



HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

Complaint no.:	1554 of 2023
Date of filing:	17.07.2023
Date of first hearing:	23.08.2023
Date of decision:	14.10.2025

Sham Sunder S/o Sh. Mohan Lal
Address: 495-B, Near Tulsi Tailor,
Sadar Bazar, Karnal-132001,

....COMPLAINANT(S)

VERSUS

M/s Alpha Corp. Development Pvt. Ltd.,
Address: Golf view corporate towers
Tower A, Sector-42, Gold course road,
Gurugram 122002

....RESPONDENT(S)

CORAM:

Dr. Geeta Rathee Singh

Member

Present:

Adv. Anoop Verma, Counsel for complainant through VC.

Adv. Vikas Verma, Counsel for respondent through VC.

ORDER:(Dr. GEETA RATHEE SINGH-MEMBER)

1. Present complaint has been filed on 17.07.2023 by the complainants under Section 31 of the Real Estate (Regulation & Development) Act, 2016 (for short Act of 2016) read with Rule 28 of the Haryana Real Estate (Regulation & Development) Rules, 2017 for violation or contravention of the provisions of the Act of 2016 or the Rules and Regulations made thereunder, wherein it is inter-alia prescribed that the promoter shall be responsible to fulfil all the obligations, responsibilities and functions towards the allottee as per the terms agreed between them.

A. UNIT AND PROJECT RELATED DETAILS

2. The particulars of the plot booked by complainants, details of sale consideration, amount paid by the complainants and details of project are detailed in following table:

S.No.	Particulars	Details
1.	Name of the project	Alpha International City, Karnal
2.	Plot no.	528
3.	Area	249.96 sq. yds.
4.	RIERA registered/ not registered	Un-registered
5.	Date of Allotment	31.03.2017
6.	Date of Plot Buyer Agreement	31.03.2017



7.	Deemed date of possession	Clause 10 of PBA(Within 28 months from the date of agreement)
8.	Basic sales price	41,06,592.84/-(Clause 1.3 of PBA)
9.	Amount paid by complainants	40,76,639/-
10.	Offer of possession	Not offered till date.
11.	Part Completion Certificate	No information.
12.	Date of cancellation	08.06.2023

B. FACTS OF THE CASE AS STATED IN THE COMPLAINT FILED BY COMPLAINANTS:

3. That complainant applied for booking and allotment of residential plot in Alpha International City, Phase II, Sector 28A-29 Karnal and was allotted plot no. 528 admeasuring 249.96 sq. yards located in Sector 28A on 31.03.2017.
4. That Plot buyer agreement was executed between the parties on 31.03.2017. The basic sales price of the said plot was Rs. 16429/- per sq. yd. out of which complainant has paid an amount of Rs. 35,32,188/- till 26.11.2019.
5. That due to multiple waves of Covid-19 and due to some other unavoidable circumstances complainant could not deposit the remaining amount of Rs. 14,04,772 in the year 2020 and 2021.



6. That the plot allotted was not complete in all respects with no occupancy certificate and when the complainant approached the respondent to seek the possession and pay the remaining payment, then the respondent instead of offering the possession, started making the illegal demand of heavy interest on the delayed payment, whereas the development works of the project was not completed within the stipulated time but still the complainant requested the respondent to consider waiving of interest & penalty and accept the remaining payment.
7. That respondent was not in position to give the possession of the residential plot as the development works in the project was not complete whereas it was supposed to be completed within 28 months from the date of agreement and there was no approval from the concerned authorities and even till date there is no occupancy certificate and the respondent is not in a position to legally offer the valid possession of the plot.
8. That complainant had approached several times to the officials of respondent with the request to complete the project and not to charge the exorbitant interest & penalty and accept the outstanding amount without penal interest & other charges, but the respondent did not consider the genuine request of the complainant, all the efforts of the complainant gone in vain.
9. That recently in the month of June 2023, when the complainant again approached to the respondent with the remaining payment of about. Rs.



14,04,772.00 to seek the possession of the residential plot, then the complainant was shocked to know that the Allotment & Plot Buyer Agreement dated 31.03.2017 has been illegally terminated by the respondent vide letter dated **08.06.2023**, while referring to various reminders.

10. That complaint neither received any such reminders referred by the respondent in letter dated 08.06.2023, nor the termination letter dated 08.06.2023. The act of terminating the Allotment & plot buyer agreement is totally illegal and even against the terms & conditions of the Plot Buyer Agreement dated 31.03.2017.
11. That complainant even moved the representation dated 04.10.2021 and 02.03.2022 to the respondent to kindly offer the legally valid possession and accept the outstanding amount without penal interest as well as other charges, but the respondent did not even reply to the same and acted rigidly with a mala fide intention. Copy of the representation dated 04.10.2021 & are attached as annexure C-6.
12. That the complainant having left with no other option had to serve the respondent legal notice dated 24.06.2023, but the conduct of the respondent can be seen from the very fact that the respondent even did not choose to reply the same.

C. ORAL SUBMISSIONS BY COUNSEL FOR THE COMPLAINANT



Ld. Counsel for the complainant submitted that no third party rights have been created in the present complaint by the respondent.

D. RELIEF SOUGHT:

13. In view of the facts mentioned above, complainants pray for the following relief(s):-

(i) Letter dated 08.06.2023 issued by the Respondent vide which the Allotment & Plot Buyer Agreement dated 31.03.2017 has been wrongly & illegally terminated by the respondent may kindly be set aside.

(ii) Necessary directions may kindly be issued to the respondent to accept the outstanding amount of Rs. 14,04,772.00 from the complainant and deliver the possession of the residential plot no. 528 admeasuring 249.96 Sq Yards (208.99 Sq. Mts) located in Sector 28A of Alpha International City, Phase II, Karnal to the complainant and the get the registered sale deed in favor of the complainant.

(iii) Or alternatively, in case of failure to give possession & delivery, the allottee wishes to withdraw from the project and without prejudice to any other remedy available seeks return of the amount received by the respondent as per the present day market valuation of the plot along with the interest at the rate of 12% p.a.



(iv) Further, the respondent be directed to pay the compensation to the tune of Rs. 5 lacs for mental pain, agony, torture, humiliation, as well as litigation expenses to the tune of Rs. 50,000/- to the complainant along with proportionate benefits at the present market value of the plot.

E. REPLY SUBMITTED ON BEHALF OF RESPONDENT:

Respondent did not file reply in present case even after been given several opportunities and therefore right of defense of respondent was struck of vide order dated 27.05.2025. In the present case, counsel for the respondent appeared made oral submissions that part completion certificate for the project was received in the year 2010. He also submitted that respondent has challenged order dated 30.07.2024 passed by this Authority and has also filed an appeal no. 592 of 2024 before Haryana Real Estate Appellate Tribunal and therefore the case may be adjourned till the final disposal of said appeal. Authority has perused the order dated 21.01.2025 in appeal no. 592 of 2025 wherein it is recorded that "appeal is dismissed as withdrawn". Relevant part of the order is being reproduced herein below:

"In view of above, he submits that he has right to impugn the order in light of the provision of Section 43(5) of the RERA Act2. He, thus, may be permitted to withdraw the instant appeal with liberty to impugn this order by way of a separate appeal.

Appeal is dismissed as withdrawn with aforesaid liberty. "



In view of the above, the Authority observes that the proceedings before this Authority are summary in nature and ample opportunities of filing reply have already been given to the respondent therefore the case is now being decided on the basis of material already available on record.

ISSUES FOR ADJUDICATION:

14. (i) Whether cancellation letter dated 08.06.05.2023 issued by respondent was legal, rightful and valid on part of the respondent?
- (ii) Whether complainants are entitled to relief of possession along-with delay interest for delay in handing over the possession in terms of Section 18 of Act of 2016?

OBSERVATIONS OF AUTHORITY:

15. The Authority has gone through the contentions put forth by the complainant in his complaint. In light of the background of the matter as captured in this order Authority observes that the complainant had booked plot no. 528, having an area of 249.96 sq. yard in the project of the respondent namely, "Alpha International City" located at Sector- 28A, Karnal ; An allotment letter was issued on 31.03.2017 and builder buyer agreement was executed between the parties on the same date i.e, on 31.03.2017; The basic sales price of the plot was fixed as Rs.41,06,592.84/- against which complainant allegedly has paid an



amount of Rs.40,76,639/-. Though rejoinder has also been filed by the complainant on 24.04.2024 however same has not been taken on record as the reply has not been filed by the respondent in the present case.

16. Admittedly, the possession of the plot in question in terms of clause 10.1 was to be delivered within 28 months from the date of agreement which works out to 31.07.2019. The complainants have alleged that instead of delivering possession the respondent had rather cancelled the allotment of the complainants vide cancellation letter dated 08.06.2023. The complainant has alleged that he made a payment of an amount of Rs. 40,76,639/- out of the basic sales price of Rs. 41,06,592.84/-. As per complainant's version the amount which was due to be paid by the complainant was only Rs. 14,04,772/- and complainant is ready to pay the said amount.

17. Perusal of the payment table submitted by the complainant on 11.10.2024 it is revealed that an amount of Rs. 35,72,188/- was paid by the complainant till 30.07.2019. Between the payment made by the complainant during 28.03.2017 to 30.07.2019 there are two payments each of Rs. 2,00,000/- on 13.10.2018 and 16.10.2018 however the reference to cheque no.s is same i.e, 660485 and it appears that this amount has been written twice by the complainant in the table. Therefore this amount of Rs. 2,00,000/- will be deducted from the amount of Rs.



35,72,188/-. Thereafter payment of Rs. 5,00,000/- on 29.11.2019 and Rs. 4451/- on 02.08.2019. Complainant has paid approx. 99% of the basic sales price to the respondent till date. Though the complainant himself has admitted that he has defaulted in making payments in the year 2020 and 2021 and was ready to pay the remaining amount of Rs. 14,04,772/- in June 2023 however complainant denies receiving termination letter dated 08.06.2023. At the same time he admits having knowledge of the same when he approached the respondent with the remaining payment of Rs. 14,04,772/-. In the present case since neither reply has been filed by the respondent nor there is any oral statement by counsel for the respondent to prove that termination letter was ever served upon the complainant.

18. Since 99% of the basic sales price has already been paid the respondent could have charged interest in terms of section 19(7) of the RERA Act, 2016, however taking such harsh step like alleged termination was not justified, especially when there is no document placed on record by respondent that could show that the respondent has discharged its part of obligations. Authority is also conscious of the fact that during covid period entire world was affected and even all promoters have been granted extension for completion of the projects, the construction works were halted. Alleged cancellation of the allotment of the complainant for delay in payment during covid time, especially when respondent has the



right to claim prescribed interest from the complainant under section 19(7) of the RERA Act, 2016 is extremely harsh and unjustified. Furthermore, the conduct of the respondent of issuance of the cancellation letter however not refunding the money paid by him, and further not creating any third party rights shows that the complainant is still an allottee of plot no. 528 in the respondent's project. The respondent illegally retained the amount paid by the complainant thus enjoying wrongful gains and causing wrongful loss to the complainant. Therefore, in light of these facts, the alleged cancellation letter dated 08.06.2023 is found to be unlawful, bad in the eyes of law and is therefore set aside and complainant is entitled to possession of his allotted plot.

19. The next issue in hand is that whether complainants are entitled to relief of possession along-with delay interest for delay in handing over the possession in terms of Section 18 of Act of 2016? As per clause 10.1 of the plot buyer agreement dated 31.03.2017 respondent was obliged to deliver the possession of the plot by 31.07.2019. Now, even after a lapse of 7 years, respondent has not offered possession of the unit. Though Id. Counsel for the respondent had orally submitted that part completion was received by the respondent in the year 2010 however the same has not been placed on record. Also no written formal offer has been given to the complainant till date. Complainants do not wish to withdraw from the project and are rather interested in getting the possession of his unit.



20. In these circumstances, the provisions of Section 18 of the Act clearly come into play by virtue of which the respondent is liable to pay, interest for the entire period of delay caused at the rates prescribed along-with possession. Respondent in this case has not made any offer of possession to the complainants till date. The Authority hereby concludes that the complainants are entitled for the delay interest from the deemed date, i.e., 31.07.2019 till date on which a valid offer is made. As per Section 18 of Act, interest shall be awarded at such rate as may be prescribed. The definition of term 'interest' is defined under Section 2(z) of the Act which is as under:

(z) "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;

Rule 15 of IIRERA Rules, 2017 provides for prescribed rate of interest which is as under:



“Rule 15: “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 (NCLR) 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”

Consequently, as per website of the State Bank of India i.e. <https://sbi.co.in>, the highest marginal cost of lending rate (in short MCLR) as on date, i.e., 14.10.2025 is 8.85%. Accordingly, the prescribed rate of interest will be MCLR + 2% i.e 10.85%.

21. Hence, Authority directs respondent to pay delay interest to the complainants for delay caused in delivery of possession at the rate prescribed in Rule 15 of Haryana Real Estate (Regulation and Development) Rules, 2017, i.e., at the rate of SBI highest marginal cost of lending rate (MCLR) + 2 % which as on date works out to 8.85 % (8.85% + 2.00%) from the due date of possession, i.e., 31.07.2019 till the date of a valid offer of possession.

22. Authority has got calculated the interest on total paid amount from due date of possession, i.e., 31.07.2019 till the date of this order, i.e. 14.10.2025, which works out to ₹ 25,95,590/- and further monthly



interest of Rs. 34,571/- as per detail given in the table below. However it is made clear that complainants will be entitled for monthly interest till valid offer of possession, duly supported with payables and receivables as per RERA Act, 2016 and Rules of 2017, is made to the complainants by the respondent. While calculating the delay interest it is revealed by the payment table submitted by the complainant on 11.10.2024 that between the payment made by the complainant during 28.03.2017 to 30.07.2019 there are two payments each of Rs. 2,00,000/- on 13.10.2018 and 16.10.2018 however the reference to cheque no.s is same i.e, 660485 and it appears that this amount has been written twice by the complainant in the table. Therefore this amount of Rs. 2,00,000/- has been deducted from the total amount paid by the complainant and therefore the total amount that has been paid by the complainant towards the plot is ₹38,76,639/-.

Sr. No.	Principal Amount (in ₹)	Deemed date of possession or date of payment whichever is later	Interest Accrued till 14.10.2025 (in ₹)
1.	33,72,188/-	31.07.2019	22,73,483/-
2.	4451/-	02.08.2019	2998/-
3.	5,00,000/-	29.11.2019	3,19,109/-
Total	38,76,639/-		25,95,590/-
Monthly			34,571/-



interest:			
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23. Further, the complainant is seeking compensation and litigation expenses.

It is observed that Hon'ble Supreme Court of India in Civil Appeal Nos. 6745-6749 of 2027 titled as "*M/s Newtech Promoters and Developers Pvt Ltd. V/s State of U.P. & ors.*" (supra,), has held that an allottee is entitled to claim compensation and litigation charges under Sections 12, 14, 18 and Section 19 which is to be decided by the learned Adjudicating Officer as per section 71 and the quantum of compensation and litigation expenses shall be adjudged by the learned Adjudicating Officer having due regard to the factors mentioned in Section 72. The adjudicating officer has exclusive jurisdiction to deal with the complaints in respect of compensation and legal expenses. Therefore, the complainants are advised to approach the Adjudicating Officer for seeking the relief of litigation expenses.

I. DIRECTIONS OF THE AUTHORITY

24. Hence, the Authority hereby passes this order and issues following directions under Section 37 of the Act to ensure compliance of obligation cast upon the promoter as per the function entrusted to the Authority under Section 34(f) of the Act of 2016:



- (i) Respondent is directed to pay upfront delay interest of ₹25,95,590/- (till date of order i.e. 14.10.2025) to the complainants towards delay already caused in handing over the possession within 90 days from the date of this order and further monthly interest @ ₹ 345,571/- till the valid offer of possession after receipt of completion certificate/part completion certificate.
- (ii) Respondent shall offer legally valid possession to the complainant in writing within 15 days along with copy of part completion certificate. Complainants will remain liable to accept possession as per provisions of Section 19 of the RERA Act, 2016 and pay balance consideration amount to the respondent at the time of valid possession offered to her.
- (iii) Complainant will remain liable to pay interest in terms of section 19(7) of the RERA Act, 2016 for delayed payments. The rate of interest chargeable from the allottees by the promoter, in case of default shall be charged at the prescribed rate i.e., 10.85% by the respondent/ Promoter which is the same rate of interest which the promoter shall be liable to pay to the allottees.



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DR. GEETA RATHEE SINGH
[MEMBER]

