

REAL ESTATE REGULATORY AUTHORITY

National Capital Territory of Delhi,

2nd Floor, Shivaji Stadium Annexe Building,

Shaheed Bhagat Singh Marg, New Delhi – 110001

Com/11/06/2025

Sanjeev Kumar Anwar (HUF)

...Complainant

Through: Adv. Ajay Kumar Singh

Vs.

M/s Diamond Multistate CGHS Ltd.

...Respondents

Through: Adv. Kajal Dewan and Adv. Mehak Gupta

Coram:

Mr. Devesh Singh, Hon'ble Member



FINAL ORDER

DATED: 14.07.2026

1. A complaint was filed in FORM 'M' on **19.06.2025** by Sanjeev Kumar Anwar (HUF) (hereinafter referred to as "Complainant") under **Section 31 r/w Section 18** of the Real Estate (Regulation and Development) Act, 2016(hereinafter, referred to as 'RE (RD) Act' or 'The Act') stating that he booked an apartment in 2018 in the housing project, 'Delhi Housing Scheme II' (hereinafter referred to as 'Project') promoted by 'Diamond Multistate CGHS Ltd.' (hereinafter referred to as "Respondents") in L zone, Dwarka, New Delhi. The Complainant has alleged delay and false promises by the Respondents and is seeking refund of the amount paid.
2. The Respondents through their Welcome Letter dated 29.03.2018 confirmed the membership of the Complainant in their proposed "Delhi Housing Scheme II" project.

3. The Complainant submitted that a total of ₹ 19,89,900/- (Rupees Nineteen lacs Eighty-Nine Thousand and Nine Hundred Only) has been paid to the Respondents in many installments for the subject flat and is claiming the refund for the same amount.
4. A preliminary hearing in the case was held on 21.07.2025 and a Notice to the Respondents was issued on 12.08.2025 through registered post and on 14.08.2025 via email.
5. For the sake of convenience, the arguments and submissions made on behalf of the Respondents are summarized as under:
 - a. The Respondents launched 'Delhi Housing Scheme II' project and the Complainant freely approached and booked a residential apartment by signing the booking application form.
 - b. Unfortunately, the project could not be developed due to the government policies, procedural and administrative factors.
 - c. The Respondents are willing to pay the principal amount of ₹ 19,89,900/- (Rupees Nineteen Lacs Eighty-Nine Thousand and Nine Hundred Only) to the Complainant.
6. I have perused the documents available on record and heard the arguments of Ld. Counsels of both the parties.

Analysis and Consideration:

7. A perusal of the documents available on record shows that following receipts were issued by the Respondents to the Complainant as follows:

S. No.	Date of Receipt	Amount paid
1.	29.03.2018	₹ 9,80,100/-
2.	27.07.2018	₹ 10,09,800/-
	Total	₹ 19,89,900/-

8. Hence, total payment of ₹ 19,89,900/- (Rupees Nineteen Lacs Eighty-Nine Thousand and Nine Hundred Only) by the Complainant to the Respondents is a recorded fact and admitted by the Respondents.
9. The Complainant has placed on record copies of Welcome Letter and receipts which clearly show that the Respondents collected money for constructing flats in their project "Delhi Housing Scheme II".
10. The RE (RD) Act, 2016 has been enacted to induce professionalism and standardization in the real estate sector, paving the way for catalyzing investments and accelerating growth of the sector in the long run. To achieve these objectives, the Act created a Regulatory Authority to supervise the conception, initiation and completion of a real estate project. The RE (RD) Act, 2016 is a special law enacted to address issues in the real estate sector. Therefore, all disputes between homebuyers/allottees and promoters/developers relating to any real estate project covered under RE (RD) Act of 2016, can be raised before the concerned Real Estate Regulatory Authority (RERA). **Section 79** of the RE (RD) Act, 2016 even bars jurisdiction of civil courts to entertain any suit or proceeding in respect of any matter which the Authority is empowered under the Act to determine. Moreover, **Section 89** of RE (RD) Act, 2016 says that provisions of this Act shall have an overriding effect on anything inconsistent in any other law in force.

11. As per 2 (zk)(iv) of the RE (RD) Act 2016, 'promoter' means:

"an apex State level co-operative housing finance society and a primary co-operative housing society which constructs apartments or buildings for its Members or in respect of the allottees of such apartments or buildings;

Therefore, the Respondent Cooperative Housing Society falls within the definition of "promoter" as provided in Section 2 of the Real Estate (Regulation and Development) Act, 2016.

12. Furthermore, the issue of whether a Society falls under the preview of the RE (RD) Act, 2016, has been thoroughly discussed by the Hon'ble Real Estate Appellate Tribunal ('REAT'), Delhi, in its order dated 12.05.2023, in the case titled **Jeevan Ashray Welfare Society Vs. Diwakar Garg**. The relevant paragraph of the said order reads as follows:

"14. The appellant society by no stretch of imagination is a welfare society even though their registration is under the Societies Registration Act, 1860. The registration of the appellant society, as also similarly placed Cooperative Societies under the Multistate Cooperative Societies Act or the Societies Registration Act or similar such enactment, despite their sole or primary object being to develop land and construct apartments, is clearly an abuse of the process of law for escaping other stringent statutes which make them accountable to the buyers as also the Regulatory Authorities. As noted above, despite opportunities, appellant was not able to show any activity of the Society which could be termed as a welfare activity. The sole intent of the registration of this and similarly placed societies is to develop land and construct apartments and in the process to enrich themselves inappropriately by tweaking, twisting or abusing the law, which cannot be permitted under the garb of an argument that the appellant and similarly placed societies are not 'promoter' within the meaning of section 2(zk) solely for reasons of their registration under the Societies Registration Act or the Multistate Cooperative Societies Act or similar such enactments.

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15. A literal interpretation of the definition of promoter under section 2(zk) itself is clear and apparent, notably sub-clause (iv) which provides for an Apex State Level Cooperative Housing Finance Society and a Primary Cooperative Housing Finance Society, similar to the appellant society, which constructs apartments or buildings for its Members to be a promoter. Section 2(zg) of the Act, which defines the word 'Person' used while defining the word 'Promoter', reinforces the above position of law. The appellant society is registered under the Societies Registration Act, 1860 and their activity as a society is confined to constructing a 'real estate project', as defined under Section 2 (zn) comprising apartments for its members. The appellant society has a large number of members, who have been solicited for membership on assurances of a plot of land on a share of plot of land and an apartment to be constructed by the society. The appellant society admits having purchased land for

development and construction of apartments and such activity makes them amenable to the Real Estate (Regulation and Development) Act, 2016 and for prior registration of their project under Section 3 of the Act at the appropriate stage. The context of the activities of the appellant has been shown on record by way of documents that the members have been assured of a constructed apartment and that the respondents have deposited moneys with the appellant from time to time as per the demands raised by the society. The contours of the activities and the conduct of the appellant does make them fall within the ambit of the definition of promoter as provided in Section 2 (zk) of the Act. Even though, we are not examining the felicity or correctness of their registration under the Societies Registration Act, but their amenability to the Real Estate (Regulation and Development) Act, 2016 cannot be doubted. Even the elaborated definition of the word 'Person' used to define the promoter, as given in Section 2(zg) categorically includes in its fold a cooperative society registered under any law relating to cooperative societies, as also an association of persons or body of individuals, whether incorporated or not, thus shutting the door to prevent unscrupulous persons from hiding under the garb of their registration under any other law relating to cooperative societies.

16. In view of the aforesaid discussion, the contention of the appellant that it is not a promoter as defined under the Act and that they are not amenable to RERA jurisdiction, is rejected and the finding of the Authority that appellant is a 'Promoter' within the meaning of Section 2(zk) of the Act, is upheld."

13. It is clear from the above that Respondents comes under the jurisdiction of Authority and also squarely falls within the definition of "Promoter" as given under Section 2(zk) of the RE (RD) Act, 2016.
14. It must be appreciated that the statement of objects and reasons of RE(RD) Act, 2016 clearly states that the Act attempts to balance the interests of consumers and promoters by imposing certain responsibilities on both. It also

seeks to establish symmetry of information between the promoter and purchaser, enhance transparency of contractual conditions, set minimum standards of accountability and a fast-track dispute resolution mechanism.

15. An allottee/house buyer can seek refund of amount invested with promoter under Section 18 of RE(RD) Act, 2016, if the promoter fails to complete project by the date specified in Agreement to Sale with interest including compensation and also under Section 12 of RE(RD) Act, 2016 if he/she was misled by any information furnished by promoter with regard to the proposed project either through advertisement or otherwise.
16. In the present complaint, the Complainant intends to withdraw from the said project and is seeking refund of the amount paid to Respondents in respect of subject unit under Section 18(1) on account of delay and misrepresentation of facts under Section 12 of the Act which read as under:

“Section 18. Return of amount and compensation. -

18(1). 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.”

“Section 12. Obligations of the promoter regarding veracity of the advertisement or prospectus. -

Where any person makes an advance or a deposit on the basis of the information contained in the notice advertisement or prospectus, or on the basis of any model apartment, plot or building, as the case may be, and sustains any loss or damage by reason of any incorrect, false statement included therein, he shall be compensated by the promoter in the manner as provided under this Act: Provided that if the person affected by such incorrect, false statement contained in the notice, advertisement or prospectus, or the model apartment, plot or building, as the case may be, intends to withdraw from the proposed project, he shall be returned his entire investment along with interest at such rate as may be prescribed and the compensation in the manner provided under this Act.”

17. From the record presented before me it is clear that the Respondents not only failed to hand over the unit but even start the project.
18. The Respondents also failed to inform the Complainant that they don't have proper land for registering the Project. This amounts to withholding the information and misleading the allottees.
19. The law is well settled that the allottees/homebuyers hold an unqualified right to seek refund of the amount with interest at such rate as may be prescribed in this behalf. The legislature has taken a conscious decision to cast an obligation upon the promoter to refund the amount on demand along with interest at rate prescribed. It has also been held through the recent judgments of the Hon'ble Supreme Court that the Regulatory Authority has exclusive jurisdiction to direct refund of the amount, and interest on the refund amount to the allottees. (**Vide: Imperia Structures Ltd. Vs. Anil Patni and Another, 2020 (10) SCC 783, and Newtech Promoters and Developers Pvt. Ltd. v. State of UP And Ors. LL 2021 SC 641**).
20. From the documents on record and submissions made by the Ld. Counsels for both the parties, I am of the view that the Respondents are in contravention of the Sections 18 and 12 of RE (RD) Act, 2016 and as such, the Complainant is entitled to get the refund of the amount paid by him along with the interest at

prescribed rate @ 10.75% p.a. (i.e., MCLR plus 2%) as per provisions of Section 18 and 12 of RE (RD) Act, 2016.

21. In the light of the aforesaid, I consider it appropriate to direct the Respondents, Diamond Multistate CGHS Ltd **to refund the entire amount of ₹ 19,89,900/- (Rupees Nineteen Lacs Eighty-Nine Thousand and Nine Hundred Only)** to the Complainant, i.e. Sanjeev Kumar Anwar (HUF) within 45 days of issuance of this order along with interest at the rate of 10.75% per annum (i.e., MCLR+2%) from the date of payment of each sum until the date of its actual return.

22. The case is disposed of accordingly.

23. No orders as to costs.

Devesh Singh

Member

