

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

Date of decision : 28.05.2025

| NAME OF THE<br>BUILDER |             | M/s SIGNATURE GLOBAL (INDIA) PRIVATE LIMITED                            |   |  |  |
|------------------------|-------------|---|---|--|--|
| P                      | ROJECT NAME | The Millennia at sector 37D, Gurgaon, Haryana                           |   |  |  |
| Sr. Case No.<br>No.    |             | Case title  | Appearance                                |  |  |
| 1.                     | CR/414/2024 | Sweety<br>Vs.<br>M/s Signature Global (India)<br>Private Limited        | Shri Akash Godhvani<br>Shri Harshit Batra |  |  |
| 2.                     | CR/593/2024 | Harmeet Singh<br>Vs.<br>M/s Signature Global (India)<br>Private Limited | Shri Akash Godhvani<br>Shri Harshit Batra |  |  |
| 3.                     | CR/602/2024 | Ramesh Chand<br>Vs.<br>M/s Signature Global (India)<br>Private Limited  | Shri Akash Godhvani<br>Shri Harshit Batra |  |  |

### CORAM:

Shri Ashok Sangwan

### Member

### ORDER

1. This order shall dispose of the aforesaid complaints titled above filed before this authority under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred as "the Act") read with Rule 28 of the Haryana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred as "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 its obligations, responsibilities and functions to the allottees as per the agreement for sale executed inter se between parties.

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- 2. The core issues emanating from them are similar in nature and the complainant(s) in the above referred matters are allottees of the project, namely, The Millennia situated at Sector-37 D, Gurugram being developed by the same respondent/promoter i.e., M/s Signature Global (India) Private Limited. The terms and conditions of the buyer's agreements and fulcrum of the issue involved in all these cases pertains to failure on the part of the promoter to deliver timely possession of the units in question, seeking possession of the unit along with delayed possession charges.
- 3. The details of the complaints, reply status, unit no., date of agreement, possession clause, due date of possession, total sale consideration, total paid amount, and relief sought are given in the table below:

| Project Name and Location          | "The Millennia" at sector 37D,<br>Gurgaon, Haryana   |
|------------------------------------|--|
| Project area                       | 9.7015625 acres  |
| DTCP License No. and validity      | 04 of 2017 dated 02.02.2017<br>Valid up to 01.02.2022  |
| HRERA Registered                   | <b>Registered</b><br>Registration no. 03 of 2017 dated<br>20.06.2017 upto 4 years from the<br>date of environment clearance, i.e.,<br>upto 21.08.2021  |
| Date of approval of building plans | 08.06.2017   |
| Date of environment clearance      | 21.08.2017   |
| Possession Clause                  | <b>5. Possession</b><br>"5.1 Within 60 (sixty) days from the date of<br>issuance of Occupation Certificate, the<br>Developer shall offer the possession of the<br>Said Flat to the Allottee(s). Subject to force<br>majeure circumstances, receipt of<br>Occupation Certificate and Allottee(s)<br>having timely complied with all its<br>obligations, formalities or documentation,<br>as prescribed by the Developer in terms of |

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| Sr.<br>No. | Complaint<br>No., Case<br>Title, and<br>Date of filing<br>of complaint                                       | Unit<br>no. &<br>size                                     | Date of<br>execution<br>of BBA          | Total<br>Sale<br>Consider<br>ation /<br>Total<br>Amount<br>paid by<br>the<br>complain<br>ant | Offer of<br>possession<br>and date of<br>actual<br>handover<br>of<br>possession  | Relief sought  |
|------------|--|---|---|--|--|--|
| 1.         | CR/414/2024<br>Sweety<br>Vs.<br>Signature Global<br>(India) Pvt. Ltd.<br>DOF: 23.02.2024<br>Reply:30.04.2024 | area-<br>596.126<br>sq. ft.<br>Balcony<br>area-<br>79.653 | both the                                | <b>BSP-</b> Rs. 24,24,331 (Page 64 of reply)<br><b>AP-</b> Rs. 22,94,268 (Page 64 of reply)  | And the second s | <ul> <li>DPC</li> <li>Refund the charges which are not as per the buyer agreement</li> <li>Refund the skyfull maintenance charges of Rs.28,956/-</li> <li>Not to charge skyfull maintenance charges for a period of 5 years</li> </ul> |
| 2.         | CR/593/2024  | 5-207,<br>2 <sup>nd</sup> floor<br>Tower 5                | 13.11.2017<br>(Page 29 of<br>complaint) | <b>BSP-</b> Rs. 24,24,331  | a second s  | DPC     Refund the charges which are   |

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|        | Harmeet Singh<br>Vs.<br>Signature Global<br>(India) Pvt. Ltd.<br>DOF: 23.02.2024<br>Reply: 30.04.2024 | area-<br>596.126<br>sq. ft.<br>Balcony<br>area-<br>79.653 |  | (Page 64<br>of reply)<br>AP- Rs.<br>26,44,918<br>(Page 64<br>of reply)                                  | (Page 56 of<br>reply)<br>Actual<br>handover<br>on:<br>13.05.2023<br>(Page 61 of<br>reply)                               | not as per the<br>buyer agreement<br>Refund the skyfull<br>maintenance<br>charges of<br>Rs.28,956/-<br>Not to charge<br>skyfull<br>maintenance<br>charges for a<br>period of 5 years   |
|--------|---|---|--|---|---|--|
| 3.     | (India) Pvt. Ltd.<br>DOF: 23.02.2024<br>Reply:30.04.2024  | area-<br>79.653<br>sq. ft.                                | 28.11.2017<br>(Page 30 of<br>complaint)              | <b>BSP-</b> Rs. 22,49,267<br>(Page 64<br>of reply)<br><b>AP-</b> Rs. 21,48,044<br>(Page 64<br>of reply) | possession<br>: 28.03.2023<br>(Page 56 of<br>reply)<br>Actual<br>handover<br>on:<br>22.10.2023<br>(Page 61 of<br>reply) | <ul> <li>DPC</li> <li>Refund the charges which are not as per the buyer agreement</li> <li>Refund the skyfull maintenance charges of Rs.28,956/-</li> <li>Not to charge skyfull maintenance charges for a period of 5 years</li> </ul> |
| IOIIOM | veviation Full fo<br>Date o<br>Delaye<br>Total s<br>Amour   | f filing of c<br>d possessi<br>ale consid                 | omplaint<br>ion charges<br>eration<br>the allottee/s | riations have   | been used. The  | ey are elaborated as   |

- 4. The aforesaid complaints were filed by the complainant-allottee(s) against the promoter on account of violation of the builder buyer's agreement executed between the parties in respect of subject unit for not handing over the possession by the due date, seeking the physical possession of the unit along with delayed possession charges and maintenance charges.
- 5. It has been decided to treat the said complaints as an application for noncompliance of statutory obligations on the part of the promoter /respondent in terms of section 34(f) of the Act which mandates the

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authority to ensure compliance of the obligations cast upon the promoters, the allottee(s) and the real estate agents under the Act, the rules and the regulations made thereunder.

- 6. The facts of all the complaints filed by the complainant-allottee(s) are similar. Out of the above-mentioned cases, the particulars of lead case CR/414/2024 titled as "Sweety Vs. M/s Signature Global (India) Private Limited" are being taken into consideration for determining the rights of the allottee(s) qua the relief sought by them.
- A. Project and unit related details
- 7. The particulars of the project, the details of sale consideration, the amount paid by the complainant(s), date of proposed handing over the possession, delay period, if any, have been detailed in the following tabular form:

| CR/414/2024 titled a | s "Sweety   | Vs. M/s Signature Global (India) |
|----------------------|---|----------------------------------|
| 1                    | the second se | Limited"                         |
|                      | the second se |                                  |

| Sr.<br>No. | Particulars                          | Details  |  |  |  |
|------------|--------------------------------------|--|--|--|--|
| 1.         | Name of the project                  | "The Millennia", Sector- 37D<br>Gurugram, Haryana  |  |  |  |
| 2.         | Project area                         | 9.701 acres  |  |  |  |
| 3.         | Nature of the project                | Affordable Group Housing Colony  |  |  |  |
| 4.         | DTCP license no. and validity status |  |  |  |  |
| 5.         | Name of licensee                     | Signature Global (India) Pvt. Ltd.   |  |  |  |
| 6.         | RERA Registered/ not<br>registered   | Registered<br>Registration no. 3 of 2017 dated<br>20.06.2017<br>Validity- The registration shall be<br>valid for a period of 4 years<br>commencing from 20 June 2017 and<br>ending on 4 years from the date of<br>environment clearance i.e., upto<br>21.08.2021 |  |  |  |
| 7.         | Building plan approved on            | 08.06.2017<br>(Page 37 of reply)   |  |  |  |

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| 8.  | Environmental clearance granted on                             | 21.08.2017<br>(Page 41 of reply)   |
|-----|--|--|
| 9.  | Allotment Letter   | 06.02.2019   |
| 2.  | Anothent Letter  |  |
| 10. | Buildor huver agreement  | (Page 27 of complaint)   |
| 10. | Builder buyer agreement<br>executed on                         | 15.02.2019<br>(Agreed to by both the parties in their<br>respective pleadings)   |
| 11. | Unit no.   | 7-307, tower 7, 3 <sup>rd</sup> floor<br>(As per BBA at page 30 of complaint)  |
| 12. | Unit admeasuring   | 596.126 sq. ft. (Carpet Area)<br>79.653 sq. ft. (Balcony Area)<br>(As per BBA at page 30 of complaint)   |
| 13. | Possession clause  | <b>5. POSSESSION</b><br>"5.1 Within 60 (sixty) days from the date of<br>issuance of Occupation Certificate, the<br>Developer shall offer the possession of the<br>Said Flat to the Allottee(s). Subject to force<br>majeure circumstances, receipt of<br>Occupation Certificate and Allottee(s) having<br>timely complied with all its obligations,<br>formalities or documentation, as prescribed<br>by the Developer in terms of the Agreement<br>and not being in default under any part<br>hereof including but not limited to the timely<br>payment of instalments as per the Payment<br>Plan, stamp duty and registration charges,<br>the Developer shall offer possession of the<br>Said Flat to the Allottee(s) within a period<br>of 4 (four) years from the date of approval<br>of building plans or grant of environment<br>clearance, (hereinafter referred to as the<br>"Commencement Date"), whichever is<br>later." |
|     | Possession clause as per<br>Affordable Housing<br>Policy, 2013 | 1(iv) All such projects shall be required to be<br>necessarily completed within 4 years from<br>the approval of building plans or grant of<br>environmental clearance, whichever is<br>later. This date shall be referred to as the<br>"date of commencement of project" for the<br>purpose of this policy. The licences shall not<br>be renewed beyond the said 4 years period<br>from the date of commencement of project.   |

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|     |   | (Emphasis Supplied)  |
|-----|---|--|
| 14. | Due date of possession                            | <b>21.02.2022</b><br>(Calculated from date of environment<br>clearances i.e., 21.08.2017 being later,<br>which comes out to be 21.08.2021 + 6<br>months as per HARERA notification no. 9/3-<br>2020 dated 26.05.2020 for projects having<br>completion date on or after 25.03.2020, on<br>account of force majeure conditions due to<br>outbreak of Covid-19 pandemic) |
| 15. | Basic sale price                                  | Rs. 24,24,331/-<br>(BBA at page no. 36 of complaint and<br>customer ledger dated 27.04.2024 at page<br>64 of reply)  |
| 16. | Amount paid by the complainant                    | 253112123  |
| 17. | Occupation certificate<br>/Completion certificate | 25.01.2023<br>(Page 52 of reply)   |
| 18. | Offer of possession                               | 28.03.2023<br>(Page 56 of reply)   |
| 19. | Possession Certificate                            | 09.08.2023<br>(Page 61 of reply)   |

### B. Facts of the complaint

- 8. The complainant has made following submissions in the complaint:
  - a) That in 2017, the respondent company issued an advertisement announcing a residential group housing project called 'The Millennia' Sector 37D, Gurugram, Haryana in terms of the provisions of Affordable Group Housing Policy 2013 and thereby invited applications from prospective buyers for the purchase of allotments in the said project. Respondent confirmed that the project had got building plan approval from the authority.
  - b) That the complainant was caught in the web of false promises of the agents of the respondent company, paid an initial amount of Rs. 1,21,217/-. The payment was acknowledged by the respondent and the



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complainant was allotted one unit in the above said project. The complainant received an allotment letter for the unit bearing no. T7-307.

- c) That the complainant caught in the web of lies and false promises of the respondent company duly executed the builder buyer agreement on the 15.02.2019.
- d) That the complainant against the demand notices raised by the respondent have paid a total sum of Rs. 24,24,330/- in favour of the respondent. In terms of Scheduled "D" of builder buyer agreement, the complainant has made the payments as per the payment plan.
- e) That the complainant had sent multiple e-mails communications and made calls during the time intimating the respondent for the possession of the said unit. With great regret the complainant did not receive any revert from the respondent.
- f) That the respondent being very well aware of the guidelines laid in The Real Estate (Regulation and Development) Act, 2016 and the Haryana Real Estate (Regulation & Development) Rules, 2017, and the interest the complainant is entitled for as well as being aware of plethora of judgments issued by the Haryana Real Estate Regulatory Authority, Gurugram, the respondent has not given the complainant the interest that he is eligible for the delayed compensation based on the clause 6.2(ii) of the BBA.
- g) That the complainant contacted the respondent on several occasions and were regularly in touch with the respondent individually chasing the respondent for construction on very regular basis. The respondent was never able to give any satisfactory response to the complainant or the Governing body of the Association regarding the status of the Page 8 of 29



construction and was never definite about the delivery of the possession. The complainant kept pursuing the matter with the representatives of the respondent as to when will they deliver the project and why construction is going on at such a slow pace, but to no avail. Some or the other reason was being given in terms of delay on account of the Novel Corona Virus and on the account of paucity of funds.

- h) That the respondent is guilty of deficiency in service within the purview of provisions of the Act and the Rules. The complainant has suffered on account of deficiency in service by the respondent and as such the respondent is fully liable to cure the deficiency as per the provisions of the Act and Rules.
- i) That the present complaint sets out the various deficiencies in services, unfair and/or restrictive trade practices adopted by the respondent in sale of their floors and the provisions allied to it. The modus operandi adopted by the respondent, from the respondents point of view may be unique and innovative but from the consumers point of view, the strategies used to achieve its objective, invariably bears the irrefutable stamp of impunity and total lack of accountability and transparency, as well as breach of contract and duping of the consumers, be it either through not implementing the services/utilities as promised in the brochure or through not delivering the project in time. The respondent not only failed to adhere to the terms and conditions of buyer's agreement dated 15.02.2019 and affordable housing policy 2013 but has also illegally extracted money from the complainant by stating false promises and statements.



- j) That as per clause 6.1(i) of the builder buyer's agreements, which was signed on 15.02.2019, the possession of the said unit was supposed to be delivered by 20.08.2021. It would be appreciated that the actual habitable possession was given to the complainant on 10.09.2023.
- k) That under clause 4.6 of the builder buyer's agreement, upon delay of payment by the allottees, the respondent can charge 15% simple interest per annum and the same is charged from the complainant. On the other hand, as per clause 6.2(ii), the respondent is equally liable to pay to complainant, interest at the rate of 15% per annum for every month of delay till the handing over of the possession of the said flat within 45 days of becoming due. Whereas respondent has deliberately indulged in misstatement, prevarications and innuendos and has not paid a single penny on account of delayed compensation.
- 1) That the Honourable NCDRC, New Delhi in many cases has held that offering of possession, conditional on the payment of charges which the unit buyer is not contractually bound to pay as per the BBA, cannot be considered to be a valid offer of possession. In any case if builder creates an agreement which is not ethically correct or entraps the complainant in feeble situation can't be held valid.
- m) That as per section 11(4) of the Act, the promoter is liable to abide by the terms and agreement of the sale. As per section 18 of the Act, the respondent is liable to pay interest to the allottees of an apartment, building or project for a delay or failure in handing over of such possession as per the terms and agreement of the sale. Accordingly, the complainant is entitled to get interest on the paid amount at the rate as prescribed per annum from due date of possession as per builder buyer agreement till the date of handing over of actual possession.

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- n) That the respondent has issued final demand notice wherein the respondent has made various unnecessary demands which are not as per the builder buyer agreement and hence are baseless, unfounded, unlawful, untenable, unsustainable, grossly misconceived, illegal and unwarranted including the advance maintenance charges. Hence the respondent is in gross violation of clause 4(v) affordable housing policy 2013. Maintenance services are to be provided by the respondent as per section 3(3)(a)(iii) of the Act no. 8 of 1975 and Rule of 1976 and the facilities provided by the developer/respondent in Affordable housing colonies.
- o) That the grievance of the complainant is that the complainant is entitled for delay possession charges at the prescribed rate of interest from due date of possession till actual possession which is not given by the respondent till date.

### C. Relief sought by the complainant

- 9. The complainant has sought the following relief(s):
  - I. Direct the respondent to pay interest for every month of delay at the rate of 15% per annum as per BBA on the entire amount paid by the complainant with effect from committed date of possession till the actual possession is delivered with proper habitable conditions.
  - II. Direct the respondent to refund the skyfull maintenance charges of Rs.28,956/-.
  - III. Direct the respondent not to charge skyfull maintenance charges for a period of 5 years.
  - IV. Direct the respondent to refund the charges which are not as per the buyer's agreement.



10. 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

- 11. The respondent has contested the complaint on the following grounds.
  - a) That the complainant vide an application form dated 24.12.2018 applied for allotment of the unit and was allotted a unit bearing no. 7-307, 3<sup>rd</sup> floor in tower 7 having carpet area of 596.126 sq. ft. and balcony area 79.653 sq. ft. vide allotment letter dated 06.02.2019.
  - b) That a buyer's agreement dated 15.02.2019 was executed between the parties and the agreement was registered on the same day. The agreement was voluntarily and consciously executed between the parties and the terms and conditions of the same are binding upon the parties.
  - c) That as per clause 5.1 of the agreement, the respondent endeavored to offer possession within a period of 4 years, from the approval of building plans or grant of environmental clearance, whichever is later. The possession clause of the agreement is at par with clause 1(iv) of the Affordable Housing Policy, 2013. The building plan was approved on 08.06.2017 and the environmental clearance of the project was received on 21.08.2017. Thus, the proposed due date of possession, as calculated from the date of environmental clearance, comes out to be 21.08.2021. The 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 21.02.2022.

- d) That the offer of possession was also subject to the incidence of force majeure circumstances under clause 19 of the agreement. The construction and development of the project was affected by the circumstances which are beyond the control of the respondent.
- e) That the respondent faced certain other force majeure events including but not limited to non-availability of raw material due to various orders of Hon'ble Punjab and Haryana High Court and National Green Tribunal thereby regulating the mining activities, brick kilns, regulation of the construction and development activities by judicial authorities in NCR on account of environmental conditions, usage of water, etc. The development and implementation of the said project have been hindered on account of several orders/directions passed by various authorities/forums/courts. which have been delineated as under:

| Sr.<br>No | Date of<br>Order | Directions  | Period Of<br>Restriction | Days<br>Affected | Comments   |
|-----------|------------------|---|--------------------------|------------------|--|
| 1.        | 07.11.2017       | Environment<br>Pollution<br>(Prevention and<br>Control Authority)<br>had directed the<br>closure of all brick<br>kilns, stones<br>crushers, hot mix<br>plants, etc. with<br>effect from<br>07.11.2017 till<br>further notice. | <b>ER</b><br>GRA         | 90 days          | The bar for the closure of<br>stone crushers simply put<br>an end to the<br>construction activity as in<br>the absence of crushed<br>stones and bricks<br>carrying on of<br>construction were simply<br>not feasible. The<br>respondent eventually<br>ended up locating<br>alternatives with the<br>intent of expeditiously<br>concluding construction<br>activities but the previous<br>period of 90 days was<br>consumed in doing so.<br>The said period ought to<br>be excluded while |

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|    |   |  |                                 |         | computing the alleged<br>delay attributed to the<br>Respondent by the<br>Complainant. It is<br>pertinent to mention that<br>the aforesaid bar stands<br>in force regarding brick<br>kilns till date is evident<br>from orders dated<br>21.12.2019 and<br>30.01.2020.  |
|----|---|--|---------------------------------|---------|---|
| 2. | Notification<br>HSPC<br>B/MS/2018<br>/2939-52<br>dated<br>29.10.2018        | Haryana State<br>Pollution Control<br>Board  | 01.11.2018<br>to<br>10.11.2018  | 11 days | All construction activities<br>involving excavation, civil<br>construction (excluding<br>internal finishing/work<br>where no construction<br>material is used) to<br>remain closed in Delhi<br>and other NCR Districts<br>from November<br>01.10.2018   |
| 3. | Notification<br>DPCC/PA to<br>MS/2018/7<br>919-7954<br>dated 24-<br>12-2018 | DELHI<br>POLLUTION<br>CONTROL<br>COMMITTEE   | 24-12-2018<br>to 26-12-<br>2018 | 3 days  | Construction activities in<br>Delhi, Faridabad,<br>Gurugram, Ghaziabad<br>and Noida to remain<br>closed till December 26<br>2018  |
| 4. | Direction<br>dated<br>01.11.2019<br>bearing no.<br>EPCAR/201<br>9/L—53      | Environment<br>Pollution<br>(Prevention and<br>Control) Authority<br>for National<br>Capital Region                    | ER                              | 6 days  | Construction activities in<br>Delhi, Faridabad,<br>Gurugram, Ghaziabad,<br>Noida and Greater Noida<br>to remain closed till<br>morning of November 5,<br>2019 (current ban on<br>construction was only 6<br>PM to 6 AM and this is<br>new extended to be<br>complete banned till<br>Monday, November 5,<br>2019, morning) |
| 5. | 01.11.2019  | Environmental<br>Pollution<br>(Prevention and<br>Control)<br>Authority, NCR<br>vide its<br>notification<br>bearing no. | 01.11.2019<br>to<br>05.11.2019  | 4 days  | This was in addition to<br>the partial ban on<br>construction by the EPCA<br>vide its notification<br>bearing no. EPCA-<br>R/2019/L-49 dated<br>25.10.2019 banned<br>construction activity in   |



|    |            | R/2019/L-53<br>dated 01.11.2019<br>converted the<br>partial ban of 12<br>hours to a<br>complete ban   |                                |         | NCR during night hours<br>(6 pm to 6 am) from<br>26.10.2019 to 30.10.2019<br>which was later on<br>converted to by  |
|----|------------|---|--------------------------------|---------|---|
| 6. | 04.11.2019 | partly modified<br>vide order dated<br>09.12.2019 and<br>was completely<br>lifted by the  | 04.11.2019 -<br>14.02.2020     | days    | These bans forced the<br>migrant labourers to<br>return to their native<br>towns/states/villages<br>creating an acute<br>shortage of labourers in<br>the NCR Region. Due to<br>the said shortage the<br>Construction activity<br>could not resume at full<br>throttle even after the<br>lifting of ban by the<br>Hon'ble Apex Court |
| 7. | 11.10.2019 | Commissioner of<br>Municipal<br>Corporation<br>Gurugram issued<br>direction to issue<br>Challan for<br>Construction<br>Activities and<br>lodging of FIR from<br>11 <sup>th</sup> October to 31 <sup>st</sup><br>December, 2019 as<br>per the direction<br>issued by the<br>chairman of EPCA-<br>R/2019/L-42 | 11.10.2019<br>to<br>31.12.2019 | 81 days |   |

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| dated October<br>2019. | 09, |            |             |  |
|------------------------|-----|------------|-------------|--|
|                        |     | Total days | 298<br>days |  |

- f) That the world was hit by covid-19 pandemic which resulted in serious challenges to the project with no available labourers, contractors, etc. for the construction of the project. 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. The Haryana Real Estate Regulatory Authority, Gurugram granted 6 months extension for all ongoing Projects vide order/direction dated 26.05.2020 on account of first 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.
- g) 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, it is needless to mention that 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. Section 7B(2)(i) of the Haryana Development and



Regulation of Urban Area Act 1975 of the act itself recognizes the relaxation for renewal of license in case the delay in execution of development work was the reason beyond control of the colonizer, here also colonizers were estopped because of force majeure.

- h) 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 delay. In complaint case no. 3890 of 2021 titled "Shuchi Sur and Anr. Vs M/s Venetian LDF Projects LLP" decided on 17.05.2022, the Hon'ble Authority was pleased to allow the grace period and hence the benefit of above affected 166 days needs to be rightly given to the respondent.
- 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.
- j) 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 Developer/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.
- k) That the respondent after receipt of occupancy certificate from the Town & Country Planning Department, Haryana has already issued offer of possession to the complainant and executed possession certificate on 27.06.2023 as well. Once the unit is complete and



complainant took over the possession of the unit, there remains no cause of action to file complaint under Section 18 of the Act.

 That by signing the possession certificate dated 27.06.2023, the complainant stood satisfied with respect to all the liabilities and obligations of the respondent. The relevant part of same is reiterated as under:

"......I/we have no claims whatsoever against the Company against the said allotted unit."

- m) That the complainant is liable to pay the maintenance charges as per the agreement executed between the parties. It is categorically submitted that the Affordable Group Housing Policy, 2013 was notified under Section 9A of the Haryana Development and Regulation of Urban Areas Act, 1975 (the "Act, 1975") thus, the meaning and scope of maintenance given under the Act, 1975 shall be applicable for the Policy.
- n) That as per office order dated 31.01.2024 bearing no. PF-27A/2024/3676, issued by the Directorate of Town and Country Planning, Haryana a detailed table of clarification of maintenance charges/utility charges chargeable from the allottees as per consumption levied on Affordable Group Housing projects, has been provided. The contents of the same are reiterated hereinbelow:

#### <u>Category- II</u>

# "Maintenance/ Use/utility charges which can be charged from the allottees as per consumptions:

- *i.* Electricity bill (as per consumption)
- *ii.* Water bill (proportionate to the net consumption)
- iii. Property tax (in case the colony is within MC limits)
- iv. Door to door waste collection charges, garbage collection and upkeep of each floor (other than common areas).
- v. Any repair inside the individual flat for which services i.e. repair/ replacement of tap, sanitary works, plumbing any damage of flooring, electrical installation etc. can either be got done through the builder or

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from any other person/ public agency chosen by allottees after taking possession of the flat.

- vi. Diesel cost for power back-up facilities.
- vii. Electricity bill of lifts (as part of common area facilities)
- viii. Running / fuel cost on DG sets/ generator sets for power back-up.
  ix. Any defect liability on part of allottee, but excluding any damage caused on account of lapse on part of developer.
- x. Any other State or Central taxes, any other utility charges. which can be governed through individual bills, telephone, internet etc."
- o) That the aforesaid office order further holds that "any charges decided through bilateral agreements i.e. facility for security services etc., may be charged as per bilateral agreements.". Therefore, the complainant is liable to pay the maintenance charges as agreed by him while executing clause 8 of the agreement.
- p) That without accepting the contents of the complaint in any manner whatsoever, and without prejudice to the rights of the respondent, delayed interest if any has to be calculated only on the amounts deposited by the allottee/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 allottees/complainant towards delayed payment charges (DPC) or any taxes/statutory payments, etc.
- 12. All other averments made in the complaint were denied in toto.
- 13. 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



14. 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

15. 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 purpose 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 complete territorial jurisdiction to deal with the present complaint.

### E.II Subject matter jurisdiction

16. 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."

17. 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.

The respondent-promoter raised a contention that the construction of the 18. project was delayed due to force majeure conditions such as various orders passed by the Haryana State Pollution Control Board from 01.11.2018 to 10.11.2018, lockdown due to outbreak of Covid-19 pandemic which further led to shortage of labour and orders passed by National Green Tribunal (hereinafter, referred as NGT). Further, the authority has gone through the possession clause of the agreement and observed that the respondent-developer proposes to handover the possession of the allotted unit within a period of four years from the date of approval of building plan or from the date of grant of environment clearance, whichever is later. In the present case, the date of approval of building plan is 08.06.2017 and environment clearance is 21.08.2017 as taken from the project details. The due date is calculated from the date of environment clearance being later, so, the due date of subject unit comes out to be 21.08.2021. Further as per HARERA notification no. 9/3-2020 dated 26.05.2020, an extension of 6 months is granted for the projects having completion/due 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 21.08.2021 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 outbreak of Covid-19. So, due date for handing over of possession comes out to 21.02.2022.



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

- G.I Direct the respondent to pay interest for every month of delay at the rate of 15% per annum as per BBA on the entire amount paid by the complainant with effect from committed date of possession till the actual possession is delivered with proper habitable conditions.
- 19. In the present complaint, the complainant intends to continue with the

project and is seeking delay possession charges at prescribed rate of

interest on amount already paid by her 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."

20. Clause 5.1 of the buyer's agreement (in short, the agreement) provides the time period for handing over possession and the same is reproduced below:

"5.1 Within 60 (sixty) days from the date of issuance of Occupation Certificate, the Developer shall offer the possession of the Said Flat to the Allottee(s). Subject to force majeure circumstances, receipt of Occupation Certificate and Allottee(s) having timely complied with all its obligations, formalities or documentation, as prescribed by the Developer in terms of the Agreement and not being in default under any part hereof including but not limited to the timely payment of instalments as per the Payment Plan, stamp duty and registration charges, the Developer shall offer possession of the Said Flat to the Allottee(s) within a period of 4 (four) years from the date of approval of building plans or grant of environment clearance, (hereinafter referred to as the "Commencement Date"), whichever is later."

21. **Due date of handing over possession:** As per clause 5.1 of buyer's agreement, the respondent promoter has proposed to handover the possession of the subject unit within a period of four years from the date of approval of building plan or from the date of grant of environment clearance, whichever is later. As detailed hereinabove, the Authority in

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view of notification no. 9/3-2020 dated 26.05.2020, on account of force majeure conditions due to outbreak of Covid-19 pandemic has allowed the grace period of 6 months to the promoter. Therefore, the due date of handing over possession comes out to be 21.02.2022.

22. Admissibility of delay possession charges at prescribed rate of interest: The complainant is seeking delay possession charges. However, proviso to section 18 provides that where an allottee(s) 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] 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.

- 23. The legislature in its wisdom in the subordinate legislation under the 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 the interest, it will ensure uniform practice in all cases.
- 24. Consequently, as per website of the State Bank of India i.e., <u>https://sbi.co.in</u>, the marginal cost of lending rate (in short, MCLR) as on date i.e., 28.05.2025 is 9.10%. Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., 11.10%.



25. The definition of term 'interest' as defined under Section 2(za) 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;"
- 26. Therefore, interest on the delay payments from the complainant shall be charged at the prescribed rate i.e., 11.10% by the respondents/ promoters which is the same as is being granted to them in case of delayed possession charges.
- 27. 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. By virtue of clause 1(iv) of the Affordable Housing Policy, 2013, the possession of the subject apartment was to be delivered by 21.08.2021. As far as grace period is concerned, the same is allowed for a period of 6 months in lieu of HARERA notification no. 9/3-2020 dated 26.05.2020. As such the due date for handing over of possession comes out to be 21.02.2022. Further, a relief of 6 months will be given to the allottee that



no interest shall be charged from the complainant-allottees for delay if any between 6 months Covid period from 01.03.2020 to 01.09.2020.

- 28. Section 19(10) of the Act obligates the allottee to take possession of the subject unit within 2 months from the date of receipt of occupation certificate. In the present complaint, the occupation certificate was granted by the competent authority on 25.01.2023. The respondent has offered the possession of the subject unit(s) to the respective complainant after obtaining occupation certificate from competent authority. Therefore, in the interest of natural justice, the complainant should be given 2 months' time from the date of offer of possession. This 2 month of reasonable time is being given to the complainant keeping in mind that even after intimation of possession practically he has to arrange a lot of logistics and requisite documents including but not limited to inspection of the completely finished unit, but this is subject to that the unit being handed over at the time of taking possession is in habitable condition. It is further clarified that the delay possession charges shall be payable from the due date of possession i.e., 21.02.2022 till the date offer of possession plus two months or actual handing over of possession, whichever is earlier.
- 29. Accordingly, the non-compliance of the mandate contained in Section 11(4)(a) read with Proviso to Section 18(1) of the Act on the part of the respondent is established. As such, the allottees shall be paid, by the promoter, interest for every month of delay from due date of possession i.e., 21.02.2022 the date offer of possession plus two months or actual handing over of possession, whichever is earlier, at the prescribed rate i.e., 11.10 % p.a. as per proviso to Section 18(1) of the Act read with Rule 15 of the Rules, ibid.



30. The following table concludes the time period for which the complainant is entitled to delayed possession charges at the prescribed rate i.e., 10.85
% p.a. as per Proviso to Section 18(1) of the Act read with Rule 15 of the Rules, ibid:

| Sr.<br>No. | Complaint no. | Due date<br>of<br>possession | Offer of<br>possession | Date of<br>actual<br>handover<br>of<br>possession | Period for<br>which the<br>complainant<br>is entitled to<br>DPC |
|------------|---------------|------------------------------|------------------------|---|---|
| 1.         | CR/414/2024   | 21.02.2022                   | 28.03.2023             | 09.08.2023  | W.e.f.<br>21.02.2022<br>till<br>28.05.2023                      |
| 2.         | CR/593/2024   | 21.02.2022                   | 17.02.2023             | 13.05.2023  | W.e.f.<br>21.02.2022<br>till<br>17.04.2023                      |
| 3.         | CR/602/2024   | 21.02.2022                   | 28.03.2023             | 22.10.2023  | W.e.f.<br>21.02.2022<br>till<br>28.05.2023                      |

G.II Direct the respondent to refund the skyfull maintenance charges of Rs.28,956/-.

G.III Direct the respondent not to charge skyfull maintenance charges for a period of 5 years.

- 31. Both the above-mentioned reliefs sought by the complainant are being taken together as the findings in one relief will definitely affect the result of other relief and the same being interconnected.
- 32. The respondent in the present matter has demanded skyful maintenance charges from the complainant at the time of offer of possession. The authority observes that clause 4(v) of the policy, 2013 talks about maintenance of colony after completion of project: A commercial component of 4% is being allowed in the project to enable the coloniser to maintain the colony free-of-cost for a period of five years from the date of grant of occupation certificate, after which the colony shall stand transferred Page 26 of 29



to the "association of apartment owners" constituted under the Haryana Apartment Ownership Act 1983, for maintenance. The coloniser shall not be allowed to retain the maintenance of the colony either directly or indirectly (through any of its agencies) after the end of the said five years period. Engaging any agency for such maintenance works shall be at the sole discretion and terms and conditions finalised by the "association of apartment owners" constituted under the Apartment Ownership Act 1983.

33. As per the order issued by DTCP, Haryana vide clarification no. PF-27A/2024/3676 dated 31.01.2024, it has been very clearly mentioned that the utility charges (which includes electricity bill, water bill, property tax waste collection charges or any repair inside the individual flat etc.) can be charged from the allottees as per consumptions. Accordingly, the respondent is directed to charge the maintenance/use/utility charges from the complainant-allottee as per clarification by the Directorate of Town and Country Planning, Haryana vide clarification dated 31.01.2024.

# G.IV Direct the respondent to refund the charges which are not as per the buyer's agreement.

- 34. The complainant has failed to specifically mention as to what charges have not been charged by the respondent which do not form part of the buyer's agreement.
- 35. The authority vide order dated 09.12.2022, passed in case bearing no. 4147 of 2021 titled as Vineet Choubey V/s Pareena Infrastructure Private Limited and also in the complaint bearing no. 4031 of 2019 titled as Varun Gupta V/s Emaar MGF Land Limited, has already decided that the promoter cannot charge anything which is not part of the buyer's agreement subject to the condition that the same are in accordance with the prevailing law. The respondent shall not charge anything from the

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complainant which is not the part of the buyer's agreement and the provisions of Affordable Group Housing Policy of 2013 and is directed to charge the demands relying on the above said orders.

### H. Directions of the authority

- 36. 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 respondent is directed to pay delayed possession charges at the prescribed rate of interest i.e., 11.10% p.a. for every month of delay on the amount paid by the complainant to the respondent from the due date of possession 21.02.2022 till offer of possession plus two months or actual handover of possession, whichever is earlier, as per Proviso to Section 18(1) of the Act read with Rule 15 of the Rules, ibid. The due date of possession and the date of entitlement are detailed in table given in para 30 of this order. The respondent is directed to pay arrears of interest accrued so far within 90 days from the date of order of this order as per Rule 16(2) of the Rules, ibid.
  - II. The complainant is directed to pay outstanding dues, if any, after adjustment of interest for the delayed period.
  - 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. The benefit of grace period on Page 28 of 29



account of Covid-19, shall be applicable to all the parties in the manner detailed herein above.

- IV. The respondent shall not charge anything from the complainant which is not the part of the buyer's agreement and the provisions of Affordable Group Housing Policy of 2013.
- V. The respondent is directed to charge the maintenance/use/utility charges from the complainantsallottees as per consumptions basis as has been clarified by the Directorate of Town and Country Planning, Haryana vide clarification dated 31.01.2024.
- 37. This decision shall mutatis mutandis apply to cases mentioned in para 3 of this order.
- 38. The complaints stand disposed of. True certified copy of this order shall be placed in the case file of each matter.

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39. Files be consigned to registry.

Dated: 28.05.2025

Ashok Sangwan Member Haryana Real Estate Regulatory Authority, Gurugram