



HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

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| Complaint no.: | 1965 of 2023 |
| Date of filing: | 29.08.2023 |
| Date of first hearing: | 04.10.2023 |
| Date of decision: | 23.12.2025 |

1. Saroj Bala W/o Balbir Mandhan

2. Balbir Mandhan S/o Sh. Mai Chand

R/o C/o Duriya Singh Sandhu

54-Λ, Chaman Garden, Karnal-132001,

....COMPLAINANT(S)

VERSUS

1. Alpha International City

806, Meghdoot, 94, Nehru Place

New Delhi-110019

2. Alpha G. Corp. Pvt. Ltd.

G.T road Village Baldi Near Liberty Chowk Karnal

3. Grandeur Real Estate Pvt. Ltd.

Sector 28, 29, Near Liberty Chowk

G.T road, Karnal- 132001

4. Rendezvous Buildtech Pvt. Ltd.

10th floor, Ashoka Estate 24

Barakhamba road, New Delhi

....RESPONDENT(S)

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CORAM: Dr. Geeta Rathee Singh Member

Present: Adv. Vivek Aggarwal, Ld. Counsel for Complainant through VC

None for Respondent

ORDER:

1. Present complaint has been filed on 29.08.2023 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. | 236(Originally allotted plot) 642(alternative plot) |



| | | |
|-----|---------------------------------|---------------------------------------|
| 3. | Area | 360 sq. yds. |
| 4. | RERA registered/ not registered | Un-registered |
| 5. | Date of Allotment | 09.09.2010 |
| 6. | Date of Plot Buyer Agreement | 02.11.2010 |
| 7. | Deemed date of possession | Clause 9 of the plot buyer agreement. |
| 8. | Total price | 33,12,000/- |
| 9. | Amount paid by complainants | 33,00,905/- |
| 10. | Part completion certificate | Not received |

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

3. That on 18.01.2010, complainants booked a Plot of 360 sq. yards vide plot No.236 ,Sector 29, Karnal in a project known as Alpha International City, Karnal launched by respondents. At the time of booking of said plot, the complainants had deposited an amount of Rs.3,96,900/- vide cheque No. 001323 dated 18.01.2010. Copy of the application for advance registration for allotment of a plot in Alpha International City, Karnal, Haryana, is annexed herewith as Annexure P-1.



4. That due to the negligence or mismanagement of the respondents; the plot No.236, Sector 29, could not be delivered to the complainants within the prescribed period and the respondents offered the complainants to allot another alternative plot No.642 in Sector 29, with the same area of 360 sq. yards in the same project.
5. That on 09.09.2010, the respondents had also issued allotment letter vide letter No. 1966 for the alternative plot in the same project. Copy of allotment letter dated 09.09.2010 is annexed herewith as Annexure P-2. At the time of booking the amount of Rs.3,96,900/- was paid by the complainants against the earlier plot No.236 and this amount has been adjusted vide a receipt No.5024 dated 09.09.2010 against unit no.642 by the respondents. A copy of said receipt is annexed herewith as Annexure P-3.
6. That on 02.11.2010, the respondents had entered into a plot buyer's agreement with the complainants. The "Schedule of Payment" has also been issued by the respondents wherein the total value of the plot measuring 360 sq. yards is mentioned as Rs.33,12,000/.As per schedule of payment, the mode of payment has been shown in three installments i.e. 15% at the time of booking, 75% on first installment and remaining 10% in shape of second installment at the time of possession.
7. That the possession of the said plot was to be handed over to the complainants as per clause 9 of the "Plot Buyers' Agreement." which



states that upon completion of development works shall apply for the necessary statutory approvals from the concerned authorities and upon receipt of the said approvals, shall offer possession of the said plot in writing to the allottee to take possession of the said plot within 90 days from the date of issue of the such offer letter.

8. That the possession of the said plot, has not been delivered to complainants till date despite the fact that complainants have paid entire amount of Rs. 33,00,905/- as per their record.
9. That for making the entire payment to the respondents, the complainants also took a loan of Rs.10 Lakhs from "LIC Housing Finance Limited" Area Office at Karnal, vide loan Account No. 311400000027 for a period of 10 years. The complainants had also repaid the whole loan amount along with interest, which comes to Rs. 14,96,900/- as full and final payment of loan account.
10. That on 03.05.2014, the complainants received a letter regarding remittance of interest, holding charges and stamp duty on plot no.642, Sector 29, Alpha International City, Karnal. After receiving and going through this letter, the complainants were shocked, because on the top of this letter word 'Reminder I' was mentioned and after the subject in reference the respondents had also mentioned two different letters dated 27.06.2011 and 02.01.2012. Copy of letter dated 03.05.2014 is annexed herewith as Annexure P-12. The complainants had never received any

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letter or information or intimation regarding the delivery of possession of said plot. The letter dated 03.05.2014 is intentionally and knowingly prepared by the respondents for covering their lapse, negligence and delay in delivering the possession of said plot. In this letter, it is also mentioned by the respondents that the principal amount qua the said plot is NIL. Meaning thereby the respondents are also admitting this fact that the complainants had already made the full and final payment against plot No.642 and nothing is due towards complainants. Once the full and final payment of the said plot has been made by the complainants then there is no reason to make delay to take delivery of the plot.

11. That vide letter dated 03.05.2014, respondents had also demanded the interest amount of Rs.91,382/- on delayed payment, stamp duty & registration charges of Rs.2,07,882/- and holding charges w.e.f. 26.10.2011 @ of Rs.25/- per sq. yards per month i.e. Rs.2,71,307/-, total comes to Rs.5,70,571/- which is illegal, wrong, arbitrary and against the provisions of law and is in violation of terms and conditions of plot buyer's agreement (Annexure P-4) and is liable to be set aside.

12. That as it is an admitted fact there is no actual outstanding amount stands against complainants, respondents even did not specify for which period respondents are demanding the outstanding amount. That after issuance of letter dated 03.05.2014 the respondents never asked the complainants for delivering the possession of said plot and after the expiry of 08 years

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of letter dated 03.05.2014, the complainants received another notice dated 21.09.2022 from the respondents regarding the remittance of outstanding of said plot in Sector 29, Karnal, of Alpha International City, Karnal, wherein the respondents again admitted this fact that the whole principal amount of plot in question had already been paid by the complainants and in this notice the respondents demanded Rs.91,382/- on account of interest on delayed payment, Rs. 13,86,008/- on account of holding charges w.c.f. 26.10.2011, which comes to total Rs. 14,77,390/-. The notice dated 21.09.2022 is wrong, illegal, arbitrary, against the provisions of law and is liable to be set aside/quashed. Copy of notice dated 21.09.2022 is annexed herewith as Annexure P-13.

13. That till date the project in question has not been completed as till date Completion Certificate from the Government Authority has not been obtained by the respondents. This fact is evident from the notices (Annexure P-12 & Annexure P-13) which are silent regarding the obtaining of Completion Certificate from Competent Authority. In absence of Completion Certificate, the Project in question is considered as incomplete project.

14. That due to non-delivery of said plot No.642 in Sector 29, Alpha International City, Karnal, the complainants had also served a legal notice dated 23.04.2023 upon respondents through registered post, but till date no reply or possession of the said plot has been delivered to the

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complainants so far. A copy of legal notice dated 23.04.2023 is annexed herewith as Annexure P-14.

C. RELIEF SOUGHT:

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

- (i) Allow the present complaint in the favour of complainant and against the respondents.
- (ii) To direct the respondents to handover the possession of the plot No.642 measuring 360 sq. Yards, Sector 29 (AICK), Karnal to the complainants.
- (iii) To direct the respondents to pay the interest to the complainants at the rate of 18% per month from the due date of delivery of possession till the date of actual possession of flat in question to the complainants.
- (iv) To direct the respondents to pay the compensation of Rs.5,00,000/- for mental harassment and agony etc., and also direct the respondents to pay the litigation expenses i.e. 33,000/- to the complainant.
- (v) To set aside / quash the demand notice dated 03.05.2014 (Annexure P-12) and demand notice dated 22.09.2022 (Annexure P-13) in view of the facts and circumstances of present case.



(vi) To direct the respondents to deliver the possession of the said plot, during the pendency of present complaint, to the complainants subject to the outcome of present complaint.

(vii) To issue the directions to the relevant quarters to initiate the proceedings against the respondents in delaying the handover of possession of the plot to complainants as same is wrong and illegal and amounts to deficiency of service, unfair trade practice and unfair contract.

(viii) To launch the proceedings for forfeit / cancelling the license of the respondents qua this project.

(ix) To issue any other appropriate order or direction as this Hon'ble Authority may deem fit in the facts and circumstances of present case.

D. REPLY SUBMITTED ON BEHALF OF RESPONDENTS:

Vide order dated 30.07.2024, 15.10.2024, 04.02.2025 Authority had granted respondents opportunities to file their reply. However, no reply has been filed by respondents. Thus, vide order dated 27.05.2025 Authority struck off the rights of defence of respondents.

E. ISSUES FOR ADJUDICATION:

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?

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F. OBSERVATION OF AUTHORITY:

16. The Authority has gone through the contentions of the complainant and the documents placed on record. Facts of the complainant are that complainants have booked a plot admeasuring 360 sq. yds. in the respondent's project Alpha International City Karnal after paying an amount of Rs. 3,96,900/. Allotment letter was issued in favor of the complainant for plot no. 642 admeasuring 360 yds. on 09.09.2010. Plot buyer agreement was executed between the parties on 02.11.2010. As per clause 9 of the builder buyer agreement respondent was under obligation to offer possession of the plot in writing after receipt of necessary statutory approvals.

17. Complainants received reminder I dated 03.05.2014 with subject 'remittance of interest, holding charges and stamp duty'. In this reminder I letter reference has also been made to "offer of possession dated 27.06.2011" and "reminder letter dated 02.01.2012." Grievance of the complainants are that they never received such referred offer of possession dated 27.06.2011 or reminder letter dated 02.01.2012. They for the first time received reminder I dated 03.05.2014, only on which the reference of offer of possession dated 27.06.2011 or reminder letter dated 02.01.2012 is made. Complainants are aggrieved by the fact that even after 15 years of plot buyer agreement dated 02.11.2010 valid offer of



possession has not been made nor possession of plot has been handed over to them till date. Complainants in their complaint has alleged that despite the fact respondent never offered possession of the unit it issued 'Reminder-I' dated 03.05.2014 with the subjects. Vide this reminder-I respondent demands of Rs. 91,382/- for interest on delayed payment, Rs. 2,07,882/- for stamp duty and registration charges and Rs. 2,71,307/- for holding charges @Rs. 25 per sq. yd. per month. Complainant's contention is that when in the same letter dated 03.05.2014 the principal amount shown to be outstanding is 'nil' then on what amount the interest on delayed payment has been charged. Also how can the respondent charge holding charges or stamp duty charges when the possession has not been offered.

18. The first issue which arises in the present case is that what was the due date of possession. As per clause 9 of the builder buyer agreement respondent was under obligation to offer possession of the plot in writing after receipt of necessary statutory approvals. In absence of reply it cannot be ascertained as to when respondent received necessary statutory approvals required for offering possession. Also language of this possession clause making possession subject to receipts necessary approvals is vague, illegal and highly loaded in favours of respondent and thus cannot be considered. For deciding the time for handing over of possession reference has been made to observation of the Apex Court in

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2018 STPL 4215 SC titled as **M/s Fortune Infrastructure (now known as M/s Hicon Infrastructure) and anr** for reckoning the deemed date of possession. Relevant para is being reproduced below:

Moreover, 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 i.e., the possession was required to be given by last quarter of 2014.

In view of the above judgement, deemed date of possession works out to be 01.11.2013.

19. Vide reminder -I respondent raised demand of Rs. 91,382/- for interest on delayed payments. Respondent failed to prove on what delayed payment said interest was charged therefore, respondent cannot charge interest of Rs. 91,382/- for delayed payment. Further, respondent is demanding Rs. 2,07,882/- for stamp duty, registration charges and Rs. 2,71,307/- for holding charges. Authority observes that respondent did not provide any document which can show/prove that whether respondent received part completion certificate or whether valid offer of possession was ever made to complainants. Therefore, these charges are *prima facie* illegal. However, complainant will remain liable to pay



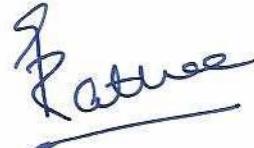
holding charges at the time of valid offer of possession and stamp duty, registration charges at the time of execution of conveyance deed.

20. In view of the fact that after lapse deemed date of possession on 01.11.2013, respondent till date did not offer possession of the plot to the complainants nor did the respondent communicated to complainant whether it has received part completion for the plot or not. Complainants who had paid more than 99% of the price has not been able to enjoy the fruit of their property. Hence, 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., 01.11.2013 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(za) of the Act which is as under:

(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;

Rule 15 of HRERA 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"

21. 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., 23.12.2025 is 8.80%. Accordingly, the prescribed rate of interest will be MCLR + 2% i.e. 10.80%.



22. 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 10.80% (8.80% + 2.00%) from the due date of possession, i.e., 01.11.2013 till the date of a valid offer of possession.

23. Authority has got calculated the interest on total paid amount from due date of possession, i.e., 01.11.2013 till the date of this order, i.e. 23.12.2025. Delay interest on the amount of Rs. 33,00,905/- works out to Rs.43,52,727/- and further monthly interest of Rs. 2,944/- 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.

| Sr. No. | Principal Amount (in Rs.) | Deemed date of possession or date of payment whichever is later | Interest Accrued till 23.12.2025 (in Rs.) |
|--------------------------|----------------------------------|--|--|
| | 3300905 | 01.11.2013 | 43,52,727 |
| Total | Rs.3300905/- | | Rs. 43,52,727/- |
| Monthly interest: | | | Rs. 2,944/- |



24. Complainant is also seeking compensation of Rs. 5,00,000/- for mental harassment and agony and Rs.33,000/- for litigation expenses. In this regard 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.**" has held that an allottee is entitled to claim compensation & 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 & litigation expense 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 complaint in respect of compensation & legal expenses. Therefore, the complainant is advised to approach the Adjudicating Officer for seeking compensation and litigation expenses.

25. As per relief clause c (viii) of this order complainants are seeking relief of cancellation the license of the respondent's project, however same is neither part of pleading nor argued between parties. Therefore, no observation is made on this ground.

I. DIRECTIONS OF THE AUTHORITY

26. 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(l) of the Act of 2016:

- (i) Respondent is directed to pay upfront delay interest of Rs.43,52,727/- (till date of order i.e. 23.12.2025) 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 of Rs. 2,944/- till the valid offer of possession after receipt of completion certificate/part completion certificate.
- (ii) Respondents shall make a legally valid offer possession of the unit to complainant within 30 days along with final statement of account from the date of obtaining occupation certificate. Complainant shall accept the same within next 30 days. Respondent is further directed to get the conveyance deed registered as per provision of Section 17 (1) of RERA Act, 2017 i.e. within 3 months from date of issue of occupation certificate.
- (iii) Complainants will remain liable to pay balance consideration amount to the respondent at the time of valid possession offered to her.
- (iv) The rate of interest chargeable from the allottees by the promoter, in case of default shall be charged at the prescribed rate i.e., 10.80% by the respondent/ Promoter which is the same rate of interest which the promoter shall be liable to pay to the allottees.



(v) Respondent cannot claim anything from complainants which is not part of plot buyer agreement.

27. **Disposed of.** File be consigned to record room after uploading on the website of the Authority.



DR. GEETA RATHEE SINGH
[MEMBER]