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\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**  
% **Date of Decision: 20<sup>th</sup> August, 2025**

+ CM(M) 1563/2025 & CM APPL. 51445-51446/2025  
**GREATER NOIDA INDUSTRIAL DEVELOPMENT AUTHORITY**  
.....Petitioner

Through: Mr. Sudhir Naagar, Mr. Ajay Kumar  
Gupta, Mr. Ayush Mandal Gupta, Mr.  
Piyush Aggarwal and Mr. Mohit  
Singh, Advocates

versus

**B.S. CHAUHAN (DECEASED THR LRS)** .....Respondent  
Through: None

**CORAM:**

**HON'BLE MR. JUSTICE MANOJ JAIN**

**JUDGMENT (oral)**

1. Petitioner-Authority challenges order dated 09.07.2025 whereby learned National Consumer Disputes Redressal Commission (*hereinafter referred to as NCDRC*) has dismissed their second appeal holding that there is no substantial question of law involved therein.

2. A complaint was filed by one Mr. Bhupinder Singh Chauhan (since deceased) before the *learned District Consumer Disputes Redressal Commission, Delhi* which was allowed *vide* order 25.04.2023. While allowing the complaint, learned District Commission awarded interest @ 15% per annum from the date of last payment till its realization. The relevant observations made in this regard by learned District Commission are as under: -

***“27. Hon'ble Supreme Court has held in M/s Ashoka Investment Company vs M/s United Tower India (Pvt.) Ltd. in Civil Appeal No(s). 4913 of 2015,***

*11. Having considered the submissions of the learned counsel for the parties, we are in agreement with the findings recorded by the NCDRC regarding the conduct of both the parties,*



however, we feel that in the fitness of things and in the interest of both the parties considering the nature of agreement made and also their conduct that the order of the NCDRC requires to be modified. The rate of interest awarded is only 9%. Once, we find that under the agreement, in the event of default, the appellant's liability to pay interest on the defaulted amount could go up to 18%, it would be just and proper in the facts of the present case that 18% interest be awarded on the refund amount.

12. We accordingly, partly allow this appeal and in partial modification of the impugned order of the NCDRC, we direct that respondent will refund the amount of Rs. 4,95,000/- (four lakhs and ninety-five thousand) being the total sale consideration to the appellant along with interest @18% per annum w.e.f. 17.01.1995 till the date, it is said. The said amount be paid at the earliest and in any case within a period of four weeks from today.

27. Therefore, in the light of the above judgement when the OP has right to charge interest @15% p.a. in ease of defaulted amount for the defaulted period, similarly the complainant should also be entitled to get interest @ 15% p.a. in case of delay in handing over the possession to the complainant.

28. Thus, the complainant has successfully proved that OP had failed to handover the possession within the stipulated period and has offered possession only in the year 26/05/2021, after a delay of almost 52 months and that too after the filing of the present complaint. The delay in handing over the possession despite receiving the full consideration definitely amounts to deficiency in services on the part of OP.

29. Therefore, in the facts and circumstances of the present complaint and in the interest of justice, we direct OP to refund the amount of Rs. 47,97,937/- along with interest @ 15% p.a. from the date of last payment which is 12/03/2019 as per Ex. CW-1/6 till realisation.

29. In **DLF Home Panchkula Pvt. Ltd. vs. D.S. Dhandra (2020) 16 SCC 318**, held when interest is awarded as compensation then awarding additional compensation was not justified. Similarly in **Experion Developers Private Limited v/s Sushma Ashok Shiroor, 2022 SCC online SC 416**, held that 9% interest, in case of refund is just compensation. As the OP has been directed to refund the amount deposited by the complainant along with interest, we are not inclined in awarding compensation to the complainant relying upon the above judgments.



*The order be complied within 30 days from the date of receipt of this Order. Office is directed to supply the copy of this order to the parties as per rules. Order be also uploaded on the website. Thereafter, file be consigned to record room.”*

3. The aforesaid order was taken in appeal by the petitioner herein and its such first appeal was dismissed by the learned State Consumer Disputes Redressal Commission on 14.02.2025. The aspect of award of interest was also under challenge before the learned State Commission and while dismissing the appeal, learned State Commission, *inter alia*, observed as under in Para-22 to Para-25: -

*“ 22. The Appellant contended that the Respondent is not entitled to the same interest as the Appellant charges from the Respondent in case of default in payment towards the subjected property, as per the agreement.*

*23. On the other hand, the Respondent relied upon Civil Appeal No(s). 4913 of 2015, titled as M/s Ashoka Investment Company vs M/s United Tower India (Pvt.), decided on 11.10.2022, wherein the Hon'ble Apex Court held as under:*

*"11. Having considered the submissions of the learned counsel for the parties, we are in agreement with the findings recorded by the NCDRC regarding the conduct of both the parties, however, we feel that in the fitness of things and in the interest of both the parties considering the nature of agreement made and also their conduct that the order of the NCDRC requires to be modified. The rate of interest awarded is only 9%. Once, we find that under the agreement, in the event of default, the appellant's liability to pay interest on the defaulted amount could go up to 18%, it would be just and proper in the facts of the present case that 18% interest be awarded on the refund amount.*



*12. We accordingly, partly allow this appeal and in partial modification of the impugned order of the NCDRC, we direct that respondent will refund the amount of Rs. 4,95,000/-(four lakhs and ninety-five thousand) being the total sale consideration to the appellant along with interest @18% per annum w.e.f. 17.01.1995 till the date, it is said. The said amount be paid at the earliest and in any case within a period of four weeks from today.*

*24. The above dicta reflects that the Respondent (buyer) is entitled to claim interest on the refund of their deposited amount at a rate equivalent to the interest charged by the builder from the buyer under the agreement in case of payment defaults by the buyer.*

*25. Consequently, we are in agreement with the reasons given by the District Commission and fail to find any cause or reasons to reverse the findings of the District Commission. Consequently, we uphold the judgment dated 25.04.2023 passed by the District Consumer Disputes Redressal Commission-I (North District), Tis Hazari Court Complex, Delhi- 110054.”*

4. It was in the aforesaid backdrop that second appeal was filed by the petitioner before the learned NCDRC.

5. According to petitioner, appeal was involving a substantial question of law in relation to award of interest and, therefore, it was very much maintainable. Learned NCDRC, however, dismissed the appeal while holding as under:-

*“We have carefully gone through the orders of the State Commission, the District Commission and other relevant records, and are of the considered view that above stated questions of law stated in the memorandum of appeal do not constitute any substantive question of law, as elaborated by the Hon’ble Supreme Court in Chandrabhan (Deceased) Through LRs & Ors. Vs. Saraswati & Ors. 2022 SCC OnLine SC 1273. The State Commission has given a well- reasoned order, and we do not find any reason to interfere with these findings.”*

6. Present petition has been filed under Article 227 of the Constitution of India and if there are concurrent findings about facts, the supervisory Court



is not required to interject with the same as while exercising such jurisdiction, it does not sit in appeal. The orders of two fora contain reasons for grant of interest and there is nothing arbitrary therein.

7. Moreover, the interest component cannot be divorced and detached in the manner the petitioner desires. Quantum of interest is, for all purposes, a question of fact as rate of interest is invariably dependent upon multiple factors and there is no thumb rule that interest would be static in all the situations. Moreover, while awarding interest at higher rate, there is balancing of equity as no additional compensation has been awarded. Moreover, herein, interest has been awarded at a rate equivalent to the one as chargeable by the builder.

8. Learned counsel for petitioner-Authority relies upon *DLF Home Developers Ltd. vs. Capital Greens Flat Buyers Assn.: (2021) 5 SCC 537* but no advantage can be dug out from the same as therein, while having regard to facts & circumstances of said case, the compensation in form of interest was brought down from 7% to 6% per annum.

9. In view of the above, finding no merit in the present petition, same is accordingly dismissed.

10. Pending applications also stand disposed of in aforesaid terms.

**(MANOJ JAIN)**  
**JUDGE**

**AUGUST 20, 2025/dr/js**