CC/702/2018  
(Refund Order by NCDRC) - Project: The Corridors**

In this matter, the Complainants had booked a flat in the project "**The Corridors**" promoted and developed by the Opposite Party. The Complainant duly paid the majority of the amount, whereas the developer failed to offer the possession of the Unit within the promised time period. Aggrieved by the actions of the Developer, the Complainants approached the Hon'ble NCDRC, for the redressal of their grievances.

Upon hearing the detailed arguments presented by PSP Legal Team, the Hon'ble NCDRC considered the fact that the Buyer's Agreement comprises of one-sided clauses, wherein buyers are forced to sign the agreement without any alternative.

Since it adopts unfair methods or practices to sell the

flats by the Developer, such actions constitute an "Unfair Trade Practice" under the Consumer Protection Act, and thus the terms of the contract will not be final and binding.

**HELD:** On 21.06.2022 the Hon'ble Commission after hearing the arguments put forward by the PSP Legal Team directed the Developer to refund the entire amount with compensation along with 9% interest per annum along with litigation cost of Rs. 50,000/- within 3 months from the date of receipt of this order.

The Hon'ble Commission also directed that in case the Developer fails to comply with the said order within 3 months, in that case, the same will attract interest @12% for the same period.

**Aashu Gandhi & Anr. v. M/s. Emaar  
MGF Land Limited, CC/977/2019  
(Refund Order by NCDRC) - Project:  
The Imperial Gardens**

In this matter, the Complainants had booked a Unit in the project “**The Imperial Gardens**”. According to the Builder Buyer’s Agreement, the possession of the Unit was to be delivered within 45 months from the date of the start of the construction, i.e. from 11.11.2013. The Developers despite collecting a majority of the amount from the homebuyers failed to update them with the stages of the construction as well as to deliver the possession by the promised date, i.e. 11.08.2017. The construction work was far from completion and the transfer of possession was not possible in the near future.

**HELD:** On 23.06.2022 the Hon’ble Commission after hearing the arguments put forward by the PSP Legal Team directed the Developer to refund the entire amount within 2 months from the date of order along with 10% interest per annum from the date of respective deposits till the date of payment.



**Kreeti Sharma & Anr. v. Ireo Grace  
Realtech Pvt. Ltd., CC/1612/2018  
(Refund Order by NCDRC) - Project:  
The Corridors**

In this matter, the Complainants had booked a flat in the project “**The Corridors**” promoted and developed by the Opposite Parties. The Opposite Party failed to deliver the possession of the Unit on the promised time.

Further, the Agreement consisted of entirely one-sided conditions in favour of the Developers which the complainants as consumers were unable to contest.

That after hearing the detailed arguments presented by the PSP Legal Team, the Hon’ble NCDRC was of the opinion that the acts of the developer constituted a clear deficiency in service in terms of the Consumer Protection Act, 2019.

**HELD:** On 23.06.2022 the Hon’ble Commission after hearing the arguments put forward by the PSP Legal Team directed the Developer to refund the entire amount with compensation along with 9% interest per annum along with litigation cost of Rs. 50,000/- within 3 months from the date of receipt of this order.

The Hon’ble Commission also directed that in case the Developer fails to comply with the said order within 3 months, in that case, the same will attract interest @12% for the same period.



**Reena Kwatra v. M/s. Ireo Grace  
 Realtech Pvt. Ltd. & Anr.,  
 CC/1840/2018 (Refund Order by  
 NCDRC) - Project: The Corridors**

In this matter, the Complainants had booked a flat in the project “**The Corridors**” promoted and developed by the Opposite Parties. The Opposite Parties caused an inordinate delay in delivery of possession. Further, the Agreement consisted of arbitrary and one-sided terms.

**HELD:** On 23.06.2022 the Hon’ble Commission after hearing the arguments put forward by the PSP Legal Team directed the Developer to refund the entire amount with compensation along with 9% interest per annum along with litigation cost of Rs. 50,000/- within 3 months from the date of receipt of this order.

The Hon’ble Commission also directed that in case the Developer fails to comply with the said order within 3 months, in that case, the same will attract interest @12% for the same period.



**Meenu Mehta & Anr. Vs Ireo Grace  
 Realtech Pvt. Ltd. & Anr, CC  
 2027/2018 (Refund Order by NCDRC) -  
 Project: The Corridors**

In this matter, the Complainants had booked a flat in the project “**The Corridors**” promoted and developed by the Opposite Parties. Despite collecting about 95% of the total consideration the Opposite Parties failed to handover the possession on time.

**HELD:** On 23.06.2022 the Hon’ble Commission after hearing the arguments put forward by the PSP Legal Team directed the Developer to refund the entire amount with compensation along with 9% interest per annum along with litigation cost of Rs. 50,000/- within 3 months from the date of receipt of this order.

The Hon’ble Commission also directed that in case the Developer fails to comply with the said order within 3 months, in that case, the same will attract interest @12% for the same period.





**Shubre Prakash & Anr. Vs M/s. Ireo  
Grace Realtech Pvt. Ltd. & Anr., CC  
2086/2018 (Refund Order by NCDRC) -  
Project: The Corridors**

In this matter, the Complainants had booked a flat in the project “**The Corridors**” promoted and developed by the Opposite Parties. Despite collecting about 95% of the total consideration the Opposite Parties failed to handover the possession on time.

**HELD:** On 23.06.2022 the Hon’ble Commission after hearing the arguments put forward by the PSP Legal Team directed the Developer to refund the entire amount with compensation along with 9% interest per annum along with litigation cost of Rs. 50,000/- within 3 months from the date of receipt of this order.

The Hon’ble Commission also directed that in case the Developer fails to comply with the said order within 3 months, in that case, the same will attract interest @12% for the same period.

**Arvind Kumar Bhadani v. Spaze  
Towers Private Ltd. (C. No. 951 of  
2021) (Order on 15.03.2022)- H-RERA  
Project: Spaze Privy at 4**

On consideration of the submissions made by the PSP LEGAL and documents on record, the Real Estate Regulatory Authority was satisfied that the Promoter failed to fulfill its obligations and responsibilities of delivery of possession of the unit as per the Agreement executed between the Homebuyers and the Promoter/ Developer.

Hence, the Authority passed the order directing the Promoter/ Developer to pay the interest from the due date of possession along with a 6-month grace period till the expiry of 2 months from the date of order at the prescribed rate of 9.30% per annum. The Authority further directed that the promoters shall not charge anything from the homebuyers which are not mentioned in the buyer's agreement and it shall not charge holding charges from the buyers even if it is in part of the builder buyers' agreement.