



**HARERA**  
**GURUGRAM**

Complaint No. 4112 of 20242

**BEFORE THE HARYANA REAL ESTATE REGULATORY AUTHORITY,  
GURUGRAM**

Complaint no. : 4112 of 2024  
Date of filing : 28.08.2024  
Date of decision: 20.05.2025

**Ravinder Kumar**

R/o: 46, Village Badshahpur Block-5  
Near Arya High School Gurgaon, Haryana-22001.

**Complainant**

**Versus**

**M/s Sunrays Heights Pvt. Ltd.**

Address: 211, Ansal 16 K.G. Marg,  
New Delhi - 110001.

**Respondent**

**CORAM:**

Shri Arun Kumar  
Shri Vijay Kumar Goyal  
Shri Ashok Sangwan

**Chairman**  
**Member**  
**Member**

**APPEARANCE:**

Shri Rishabh Gupta  
Shri Harsh Jain

**Counsel for the complainant**  
**Counsel for the respondent**

**ORDER**

1. The present complaint has been filed by the complainant/allottee under section 31 of the Real Estate (Regulation and Development) Act, 2016 (in short, the Act) read with rule 28 of the Haryana Real Estate (Regulation and Development) Rules, 2017 (in short, 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 obligations, responsibilities and functions under the

provisions of the Act or the Rules and regulations made thereunder or to the allottees as per the agreement for sale executed *inter se*.

**A. Project and unit related details**

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

S.No.	Particulars	Details
1.	Name of the project	"Sixty-Three Golf Drive", Sector 63-A, Gurugram, Haryana
2.	Project area	5.90 acres
3.	Nature of the project	Affordable Group Housing
4.	DTPC License no. and validity	82 of 2014 dated 08.08.2014 Valid up to 07.08.2019
5.	RERA registration details	<b>Registered</b> Registration no. 249 of 2017 dated 26.09.2017
6.	Allotment letter	11.01.2016 (Page 18 of complaint)
	Builder Buyer Agreement	2016 (Date not specified on buyer's agreement at page 23 of complaint)
7.	Unit no.	E-18, Tower F (BBA at page 35 of complaint)
8.	Unit area admeasuring	Carpet Area- 605.10 sq. ft. Balcony Area- 94.94 sq. ft. (BBA at page 35 of complaint)
9.	Possession clause	<b>4. Possession</b> "4.1 The developer shall endeavour to handover possession of the said flat <b>within a period of four years i.e., 48 months from the date of commencement of the project</b> , subject to force majeure and timely payment by the allottee towards the sale consideration, in accordance with the terms stipulated in the present agreement." (BBA at page 25 of complaint)  <b>*As per affordable housing policy 2013 -</b>



		<p><i>"1(iv) All such projects shall be required to be necessarily completed <b>within 4 years from the approval of building plans or grant of environmental clearance, whichever is later.</b> This date shall be referred to as the "date of commencement of project" for the purpose of this policy. The licences shall not be renewed beyond the said 4 years period from the date of commencement of project."</i></p> <p><b>(Emphasis supplied)</b></p>
10.	Date of building plan approval	10.03.2015 (Page 47 of reply)
11.	Date of environment clearance	16.09.2016 (Page 53 of reply)
12.	Due date of possession	16.03.2021 (Calculated from date of environment clearances i.e., 16.09.2016 being later, which comes out to be 16.09.2020 + 6 months as per HARERA notification no. 9/3-2020 dated 26.05.2020 for projects having completion date on or after 25.03.2020, on account of force majeure conditions due to outbreak of Covid-19 pandemic)
13.	Basic sale consideration	₹24,67,870/- (As per BBA at page 35 of complaint)
14.	Amount paid by the complainant	₹22,46,777/- (Page 69 of reply)
15.	Final Reminder letter sent by respondent to complainant	31.08.2024 (Page 64 of reply)
16.	Publication of cancellation in newspaper	12.02.2025 (Page 16 of application dated 25.02.2025 filed by the complainant)
17.	Occupation certificate	31.12.2024 (As confirmed by the respondent through email dated 23.01.2025, page 10 of application dated 25.02.2025 filed by the complainant)
18.	Offer of possession	23.01.2025 (Through email dated 23.01.2025, page 10 of application dated 25.02.2025 filed by the complainant)

**B. Facts of the complaint**

3. The complainant has made following submissions in the complaint:

- a) That the respondent company had invited application for booking in the said Affordable Housing Project and vide application No. SGDA3991, the complainant applied for booking of the Flat. The draw was conducted on 06.01.2016 in presence of Officials of Authority constituted by State of Haryana wherein the complainant was successfully allottee in the said draw.
- b) That the Allotment letter dated 11.01.2016 was issued by the respondent company allotting the Apartment bearing no. E-18, Block E, having carpet area 605.10 sq. ft. at the rate of Rs. 4000 per sq. ft. as Basic Sale Price and Balcony Area of 94.94 sq. ft. at the rate of Rs. 500/- per sq. ft. together with a free two-wheeler parking.
- c) That the Builder Buyer Agreement was executed on 31.03.2016 between the parties alleging the Flat no. E-18, Block E, admeasuring 605.10 sq. ft. Carpet area and Balcony Area of 94.94 sq. ft. The complainant paid total Rs. 22,46,777/- (Including all Government taxes and charges as and when demanded by the respondent company) against the total sale consideration price of the said unit is Rs. 24,67,870/- (excluding Taxes only). The remaining amount was to be paid by the complainant on offer of possession.
- d) That as per clause no. 4.1 of the Builder Buyer Agreement, the possession was to be handed over within 48 months from the date of commencement of project and as per Affordable Project Scheme, the respondent was under obligation to deliver the possession within 48 months from date of sanction of Building plan or receipt of Environment Clearance. Thus, the possession to the complainant was to be handed over on or before





31.03.2020 as per Builder Buyer Agreement. Till date, no possession has been handed over to the complainant and whenever the complainant tried to contact the respondent, the respondent used to give false assurances to the complainant about the completion of the project and revised date of possession.

- e) That when the complainant visited the project site, he was shocked to see that construction has been stopped by the respondent company and by stretch of imagination there is no hope for completion of project for the next 3-4 years and no occupation certificate has been applied by the respondent company yet but the respondent company is bent upon to demand the outstanding money from the complainant which is illegal, vague and unjustified in the eyes of law. The construction of the project has been halted and the respondent is demanding the amount more than the construction done. This act and conduct of the respondent company shows that major deficiency of the service and unfair trade practice opted to make fool of the gullible customers by delaying the construction of the project.
- f) That the respondent company issued letter dated 04.06.2024 demanding the outstanding from the complainant including interest but no calculation sheet or ledger in favour of complainant has been annexed with the said letter indicating the principal amount as well as interest levied as there has never been any delay on payment paid by the complainant.
- g) That the complainant had obtained loan to purchase the said Flat and to make timely payment with the intention to get timely delivery of possession. On demand letter dated 04.06.2024 issued by respondent company, the complainant wrote an email dated 09.06.2024 to his Bank



for disbursement of outstanding payment wherein the Bank has denied vide email dated 13.06.2024 to disburse the amount with the reasons as **"Work Stopped at site, RERA, Sanctions plans are expired and Project reflecting as lapsed on RERA Website."** The reply received from Bank has also been forwarded by the complainant to the respondent company on 17.06.2024. Thus, there is no malafide intention of the complainant for paying any outstanding amount, but it is the respondent company who had failed to perform its part of contract by not adhering to the terms of Builder Buyer Agreement as well as Affordable Housing Scheme 2013.

- h) Thus, the respondent company is liable to pay delay possession charges to the complainant as per prescribed rate of interest mention in RERA Act. There is no default in payment to be paid by the complainant and the respondent company has not completed the project within the stipulated time mentioned in the Builder Buyer Agreement and as per Affordable Housing Scheme 2013. Even the registration certificate of the respondent company has expired and no extension has been filed by the respondent company till date for the reasons best known to them.
- i) That the complainant issued legal notice dated 05.07.2024 through his counsel Sh. Rishabh Gupta Advocate, asking the respondent to adjust the amount of delayed penalty as per RERA Act and to provide physical possession after completing the construction of project after obtaining occupation certificate but the respondent, being in a dominant position, has not paid any heed to this legal notice and has not replied to said legal notice. The respondent company even has not tried to contact the complainant and resolve it amicably.

- j) That the complainant after exhausting all his patience had lastly contacted to the respondent representative for providing the final revised date of possession of the said but no fruitful answer has been replied by the respondent and its officials. Hence, the cause of action has arose to the complainant to file the present complaint before the Hon'ble Authority. Further, the complainant reserves his right to seek Rs. 5,00,000/- compensation towards harassment, mental agony and Rs. 50,000/- as litigation cost incurred by him, from the respondent for which they shall make separate application before the Adjudicating Officer, if required.

**C. Relief sought by the complainant**

4. The complainant has sought the following relief(s):
- I. Direct the respondent to pay interest for every month of delay at Prevailing prescribed rate on the amount paid by the complainant for delay from the due date of possession till the date of actual handing over of physical possession or offer of possession plus 2 months after obtaining OC, whichever is earlier.
  - II. Direct the respondent to handover actual physical possession of the booked unit.
  - III. Direct the respondent not to create any third-party rights in the said Flat till final decision of the case.
  - IV. Direct the respondent to execute conveyance deed in favour of complainant after obtaining Occupation Certificate.
5. 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**

6. The respondent has contested the complaint on the following grounds.



- a) That the complainant vide an application form applied to the respondent for allotment of a unit and was allotted a unit bearing no. E-18 in tower E, having carpet area of 605.10 sq. ft. and balcony area of 94.94 sq. ft. vide allotment letter dated 11.01.2016. The complainant represented to the respondent that he should remit every instalment on time as per the payment schedule. The respondent had no reason to suspect the Bonafide of the complainant and proceeded to allot the unit in question in their favor.
- b) Thereafter, a builder buyer agreement was executed between the complainant and the respondent. The agreement was consciously and voluntarily executed between the parties and terms and conditions of the same are binding on the parties. As per clause 4.1 of the agreement, the due date of possession was subject to the allottee having complied with all the terms and conditions of the agreement. That being a contractual relationship, reciprocal promises are bound to be maintained. The respondent endeavored to offer possession within a period of 4 years from the date of obtainment of all government sanctions and permissions including environment clearance, whichever is later. The possession clause of the agreement is at par with clause 1(iv) of the Affordable Housing Policy, 2013.
- c) That the building plan of the project was approved on 10.03.2015 from DGTCP and the environment clearance was received on 16.09.2016. Thus, the proposed due date of possession, as calculated from the date of EC, comes out to be 21.08.2021. The Ld. Authority vide notification no.9/3-2020 dated 26.05.2020 had allowed an extension of 6 months for the completion of the project the due of which expired on or after 25.03.2020, on account of unprecedented conditions due to outbreak of





Covid-19. Hence, the proposed due date of possession comes out to be 16.03.2021.

- d) That the offer of possession was also subject to the incidence of force majeure circumstances under clause 16 of the agreement. That additionally, even before normalcy could resume, the world was hit by the Covid-19 pandemic. The Ministry of Home Affairs, GOI vide notification dated March 24, 2020, bearing no. 40-3/2020-DM-I (A) recognized that India was threatened with the spread of the COVID-19 pandemic and ordered a complete lockdown in the entire country for an initial period of 21 days which started on March 25, 2020. By various subsequent notifications, the Ministry of Home Affairs, GOI further extended the lockdown from time to time. Various State Governments, including the Government of Haryana, have also enforced various strict measures to prevent the pandemic including imposing curfew, lockdown, stopping all commercial activities, stopping all construction activities. Despite, after above stated obstructions, the nation was yet again hit by the second wave of the Covid-19 pandemic and again all the activities in the real estate sector were forced to stop. It is pertinent to mention, that considering the wide spread of Covid-19, firstly night curfew was imposed followed by weekend curfew and then complete curfew. That during the period from 12.04.2021 to 24.07.2021 (103 days), each and every activity including the construction activity was banned in the State. It is also to be noted that on the same principle, the Haryana Real Estate Regulatory Authority, Gurugram granted 6 months extension for all ongoing Projects vide Order/Direction dated 26th of May, 2020 on account of 1st wave of COVID-19 Pandemic. The said lockdown was imposed in March 2020 and continued for around three months. As such



- extension of only six months was granted against three months of lockdown.
- e) That as per license condition, developer are required to complete these projects within a span of 4 years from the date of issuance of environmental clearance since they fall in the category of special time bound project under Section 7B of the Haryana Development and Regulation of Urban Area Act 1975, for a normal Group Housing Project there is no such condition applied hence it is required that 4 years prescribed period for completion of construction of Project shall be hindrance free and if any prohibitory order is passed by competent authority like National Green Tribunal or Hon'ble Supreme Court then the same period shall be excluded from the 4 years period or moratorium shall be given in respect of that period also.
- f) That it is safely concluded that the said delay of **422 days** in the seamless execution of the project was due to genuine force majeure circumstances and the said period shall not be added while computing the delay. Thus, from the facts indicated above and the documents appended, it is comprehensively established that a period of 422 days was consumed on account of circumstances beyond the power and control of the respondent, owing to the passing of aforesaid Orders by the statutory authorities. All the circumstances stated hereinabove come within the meaning of *force majeure* in terms with the agreement.
- g) That in a similar case where such orders were brought before the Ld. Authority was in Complaint No. 3890 of 2021 titled "Shuchi Sur and Anr. vs. M/s. Venetian LDF Projects LLP" which was decided on 17.05.2022, wherein the Hon'ble Authority was pleased to allow the grace period and



hence, the benefit of the above affected 166 days need to be rightly given to the respondent.

- h) That even the UPRERA Authority at Gautam Budh Nagar has provided benefit of 116 days to the developer on account of various orders of NGT and Hon'ble Supreme Court directing ban on construction activities in Delhi and NCR, 10 days for the period 01.11.2018 to 10.11.2018, 4 days for 26.70.2019 to 30.10.2019, 5 days for the period 04.11.2019 to 08.11.2019 and 102 days for the period 04.17.2019 to 74.02.2020. The Authority was also pleased to consider and provided benefit of 6 months to the developer on account of the effect of COVID also.
- i) That the Hon'ble UP REAT at Lucknow while deciding appeal No. 541 of 2011 in the matter of Arun Chauhan Versus Gaur sons Hi- Tech Infrastructure Pvt Ltd vide order dated 02.11.2021 has also granted the extension of 116 days to the promoter on account of delay in completion of construction on account of restriction/ban imposed by the Environment Pollution (Prevention & Control) Authority as well vide order of Hon'ble Supreme Court Dated 14.11.2019.
- j) That Karnataka RERA vide notification No. K-RERA/Secy/04/2019-20 and No. RERA/SEC/CR-04/2019-20 has also granted 9 months extension in lieu of Covid-19 pandemic. Moreover, this Ld. Authority had in similar matters of the had allowed the benefit of covid grace period of 6 months in a no. of cases.
- k) That despite there being several defaulters in the project, the respondent had to infuse funds into the project and have diligently developed the project in question. Despite the default caused, the respondent got sanctioned loan from SWAMIH fund of Rs. 44.30 Crores to complete the project and has already invested Rs. 35 Crores from the said loan amount

towards the project. The respondent has already received the FIRE NOC, LIFT NOC, the sanction letter for water connection and electrical inspection report.

- l) That the respondent has applied for occupation certificate on 08.12.2023. Once an application for grant of occupation certificate is submitted for approval in the office of the statutory authority concerned, respondent ceases to have any control over the same. The grant of sanction of the occupation certificate is the prerogative of the concerned statutory authority over which the respondent cannot exercise any influence. Therefore, the time utilized by the statutory authority to grant occupation certificate to the respondent is required to be excluded from computation of the time utilized for implementation and development of the project.
- m) That the complainant has been allotted unit under the Affordable Housing Policy, 2013 which under clause 5(iii)(b), clearly stipulated the payment of consideration of the unit in six equal installments. The complainant is liable to make the payment of the instalments as per the government policy under which the unit is allotted. At the time of application, the complainant was aware of the duty to make timely payment of the installments. Not only as per the Policy, but the complainant was also under the obligation to make timely payment of installments as agreed as per clause 3 of the BBA.
- n) That the complainant has failed to make any payment of installment at "within 36 months from the due date of Allotment" on April 2019 along with partial payment towards previous instalments. The complainant cannot rightly contend under the law that the alleged period of delay continued even after the non-payment and delay in making the payments.





The non-payment by the complainant affected the construction of the project and funds of the respondent. That due to default of the complainant, the respondent had to take loan to complete the project and is bearing the interest on such amount. The respondent reserves the right to claim damages before the appropriate forum.

- o) That it is the obligation of the complainant under the Affordable Housing Policy, 2013 (as on the date of Allotment) and the Act to make timely payments for the unit. In case of default by the complainant the unit is liable to be cancelled as per the terms of Affordable Housing Policy, 2013.
- p) That the respondent issued various reminder letters and final reminder letter dated 31.08.2024 requesting the complainant to make the outstanding payment. In complete default, the complainant failed to make payment within 15 days.
- q) That the respondent after obtaining all the mode to communicate with the complainant regarding the payment of the due amount and at the same time complainant miserably failed to comply with the terms and conditions of BBA signed by the complainant. The respondent on 06.04.2024 through publication announce a general reminder to the complainant for compliance of the due payment but still didn't receive any revert from the complainant regarding the same. Thus, the unit of the complainant is liable to be cancelled in terms of clause 5(iii) of affordable housing policy. It is clearly evident that the complainant despite all the reminders failed to make payment against the instalment, Respondent earnestly requested the complainant to make payment. However, the complainant did not pay any heed to the legitimate, just and fair requests of the respondent. All requests of the respondent to make payment dell on deaf ears of the complainant.

- r) That without prejudice, assuming though not admitting, relief of delayed possession charges, if any, cannot be paid without adjustment of outstanding instalment from due date of instalment along with interest @15% p.a.
- s) That, moreover, without accepting the contents of the complaint in any manner whatsoever, and without prejudice to the rights of the respondent, the unit of complainant can be retained only after payment of interest on delayed payments from the due date of instalment till the date of realization of amount. Further delayed interest if any must be calculated only on the amounts deposited by the complainant towards the sales consideration of the unit in question and not on any amount credited by the respondent, or any payment made by the complainant towards delayed payment charges or any taxes/statutory payments, etc.
- t) That in light of the bona fide conduct of the respondent and no delay for development of project as the respondent was severely affected by the force majeure circumstances and no cause of action to file the present complaint this complaint is bound be dismissed in favour of the respondent.
7. Written submissions filed by the complainant is also taken on record and considered by the authority while adjudicating upon the relief sought by the complainant. 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**

8. 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**

9. 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 purposes 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 a complete territorial jurisdiction to deal with the present complaint.

**E.II Subject matter jurisdiction**

10. 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....**

**(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.**

11. 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.

**F. Findings on the objections raised by the respondent.****F.I Objection regarding delay due to force majeure circumstances.**

12. It is contended on behalf of respondent that due to various circumstances beyond its control, it could not speed up the construction of the project, resulting in delays such as various orders passed by NGT and Hon'ble Supreme Court, lockdown due to outbreak of Covid-19 pandemic.

13. The Authority, after careful consideration, finds that in the present case, the project falls under the Affordable Housing Policy, 2013, which contains specific stipulations regarding the completion of the project. As per Clause 1(iv) of the said Policy:

*"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-year period from the date of commencement of project"*

14. The respondent/promoter, having applied for the license under the Affordable Housing Policy, was fully aware of these terms and is bound by them. The Authority notes that the construction ban cited by the respondent, was of a short duration and is a recurring annual event, usually implemented by the National Green Tribunal (NGT) in November. These are known occurring events, and the respondent being a promoter, should have accounted for it during project planning. Similarly, the various orders passed by other Authorities cannot be taken as an excuse for delay as it is a well-settled principle that a person cannot take benefit of his own wrong.

**G. Findings on the relief sought by the complainant**

**G.I Direct the respondent to pay interest for every month of delay at prevailing prescribed rate on the amount paid by the complainant for delay from the due date of possession till the date of actual handing**



**over of physical possession or offer of possession plus 2 months after obtaining OC, whichever is earlier.**

**G.II Direct the respondent not to create any third-party rights in the said Flat till final decision of the case.**

15. The factual matrix of the case reveals that the complainant was allotted unit no. E-18, Tower-E admeasuring carpet area of 605.10 sq. ft. and a balcony area of 94.94 sq. ft., in the respondent's project at sale price of ₹24,67,870/- under the Affordable Group Housing Policy 2013. A buyer's agreement was executed between the parties in 2016. The possession of the unit was to be offered by 16.03.2021 as delineated hereinbelow. The complainant paid a sum of ₹22,46,777/- towards the subject unit.
16. During the course of proceedings dated 08.04.2025, learned counsel for the respondent submitted that the complainant has instituted proceedings before the Hon'ble National Company Law Tribunal (NCLT), Delhi Bench in Case No. IB-48 of 2025, seeking a refund along with interest at the rate of 24% per annum. It was further submitted that in the said NCLT proceedings, the date of default has been stated as 31.03.2023, whereas in the present complaint(s) before this Authority, the complainant has asserted the due date as 16.03.2021 and have sought relief in the form of delayed possession charges and delivery of possession. In response, learned counsel for the complainant submitted that the matter before the Hon'ble NCLT is at the admission stage and that no order has been passed therein as of yet.
17. Upon considering the submissions made by both parties, the Authority is of the considered view that the complaint filed before this Authority is with respect to the statutory provisions under the Real Estate (Regulation and Development) Act, 2016 which is a special Act to regulate and promote the real estate sector and to ensure sale of plot, apartment or building, as the case may be in an efficient and transparent matter and to protect the interest of

consumers in the real estate sector. It is noted that the objective and scope of the Insolvency and Bankruptcy Code, 2016 (IBC) are distinct and serve a different legal purpose. It is further observed that the matter before the Hon'ble NCLT is presently at the stage of admission and no order initiating Corporate Insolvency Resolution Process (CIRP) against the respondent has been passed as on date. Therefore, at this juncture, there exists no bar under any law that prevents this Authority from proceeding to adjudicate the present complaint(s) on merits.

18. The complainant has filed an application dated 25.02.2025 seeking that the respondent may be restrained from cancelling the subject unit. A final reminder letter dated 31.08.2024 was sent to the complainant wherein it was specified that in case the complainant/allottee fails to make a payment of ₹8,80,902/-. Thereafter, the respondent made a publication in the newspaper "HARI BHOO MI" on 12.02.2025 as required under Affordable Group Housing Policy, 2013. The said publication also stated that failure to make payment within the stipulated period would lead to automatic cancellation of the allotment, without any further notice or communication by the respondent.
19. The foremost question which arises before the authority for the purpose of adjudication is that "whether the said publication would tantamount to a valid cancellation in the eyes of law or not?"
20. Clause 5(iii) (i) of the Affordable Group Housing Policy, 2013 talks about the cancellation. The relevant part of the clause is reproduced below:-

*"If any successful applicant fails to deposit the instalments within the time period as prescribed in the allotment letter issued by the colonizer, a **reminder** may be issued to him for depositing the due instalments within a **period of 15 days** from the date of issue of such notice. If the allottee still defaults in making the payment, the **list of such defaulters may be published in one regional Hindi newspaper having circulation of more***



*than ten thousand in the State for payment of due amount within 15 days from the date of publication of such notice, failing which allotment may be cancelled. In such cases also an amount of Rs 25,000/- may be deducted by the coloniser and the balance amount shall be refunded to the applicant. Such flats may be considered by the committee for offer to those applicants falling in the waiting list."*

21. The Authority observes that the respondent issued "Final Reminder Letter" dated 31.08.2024, directing the complainant to clear the outstanding dues amounting to ₹8,80,902/-. It is pertinent to mention here that the complainant had already paid an amount of ₹22,46,777/- (i.e., 91%) against the total consideration of ₹24,67,870/- to the respondent by 06.05.2024. Perusal of case file reveals that the demand raised by the respondent via letter dated 31.08.2024 was towards the payment of last instalment accompanied with interest on delay payments. Therefore, the rate of interest chargeable from the allottee by the promoter, in case of default, if any shall be charged at the prescribed rate i.e., 11.10% by the respondent/promoter which is the same rate of interest which the promoter shall be liable to pay the allottee, in case of default i.e., the delayed possession charges as per Section 2(z a) of the Act. Also, the respondent is obligated to raise last demand only in accordance with the builder buyer agreement and as per Affordable Housing Policy, 2013 and shall not charge anything from the complainant which is not the part of the builder buyer agreement and under the Affordable Housing Policy, 2013.
22. Further, the Authority takes serious note of the conduct of the respondent in wilfully violating the directions issued to it vide order dated 23.04.2024 in M.A. No. 233/2024 in CR/1244/2022 titled "Sixty-Three Golf Drive Flat Buyers Association vs. Sunrays Heights Private Ltd.", wherein a clear directive was issued restraining the respondent from cancelling the allotment of any unit in cases where more than 85% of the sale consideration had already

been paid by the allottee, and without adhering to the due process stipulated under the Affordable Housing Policy.

23. It has been observed that the notwithstanding this express direction, the respondent proceeded to cancel the allotments of various allottees in a blatant disregard of the said order in the present complaint. Such conduct not only amounts to a deliberate and conscious defiance of the Authority's directions but also reflects a lack of bona fide on the part of the respondent in its dealings with the allottees.

24. The Authority further notes that the complainant has paid approximately 91% of the sale consideration, and the respondent was required to hand over the project by 16.09.2020 under the Affordable Housing Policy, 2013, excluding the COVID-19 grace period. Even with a six-month grace period in lieu of Covid-19 pandemic, the possession was to be handed over by 16.03.2021, however, the respondent has failed to complete the project. Thereafter, the respondent has obtained the occupation certificate from the competent authority on 31.12.2024. The interest accrued during the delay period significantly reduces the amount payable by the complainant. Upon adjustment of this interest, the respondent would, in fact, be liable to pay the complainant. Despite this, the respondent chose to cancel the unit on grounds of non-payment, while neglecting its own obligations. Such actions by the respondent displays bad faith, as it failed to adjust the delay period interest.

25. Additionally, as per Clause 9.2 of the Agreement for Sale, annexed as Annexure A to the Rules, 2017, the allottee has the right to stop making further payments if the promoter defaults on its obligations. The relevant portion is reproduced below:



**9.2 In case of Default by Promoter under the conditions listed above, Allottee is entitled to the following:**

- (ii) Stop making further payments to Promoter as demanded by the Promoter. If the Allottee stops making payments, the Promoter shall correct the situation by completing the construction/development milestones and only thereafter the Allottee be required to make the next payment without any interest for the period of such delay; or...

**(Emphasis Supplied)**

26. In the present case, the respondent-promoter was obligated to complete the construction by 16.03.2021, including a six-month extension due to the Covid-19 pandemic. However, the respondent-promoter failed to complete the project within this timeline. Thus, in accordance with Clause 9.2, the allottee was fully justified in stopping further payments.
27. Considering the above findings, the cancellation of the allotment is deemed invalid and is hereby quashed as issued in bad faith. Thus, the respondent is directed to reinstate the unit allotted to the complainant.
28. Herein, the complainant intends to continue with the project and is seeking delay possession charges at a prescribed rate of interest on the amount already paid by him as provided under the proviso to Section 18(1) of the Act, which reads 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, —**

.....  
**Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed."**

29. **Due date of handing over possession:** As per clause 4.1 of the BBA executed inter se parties, the respondent proposed to handover possession of the subject unit **within a period of four years i.e. 48 months from the**

**date of commencement of project.** It is pertinent to mention here that the project was to be developed under the Affordable Housing Policy, 2013. However, the respondent has chosen to disregard the policy provision. Clause 1(iv) of the Affordable Housing Policy, 2013 deals with the date of possession of the unit and completion of the project. The relevant clause is reproduced as under:

**"1(iv) 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 licences shall not be renewed beyond the said 4 years period from the date of commencement of project."**

**(Emphasis supplied)**

30. In the present case, the date of approval of building plans is 10.03.2015, and the date of environment clearance is 16.09.2016. The due date of handing over of possession is reckoned from the date of environment clearance being later. Therefore, the due date of handing over of possession comes out to be 16.09.2020. Further as per **HARERA notification no. 9/3-2020 dated 26.05.2020**, an extension of 6 months is granted for the projects having a completion date on or after 25.03.2020. The completion date of the aforesaid project in which the subject unit is being allotted to the complainant is 16.09.2020 i.e., after 25.03.2020. Therefore, an extension of 6 months is to be given over and above the due date of handing over possession in view of notification no. 9/3-2020 dated 26.05.2020, on account of force majeure conditions due to the outbreak of Covid-19. As such the due date for handing over of possession comes out to be **16.03.2021**.

31. **Admissibility of delay possession charges at prescribed rate of interest:**

The complainant is seeking delay possession charges till the date of delivery



of possession to the complainant. Proviso to Section 18 provides that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of possession, at such rate as may be prescribed and it has been prescribed under Rule 15 of the Rules, *ibid*. Rule 15 has been 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]***

- (1) 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."*

32. The legislature in its wisdom in the subordinate legislation under the provision of Rule 15 of the Rules, *ibid*, has determined the prescribed rate of interest. The rate of interest, determined by the legislature, is reasonable and if the said rule is followed to award interest, it will ensure uniform practice in all cases.
33. Consequently, as per website of the State Bank of India i.e., <https://sbi.co.in>, the marginal cost of lending rate (in short, MCLR) as on date i.e., 20.05.2025 is 9.10%. Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., 11.10%.
34. The definition of term 'interest' as defined under Section 2(z) of the Act provides that the rate of interest chargeable from the allottee by the promoter, in case of default, shall be equal to the rate of interest which the promoter shall be liable to pay the allottee, in case of default. The relevant section is reproduced below:
- "(za) "interest" means the rates of interest payable by the promoter or the allottee, as the case may be.***

**Explanation.** —For the purpose of this clause—

- (i) The rate of interest chargeable from the allottee by the promoter, in case of default, shall be equal to the rate of interest which the promoter shall be liable to pay the allottee, in case of default.
- (ii) the interest payable by the promoter to the allottee shall be from the date the promoter received the amount or any part thereof till the date the amount or part thereof and interest thereon is refunded, and the interest payable by the allottee to the promoter shall be from the date the allottee defaults in payment to the promoter till the date it is paid;”

35. Therefore, interest on the delay payments from the complainant shall be charged at the prescribed rate i.e., 11.10 % by the respondent which is the same as is being granted to them in case of delayed possession charges.

36. On consideration of the documents available on record and submissions made regarding contravention of provisions of the Act, the Authority is satisfied that the respondent is in contravention of the Section 11(4)(a) of the Act by not handing over possession by the due date as per the agreement.

37. It is the failure of the promoter to fulfil its obligations and responsibilities as per the buyer's agreement to hand over the possession within the stipulated period. Accordingly, the non-compliance of the mandate contained in Section 11(4)(a) read with Section 18(1) of the Act on the part of the respondent is established. As such the complainant is entitled to delay possession charges at the prescribed rate of interest i.e., @ 11.10% p.a. w.e.f. 16.03.2021 till the offer of possession plus 2 months or actual handing over of possession, whichever is earlier as per provisions of Section 18(1) of the Act read with Rule 15 of the Rules, ibid.

**G.III Direct the respondent to handover actual physical possession of the booked unit.**

**G.IV Direct the respondent to execute conveyance deed in favour of complainant after obtaining Occupation Certificate**



38. In the present complaint, the grievance of the complainant is that the physical possession has not been handed over by the respondent to the complainant.
39. The authority observes that the respondent-promoter has obtained occupation certificate of the said project from the competent authority on 31.12.2024. Further, Section 17(1) of the Act of 2016 obligates the respondent-promoter to handover the physical possession of the subject unit to the complainant complete in all respect as per specifications mentioned in BBA and thereafter, the complainant-allottee is obligated to take the possession within 2 months as per provisions of Section 19(10) of the Act, 2016.
40. In view of the above, the respondent is directed to handover the possession of allotted unit to the complainant complete in all respect as per specifications of buyer's agreement within a period of one month from date of this order after payment of outstanding dues, if any, as the occupation certificate for the project has already been obtained by it from the competent authority.
41. Further, the respondent promoter is contractually and legally obligated to execute the conveyance deed upon receipt of the occupation certificate/completion certificate from the competent authority. Whereas as per Section 19(11) of the Act of 2016, the allottees are also obligated to participate towards registration of the conveyance deed of the unit in question. In view of above, the respondent shall execute the conveyance deed of the allotted unit within a period of 3 months from date of this order, upon payment of outstanding dues and requisite stamp duty by the complainant as per norms of the state government as per Section 17 of the Act, failing

which the complainant may approach the adjudicating officer for execution of order.

**H. Directions of the authority**

42. 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 cancellation is hereby set aside being bad in the eyes of law. The respondent is directed to reinstate the subject unit. Further, the respondent is directed to pay interest on the amount paid by the complainant at the prescribed rate of 11.10% p.a. for every month of delay from the due date of possession i.e., 16.03.2021 till the offer of possession plus 2 months or actual handing over of possession, whichever is earlier.
- II. The arrears of interest accrued so far shall be paid to the complainant within 90 days from the date of this order as per Rule 16(2) of the Rules, *ibid*.
- III. The rate of interest chargeable from the allottee by the promoter, in case of default shall be charged at the prescribed rate i.e., 11.10% by the respondent/promoter which is the same rate of interest which the promoter shall be liable to pay the allottee, in case of default i.e., the delayed possession charges as per Section 2(za) of the Act.
- IV. The respondent is directed to issue a revised statement of account after adjustment of delayed possession charges, and other reliefs as per above within a period of 30 days from the date of this order. The complainant is directed to pay outstanding dues if any remains, after



adjustment of delay possession charges within a period of next 30 days.

- V. The respondent is directed to handover the possession of the allotted unit to the complainant complete in all aspects as per specifications of buyer's agreement within one month from date of this order, as the occupation certificate in respect of the project has already been obtained by it from the competent authority.
- VI. The respondent shall execute the conveyance deed of the allotted unit within a period of 3 months from date of this order, upon payment of outstanding dues and requisite stamp duty by the complainant as per norms of the state government as per Section 17 of the Act, failing which the complainant may approach the adjudicating officer for execution of order.
- VII. The respondent shall not charge anything from the complainant which is not part of the buyer's agreement and the provisions of the Affordable Housing Policy, 2013.
43. The complaint and applications, if any, stands disposed of.
44. Files be consigned to the registry.

(Ashok Sangwan)  
Member

(Vijay Kumar Goyal)  
Member

(Arun Kumar)  
Chairman

Haryana Real Estate Regulatory Authority, Gurugram

Dated: 20.05.2025