

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

Date of order: **10.09.2025**

NAME OF THE PROMOTER		M/s Ramprastha Developers Private Limited, M/s Ramprastha Promoters and Developers Private Limited and M/s Ramprastha Estates Private Limited	
PROJECT NAME		"Ramprastha City"	
S. No.	Case No.	Case title	APPEARANCE
1.	CR/2791/2024	Ankur Manchanda V/s M/s Ramprastha Developers Private Limited, M/s Ramprastha Promoters and Developers Private Limited and M/s Ramprastha Estates Private Limited	Ashok K Manchanda (AR) and Kush Kakra for R-1 Navneet Kumar Advocate for R-2 None for R-3
2.	CR/2832/2024	Geetika Sachdeva and Chand Sachdeva V/s M/s Ramprastha Developers Private Limited, M/s Ramprastha Promoters and Developers Private Limited and M/s Ramprastha Estates Private Limited	Ashok K Manchanda (AR) and Kush Kakra for R-1 Navneet Kumar Advocate for R-2 None for R-3

**CORAM:**

Ashok Sangwan

**Member**

**ORDER**

- This order shall dispose of both the complaints titled as above filed before the 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 allottee as per the agreement for sale executed inter se between parties.

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, "Ramprastha City" (Residential Plotted Colony) being developed by the same respondents. The terms and conditions of the buyer's agreement against the allotment of units in the project of the respondents/promoter and fulcrum of the issues involved in both the cases pertains to failure on the part of the promoter to deliver timely possession of the units in question, seeking award of handover the physical possession of the unit along with delayed possession charges and others.
3. The details of the complaints, reply to 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:

<b>Project Name and Location</b>	<b>"Ramprastha City", 37D, Gurugram.</b>
<b>Project area</b>	<b>105.402 acres</b>
<b>DTCP License No.</b>	<b>128 of 2012 dated 28.12.2012 valid upto</b>
<b>Name of Licensee</b>	<b>27.12.2025</b>
	<b>B.S.Y Developers and 35 others</b>
<b>RERA Registration</b>	<b>Not Registered</b>
<b>Occupation Certificate: - Not yet received</b>	





Sr. No	Complaint No., Case Title, and Date of filing of complaint	Reply status	Unit No. and area	Date of execution of apartment buyer's agreement	Due date of possession	Total Consideration / Total Amount paid by the complainant	Relief Sought
1.	CR/2791/2024  Ankur Manchanda V/s M/s Ramprastha Developers Private Limited & Ors.  Date of Filing of complaint- 14.06.2024	Reply received on (R-2)  23.04.2025	Not allotted  Area- 500 sq. yds. (as per page 43 of complaint)	Not executed  Date of booking/ payment: 06.01.2011 (page 41 of complaint)	06.01.2014 [Calculated as per <i>Fortune Infrastructure and Ors. vs. Trevor D'Lima and Ors. (12.03.2018 - SC); MANU/SC/0253/2018</i> ]	TSC: - Rs.50,00,000/- (excluding applicable govt. taxes and charges) (page 41 and 43 of complaint)  AP: - Rs.50,00,000/- (as per page 41 of complaint)	Allotment, Execution of BBA, Possession along with delay possession charges.
2.	CR/2832/2024  Geetika Sachdeva and Chand Sachdeva V/S M/s Ramprastha Developers Private Limited & Ors.  Date of Filing of complaint- 14.06.2024	Reply received on (R-2)  23.04.2025	Not allotted  Area- 500 sq. yds. (as per page 43 of complaint)	Not executed  Date of booking/ payment: 11.02.2011 (page 43 of complaint)	11.02.2014 [Calculated as per <i>Fortune Infrastructure and Ors. vs. Trevor D'Lima and Ors. (12.03.2018 - SC); MANU/SC/0253/2018</i> ]	TSC: - Rs.50,00,000/- (excluding applicable govt. taxes and charges) (page 41 and 43 of complaint)  AP: - Rs.50,00,000/-	Allotment, Execution of BBA, Possession along with delay possession charges.



					C/0253/ 2018]	(as per page 41 of complain t)	
<p><b>Note: In the table referred above certain abbreviations have been used. They are elaborated as follows:</b>  <b>Abbreviation Full form</b>  TSC- Total Sale consideration  AP- Amount paid by the allottee(s)</p>							

4. The aforesaid complaints were filed against the promoter on account of violation of the agreement to sell against allotment of units in the upcoming project of the respondents/promoter and for not handing over the possession by the due date, seeking award of possession along with delayed possession charges and other.
5. It has been decided to treat the said complaints as an application for non-compliance of statutory obligations on the part of the promoter/respondents in terms of Section 34(f) of the Act which mandates the 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 the complaints filed by the complainant(s)/allottee(s) are also similar. Out of the above-mentioned case, the particulars of lead case **CR/2791/2024 titled as Ankur Manchanda V/s M/s Ramprastha Developers Private Limited & Ors.** are being taken into consideration for determining the rights of the allottee(s) qua delayed possession charges along with interest and others.
  - A. **Unit and project related details**
7. The particulars of unit details, sale consideration, the amount paid by the complainants, date of proposed handing over the possession, delay period, if any, have been detailed in the following tabular form:



S. N.	Particulars	Details
1.	Name of the project	"Ramprastha City", Sectors 37D, Gurugram, Haryana
2.	Project area	105.402 acres
3.	Nature of the project	Residential plotted colony
4.	DTCP license no. and validity status	128 of 2012 dated 28.12.2012 valid upto 27.12.2025
5.	Name of licensee	B.S.Y Developers and 35 others
6.	RERA Registered/ not registered	Not Registered
8.	Plot no.	Not allotted
9.	Unit area admeasuring	500 sq. yds. (as per page 43 of complaint)
10.	Date of booking/payment	06.01.2011 (page 41 of complaint)
11.	Date of preliminary allotment	16.04.2012 (page 44 of complaint)
12.	Date of execution of plot buyer's agreement	Not executed
13.	Due date of possession	06.01.2014 <b>[Calculated as per Fortune Infrastructure and Ors. vs. Trevor D'Lima and Ors. (12.03.2018 - SC); MANU/SC/0253/2018]</b>
14.	Total sale consideration	Rs.50,00,000/- (excluding applicable govt. taxes and charges) (page 41 and 43 of complaint)
15.	Amount paid by the complainant	Rs.50,00,000/- (as per page 41 of complaint)
16.	Completion certificate	Not received
17.	Offer of possession	Not offered

### B. Facts of the complaint

8. The complainant vide complaint as well as written submissions dated 21.08.2025 has made the following submissions: -
  1. That in February, 2011, the complainant on being approached and convinced on behalf of the respondent had invested their life savings



in booking a plot of 500 sq. yards in its proposed project of Ramprastha City in Sector 37D of Gurugram. The complainants were asked to deposit the all-inclusive full consideration of Rs.50 lakhs for a plot of 500 sq. yards in its proposed ongoing project of Ramprastha City in Sector 37D of Gurgaon, with the promise that they would get priority in allotment and possession of a preferential plot over others, if they deposited the entire consideration in advance and in one go. To deposit the full consideration in one go to the respondent, the complainants had to make a desperate sale of their only residential apartment No. 133 in Sector -12, Abhiyan Apartment, DWARKA, New Delhi, where they had been living for multiple years.

- II. That the complainants later came to know that many other allottees had been charged much less prices in the range of Rs.5,000 per sq. yard to Rs.7,500 per sq. yard. The complainants were further assured that they would be able to select a plot of their choice without paying any extra amount by way of preferential location and any other charges. It was further learnt that even at the time of booking, the respondents knew well that there were certain serious problems and issues which were not going to be resolved easily and early, yet the respondents concealed the same from the complainants.
- III. That it was after the complainants had been approached and lured on behalf of the respondent no. 2 with the afore-mentioned claims and believing its representations as true, the complainants 06.01.2011 deposited by cheque Rs.50 lakhs as full consideration (except the statutory and govt. charges) for buying a plot of 500 sq. yards for personal residential purposes.
- IV. That there was no communication from the side of the respondent





no.2 for about 6 months. On being contacted by the complainants, Shri Ashok Jain, CA of the company, and Shri Balwant Singh Yadav, the Managing Director of the respondent company, informed the complainants that due to certain issues with DTCP, things were getting delayed a bit. They however assured the complainants that very soon a firm allotment would be made to them on priority basis, as promised earlier, immediately after the pending issues are resolved with the DTCP. It was after some more personal and telephonic reminders; the respondent no.2 issued the preliminary allotment letter dated 16.04.2012 to the complainants.

- V. That the preliminary allotment letter dated 16.04.2012 clearly stated that the booking was made in the preferred/priority category of the project of Ramprastha City in Sector 37-D, Gurugram.
- VI. That the complainants wish to emphatically place on record that except the EDC, IDC, stamp duty and registration charges, they deny their liability to any other charges, particularly the ones which are not payable to the statutory authorities or otherwise.
- VII. That the respondents vide its letter dated 29.04.2014 confirmed having demanded additional amounts of Rs.5500/- psy as EDC/IDC Charges, Rs.3000/- psy as development charges, and a minimum PLC charges @Rs.6500/- psy per PLC. Thus, against the agreed price of Rs.10000/- psy, it demanded further additional amount of Rs.15,000/- psy, for a single PLC plot. It was also claimed on behalf of the respondents that there was no plot without a PLC. It amounted to cheating and fleecing the complainants by framing new fraudulent rules after several years of the booking. The complainants strongly protested against these new charges/demands after 3 years (when the period for handing over had already become over-due) on account

of excessive EDC/IDC, development charges and a minimum PLC charges as the total price/consideration of Rs.50 lakhs had already been fully paid 3-4 years back in Feb., 2011 and which was almost all-inclusive. On strong protests being raised by the complainants, the respondents offered to reduce it to a reasonable percentage of the agreed over-all basic price of Rs.10,000/- psy. Without prejudice to their basic contentions and rights that the old bookings like theirs could not be subjected to such illegal charges, the complainants however indicated, under protest and without prejudice, that they could consider paying up to 2 PLCs, if it did not exceed 10% of the over- all agreed basic price of Rs.10,000/- psy, if it facilitated an early allotment in their favour.

- VIII. That no specific allotment no., allotment letter and agreement etc. were forthcoming despite the repeated assurances from the side of the respondent, the complainants kept on pursuing the matter with the respondent and its concerned executives and persons. Ultimately, the respondent issued letter dated 14.09.2012 vide which it has intimated that the allotment process for the residential plots located in "Ramprastha City," Sector 92, 93 and 95, Gurgaon, Haryana has been initiated.
- IX. That on receipt of the said communication, the complainants wrote back that their bookings had been made for a plot in Sector 37D, and not in Sector 92, 93 and 95 of Gurgaon.
- X. That when no firm allotment or any other documentation was received for about 6 months after the preliminary allotment letter dated 16.04.2012, the complainants contacted Shri Balwant Singh Yadav, MD and Shri Ashok Jain, CA, who assured the complainants that they would be in the preferred category and that the process for



approval etc. of the license & zoning plans was going on and the complainants would soon be informed about the specific allotments of plots in the preferred category, immediately after the license & zoning plans were approved. The respondent further claimed that it would soon issue firm allotment letter & agreement also to the complainant.

- XI. That as no suitable plots of 500 sq. yards were offered to the complainants, they volunteered to accept 2 adjoining plots of 250 sq. yards which could be joined together. As no proposals were forthcoming from the respondents' side, the complainants offered to consider acceptance of plots available even in the NPNL category.
- XII. That there was no reply from the respondent as to the inordinate delays in allotment and the levying of various charges raised vide letters dated 30.12.2015, 14.08.2016, and that too at very high rates, was not at all satisfactory and the complainants, therefore, vide their further letters dated 25.11.2017 & 13.12.2017 about a dozen reminders during the year 2017 and 2018 and letter dated 03.06.2019 sought justification from the respondent company on most of the issues, but the respondent were determined not to respond to anyone.
- XIII. That on further inquiries and investigations made by the complainants, it was learnt that the respondents had always been acting illegally and cheating them by making false representations and promises which they never intended to fulfil and it was totally unlawful and fraudulent on the part of the respondents to have collected Rs.50 lakhs as early as on 06.01.2011 as full consideration for a plot in a proposed project for which no license had been obtained by it. The complainants later came to know that license no. 128 for the

development of 105.402 acres of the land of Ramprastha City project of Sector 37D, Gurugram was issued to the respondent company about 22 months later on 28.12.2012.

- XIV. That for the last over 3 years, the complainants, on inquiry, are being regularly informed on their visits to the office of the Respondent that it has already applied for RERA registration and the respondent hoped to get the registration no. within 2-3 months period. But this period of 2-3 months has not ended even after 4 years and there is no visible progress or development anywhere on ground.
- XV. That meanwhile it has further been reliably learnt, and it is supported by the financial statements also of the respondent company, that the respondent has regularly been disposing of or selling good parts of its land bank to various other developers and parties at an apparent price which is one third of the prevalent market price and the remaining 2/3<sup>rd</sup> of the consideration is being pocketed/siphoned away after receiving the same underhand in cash, which is being kept outside the books. The actual net worth of the respondent company is still much more than its obligations and its liabilities. The financial constraints as claimed by the respondent are more the result of under-valuation of its realestate assets and the unsold inventory, and also for reasons of under-invoicing of its revenue receipts.
- XVI. That the respondent has no intent of making a fair and firm allotment, handover possession and pay interest and compensation for the huge delays of over 10 years. The complainants are left with no alternative but to file a complaint against it before the RERA Authority.
- XVII. That the complainants reserve the right to approach the Adjudicating Officer, HRERA, Gurugram for seeking the relief of compensation and interest arising out of the cause of action in present matter.





XVIII. That all the three respondents share a common office address, common telephone number and email ids and have common directors and management and staff. Therefore, the request for deletion of respondent from memo of parties is wholly unjustified and devoid of merit.

**C. Relief sought by the complainants:**

9. The complainant has sought following relief(s):

- I. Direct the respondent to allot a plot, execute buyer's agreement, handover possession and to pay delay possession charges.
  - II. Direct the respondent to pay compensation and litigation cost.
10. On the date of hearing, the Authority explained to the respondents/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 no.2 has contested the complaint on the following grounds:

- i. That at the very outset, it is submitted that the receipt based on which the present complaint has been filed has not been issued by the answering respondents. Hence, the present complaint is not maintainable at all against the answering respondents and hence, respondents no. 2 and 3 deserve to be deleted from the array of parties under the principles of order 1 Rule 10 of the Code of Civil Procedure, 1908.
- ii. That the complainant is neither an allottee qua the answering respondents nor there is any agreement with answering respondents that can sought to be enforced by the complainant by invoking the provisions of the Act, 2016. Further, there is no averment of any cause of action against the answering respondents in the complaint and the

complaint is time barred. Thus, the present complaint is not maintainable and is liable to be dismissed.

iii. That the said receipts clearly state that the receipt was issued by respondent no.1. Hence by any stretch of the imagination such a receipt is not legally enforceable against the answering respondents.

12. The Authority observes that the respondent no.1 put in appearance in both the complaints through Advocate and marked attendance on 16.10.2024, 12.03.2025 and 16.07.2025. Despite specific directions for filing of reply, the respondent no.1 has failed to comply with the orders of the Authority. It shows that the respondent no.1 was intentionally delaying the procedure of the court by avoiding filing of written reply. Therefore, in view of above, the defence of the respondent no.1 was struck off vide proceedings dated 16.07.2025. However, in the interest of justice, vide proceedings dated 20.08.2025, an opportunity was granted to respondents to file written submissions in the matter within a period of two weeks, but the same has not been filed by it till date. Further, despite due service of notice, neither anyone has appeared on behalf of respondent no.3, nor reply on its behalf has been received in both the complaints. In view of the above, vide proceedings dated 20.08.2025, the respondent no.3 was proceeded ex-parte.

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 respondent has raised a preliminary submission/objection that the Authority has no jurisdiction to entertain the present complaint. The objection of the respondent regarding rejection of complaint on ground



of jurisdiction stands rejected. 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 allottees 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.

**F. Objections raised by the respondents.**

**F.II Objection regarding maintainability of the complaint against respondent no.2.**

18. The counsels for the respondent no.2 i.e. M/s Ramprastha Promoters & Developers Pvt. Ltd. has averred that the present complaint is not maintainable qua the respondent no.2 as there is no relationship between the complainant and the respondent as the receipt was issued by respondent no.1 i.e. M/s Ramprastha Developers Pvt. Ltd. and the respondent no.2 is a separate entity. The complainant has submitted that all the three respondents share a common office address, common telephone number and email Ids and have common directors and management and staff. Therefore, the request for deletion of respondent from memo of parties is wholly unjustified and devoid of merit.
19. In this regard, it is observed by the Authority that the respondent-promoters -Ramprastha Promoter Private Limited, Ramprastha Developer Private Limited, Ramprastha Promoter and Developer Private Limited, and Ramprastha Estates Private Limited- though incorporated as separate legal entities, are in effect functioning in collusion with each other as a single composite unit. A cursory review of the MCA master data clearly reveals that all these entities share the same registered address and use the same official email ID, i.e., [compliances@ramprastha.com](mailto:compliances@ramprastha.com). These companies also share common persons functioning in different capacities as managing directors, and authorised representatives, and they operate under a common branding and group identity. Such deliberate structuring appears to be a calculated attempt to mislead allottees by issuing allotment letters and executing agreements for sale under different company names, thereby evading legal responsibilities. This pattern of conduct amounts to an unfair trade practice and violates the principles of transparency, accountability, and good faith enshrined under the



applicable legal framework. In view of the above facts and in line with the settled principle that no person can take advantage of their own wrong, it is evident that the respondents have used a façade of corporate separateness to shield themselves from liability. Therefore, all the respondent-promoters ought to be treated as a single entity, and their liability must be construed as joint and several for all consequences arising from the present complaint.

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

**G.I Direct the respondent to allot a plot, execute buyer's agreement, handover possession and to pay delay possession charges.**

20. In the present complaint, the complainant intends to continue with the allotment and is seeking delay possession charges as provided under the proviso to section 18(1) of the Act. Sec. 18(1) proviso 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 delay, till the handing over of the possession, at such rate as 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 may be prescribed."*

*(Emphasis supplied)*

21. The complainant had booked a plot admeasuring 500 sq. yards. in one of the futuristic projects of respondents by paying an amount of Rs.50,00,000/- on 06.01.2011. Thereafter, the complainants vide preliminary allotment letter dated 16.04.2012, were allotted a plot admeasuring 500 sq. yards in project of the respondents named "Ramprastha City" located at Sector 37D, Gurugram after receiving consideration amount against the said plot except registration, development charges, service tax or any other charges payable to government. However, despite receipt of full consideration amount from the complainants back in 2011 against the booked plot except registration, development charges, service tax or any other charges

payable to government, the respondents-promoter have not even allotted a specific plot to the complainant and also failed to enter into a written agreement for sale with respect to the same.

22. The respondent no.1 vide proceedings dated 20.08.2025 has submitted that there was no allotment and no agreement for a specific plot. The respondent had not received the registration and approvals for the project in Sector-37D.

23. The Authority observes that the *Hon'ble High Court of Punjab & Haryana, in CWP-24591-2024, M/s Ramprastha Developers Pvt. Ltd. v. State of Haryana & Ors., decided on 30.01.2025*, observed that a buyer who has made payments towards a future project qualifies as an "allottee" under the statutory definition. The relevant portion of the order is reiterated below:

27. Though the learned counsel for the petitioners has vehemently argued before this Court, that the present respondent is not an allottee, since it becomes displayed by Annexure P-3, contents whereof also become extracted hereinabove, that he has only tendered money in respect of prospective projects, and when evidently no prospective project have ever been floated at the instance of the present petitioners, thereby at this stage, there was no activated cause of action vesting in the present petitioners. However, the said argument is also rudderless nor has any telling effect vis-a-vis the locus standi of the present respondent to institute the subject complaints. The reason being that, when within the ambit of the statutory meaning assigned to an 'allottee, whereby becomes covered also potential as well as prospective allottees, vis-a-vis the prospective projects, thereby not only in respect of ongoing projects, but also in respect of projects to be launched in future, rather, at the instance of the present petitioners, that thereby the present respondent but became an allottee. Conspicuously, also when in terms of Annexure P-3, he became promised to be made, the allotments vis-a-vis projects to be undertaken in future, whereby also the present respondent was a person/allottee who would subsequently acquire the subject project through sale or transfer thereof being made in his favour.

(Emphasis Supplied)

24. The Hon'ble High Court of Punjab & Haryana also emphasized that in cases where the respondent/buyer had been promised allotment in a future project. As a result, the respondent/buyer is to be considered an



"allottee" who would subsequently acquire the subject unit through sale or transfer thereof being made in his favour.

25. The Authority further observes that the project named "Ramprastha City" at Sector 37D, Gurugram is not yet registered with the Authority and no plots/units can be sold or allotted to any person in the said project before prior registration of the project with the Authority in terms of Section 3 of the Act, 2016. Thus, in view of the agreed terms of the letter dated 16.04.2012 read with Section 11(4)(a), Section 13 and Section 3 of the Act of 2016, the respondents-promoter is directed allot a specific plot number measuring 500 sq. yards to the complainant in any of its existing projects registered with the Authority and to enter into a registered buyer's agreement with the complainants as per the 'agreement for sale' annexed with the Haryana Real Estate (Regulation and Development) Rules, 2017 within a period of 90 days from the date of this order.
26. **Due date of possession:** The Authority observes that even after lapse of more than 14 years from the date of payment till the filing of complaint, the respondents-promoter have neither allotted a specific plot number nor specified the timelines of the delivery of possession to the complainant. The Authority is of the considered view that the Act, 2016 ensures the allottee's right to information about the project, unit and knowledge about the timelines of the delivery of possession. However, the respondents are not communicating the same to the complainant. Hence, it is violation of the provisions of the Act, and shows its unlawful conduct. The Hon'ble Supreme Court in the case of *Fortune Infrastructure and Ors. vs. Trevor D'Lima and Ors.* (12.03.2018 - SC); MANU /SC /0253 /2018 observed that:

*"a person cannot be made to wait indefinitely for the possession of the flats allotted to them and they are entitled to seek the refund of the amount paid by them, along with*

*compensation. Although we are aware of the fact that when there was no delivery period stipulated in the agreement, a reasonable time has to be taken into consideration. In the facts and circumstances of this case, a time period of 3 years would have been reasonable for completion of the contract.*

27. In view of the above-mentioned reasoning, the date of payment made vide receipt dated 06.01.2011, ought to be taken as the date for calculating due date of possession. Therefore, the due date of handing over of the possession of the plot comes out to be 06.01.2014, manifesting that there has been a delay of more than 11 years in handing over possession, making the respondents liable to pay delay possession charges as per Section 18 of the Act, 2016 along with possession.

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

29. The legislature in its wisdom in the subordinate legislation under the provision of Rule 15 of the rules, has determined the prescribed rate of interest. The rate of interest so determined by the legislature, is reasonable and if the said rule is followed to award the interest, it will ensure uniform practice in all the cases.



30. 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., 10.09.2025 is **8.85%**. Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., **10.85%**.

31. The definition of term 'interest' as defined under section 2(za) of the Act provides that the rate of interest chargeable from the allottees by the promoter, in case of default, shall be equal to the rate of interest which the promoter shall be liable to pay the allottees, 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;"*

32. Therefore, interest on the delay payments from the complainant shall be charged at the prescribed rate i.e., 10.85% by the respondents /promoter which is the same as is being granted to the complainant in case of delay possession charges.

33. On consideration of the documents available on record and submissions made by both the parties regarding contravention of provisions of the Act, the Authority is satisfied that the respondents are in contravention of the Section 11(4)(a) of the Act by not handing over possession by the due date. The Authority has observed that the due date of possession was 06.01.2014. However, the respondents/promoter have not allotted a specific plot number to the complainant and also has failed to handover possession of the plot to the complainant till date of this

order. Accordingly, it is the failure of the respondents/promoter to fulfil its obligations and responsibilities to allot a specific plot number and hand over the physical possession. The Authority is of the considered view that there is delay on the part of the respondents to offer of possession of the booked plot to the complainant. Further no CC/part CC has been granted to the project. Hence, this project is to be treated as on-going project and the provisions of the Act shall be applicable equally to the promoter as well as allottees.

34. 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 respondents is established. As such the complainant is entitled to delay possession charges at the prescribed rate i.e., @10.85% p.a. w.e.f. 06.01.2014 till offer of possession plus 2 months after obtaining completion certificate from the competent authority or actual handing over of possession, whichever is earlier, as per Section 18(1) of the Act of 2016 read with Rule 15 of the Rules.

35. Further, Section 17(1) of the Act obligates the promoter to handover the physical possession of the plot and to get the conveyance deed executed in favour of the allottee and the same is reproduced below:

**"17. Transfer of title. -**

*(1). The promoter shall execute a registered conveyance deed in favour of the allottee along with the undivided proportionate title in the common areas to the association of the allottees or the competent authority, as the case may be, and hand over the physical possession of the plot, apartment of building, as the case may be, to the allottees and the common areas to the association of the allottees or the competent authority, as the case may be, in a real estate project, and the other title documents pertaining thereto within specified period as per sanctioned plans as provided under the local laws: Provided that, in the absence of any local law, conveyance deed in favour of the allottee or the association of the allottees or the competent authority, as the case may be, under this section shall be carried out by the promoter within three months from date of issue of occupancy certificate."*

36. However, in the instant case, no CC/part CC has been granted to the project. Hence, this project is to be treated as on-going project and the provisions of the Act shall be applicable equally to the builder as well as



allottees. The respondents are under an obligation as per Section 17 of Act to handover possession of the plot and to get the conveyance deed executed in favour of the complainant. Thus, in view of the above, the respondents are directed to handover possession of the allotted plot admeasuring 500 sq. yards to the complainant after obtaining CC/part CC from the competent authority and to execute the conveyance deed in favour of complainant within a period of three months from the date of issuance of completion certificate/part completion certificate, upon payment of the outstanding dues and requisite stamp duty by the complainant as per norms of the state government as per Section 17 of the Act.

**H. Directions of the authority**

37. 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 respondents are directed to allot a specific plot number measuring 500 sq. yards to the complainant and to enter into a registered buyer's agreement with the complainant as per the 'agreement for sale' annexed with the Haryana Real Estate (Regulation and Development) Rules, 2017 within a period of 90 days from the date of this order.
- ii. The respondents are directed to pay interest to the complainant against the paid-up amount at the prescribed rate of 10.85% p.a. for every month of delay from the due date of possession i.e., 06.01.2014 till actual handing over of possession or offer of possession plus two months after obtaining completion certificate/part completion certificate from the competent

authority, whichever is earlier, as per Section 18(1) of the Act of 2016 read with Rule 15 of the Rules.

- iii. The arrears of such interest accrued from 06.01.2014 till the date of order by the authority shall be paid by the respondents/promoter to the complainant within a period of 90 days from date of this order and interest for every month of delay shall be paid by the promoter to the allottee before 10th of the subsequent month as per Rule 16(2) of the Rules.
- iv. The respondents are further directed to handover possession of the allotted plot and to execute conveyance deed in favour of the complainant on payment of stamp duty and registration charges within three months after obtaining completion/part completion certificate from the competent authority.
- v. The rate of interest chargeable from the allottee by the promoter, in case of default shall be charged at the prescribed rate i.e., 10.85% by the respondents/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 delay possession charges as per section 2(za) of the Act.

38. This decision shall mutatis mutandis apply to cases mentioned in para 3 of this order.

39. Complaint stands disposed of.

40. File be consigned to registry.

  
(Ashok Sangwan)  
Member

Haryana Real Estate Regulatory Authority, Gurugram

Dated: 10.09.2025