THE U.P. REAL ESTATE APPELLATE TRIBUNAL, LUCKNOW

Division Bench Court No. 1

APPEAL-232/2025

R. R. CIVIL TECH PVT LTD ....**Appellant**

Versus

SUMIT BHAGAT AND ANOTHER ....**Respondent**

Counsel for Appellant
AAHUTI AGARWAL

Counsel for Respondent
SHIVENDRA RAO

Hon'ble Mr. Justice Suneet Kumar, Chairman
Hon'ble Mr. Sanjai Khare, Judicial Member
Hon'ble Mr. Rameshwar Singh, Administrative Member

1. Heard learned counsel for the parties and perused the record with the assistance of respective parties.

2. The instant appeal has been instituted against the judgment and order dated 13.01.2025, passed by the Real Estate Regulatory Authority at Lucknow (for short 'Regulatory Authority'), in complaint No. LKO162/06/110241/2023, whereby, a direction came to be issued to the appellant/promoter to pay the remaining outstanding amount at Rs. 2,58,500/-, alongwith, prescribed interest thereon.

3. The appellant/promoter is aggrieved by the impugned order. It is submitted that since appellant had taken over the project from the erstwhile promoter in 2021, therefore, appellant would not be liable for any outstanding dues that was due and payable by the erstwhile promoter to the respondent.

4. The short question that arises for consideration is, whether appellant on transfer/taking over the project from the erstwhile promoter is liable for the pending obligations in terms of Section 15(2) of the Real Estate (Regulation and Development) Act, 2016 (for short 'Act, 2016').

5. The facts *inter-se* parties are not in dispute.

6. M/s. Ansal Properties & Infrastructure Ltd. (for short 'Erstwhile Promoter') launched a project in the name and style, 'Bliss Delight', in Sushant Golf City at Lucknow, consisting of 448 flats/units. It appears that respondent/allottee deposited in total Rs. 8,58,500/- towards the booking and sale consideration with the erstwhile promoter. As per terms and conditions of the agreement the project was to be completed within 36 months from the date of allotment. The unit came to be allotted on 25.07.2013. In other words, the unit was to be delivered by July, 2015. The project got inordinately delayed, thereafter, the respondent raised a demand with the erstwhile promoter to withdraw from the delayed project in terms of Section 18(1) of the Act, 2016, claiming refund of the deposit, as well as, interest.

7. The erstwhile promoter refunded Rs. 6,00,000/- of the deposit but deducted Rs. 2,58,000/- in terms of the agreement. It appears thereafter the appellant-company entered into a Memorandum of Understanding (MoU) dated 30.06.2021, with the erstwhile promoter. The appellant, in terms of MoU stepped into the shoes of the erstwhile promoter while taking over the project. The transfer came to be duly approved by the Regulatory Authority/allottees in terms of Section 15 of Act, 2016. The appellant thereafter came to be registered as a promoter of an ongoing project. The respondent/allottee, thereafter, preferred a complaint under Section 31 of the Act, 2016 against the appellant/promoter claiming refund of Rs. 2,58,000/- alongwith interest thereon at MCLR+1%. The complaint came to be decreed by the impugned judgment and order. Hence, the present appeal.

8. On perusal of Section 15(2) of the Act, 2016, it provides that transfer or assignment being permitted by the allottees and the Authority, the intending

promoter shall be required to independently comply with all pending obligations under the provisions of the Act or the rules and regulations made thereunder, and the pending obligations as per the agreement for sale entered into by the erstwhile promoter with the allottees. Sub section 15(2) is extracted below :

“(2) On the transfer or assignment being permitted by the allottees and the Authority under sub-section (1), the intending promoter shall be required to independently comply with all the pending obligations under the provisions of this Act or the rules and regulations made thereunder, and the pending obligations as per the agreement for sale entered into by the erstwhile promoter with the allottees:”

9. Having regard to the provision, any liability/obligation of the erstwhile promoter is to be satisfied by the transferee company (appellant). The appellant-company would be bound by any order/decree passed by any forum/court arising in respect of the project.

10. On specific query, learned counsel for the appellant does not dispute that the respondent was an allottee of the erstwhile promoter. However, it is submitted that name of the respondent/allottee did not feature in the list of the allottees supplied by the erstwhile promoter to the appellant on transfer of the project. It is further submitted that any obligation/liability of the erstwhile promoter cannot be fasten upon the transferee company. It is further submitted by the counsel for the appellant/promoter that it appears, the allotment of the unit/agreement came to be cancelled by the erstwhile promoter, hence respondent/allottee ceases to be an allottee of the transferee company.

11. We do not find any merit in the submissions of the counsel for the appellant/promoter, no documents have been brought on record to show that the allotment of the respondent/allottee came to be cancelled by the erstwhile promoter before refunding the amount. On the contrary, the record/documents

reflect that respondent was an allottee of a unit in the residential project launched by the earlier promoter in 2013. The project was to be completed by July 2015. The project got inordinately delayed, aggrieved, respondent raised a demand in terms of Section 18(1) of Act, 2016, to refund the deposit, alongwith interest. The erstwhile promoter acted upon the demand and refunded part of the deposit, deducting Rs. 2,58,000/- in terms of the agreement on termination of the agreement by the allottee. The respondent aggrieved by the deduction, instituted a complaint under Section 31 seeking refund of the deducted amount. In the meantime, appellant, upon transfer of the project, became the promoter of the project in terms of Section 15 of Act, 2016. The appellant, being the promoter (transferee company) would be bound to satisfy the judgment/decree arising from a dispute pertaining to the project.

12. The counsel for the appellant/promoter failed to point out any illegality, infirmity or jurisdictional error in the impugned order. The respondent/allottee shall be entitled to refund of Rs. 2,58,000/- alongwith interest at MCLR+1% from the date of deposit till the date of payment. The appeal being devoid of merit, accordingly, stands **dismissed**.

13. It is clarified that no other ground or point was pressed by the appellant.

(Rameshwar Singh) (Sanjai Khare) (Suneet Kumar)

Dated: 07.04.2026
PRADEEPKUMAR