

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

Complaint no.	:	2473 of 2025
Date of complaint	:	19.05.2025
Date of order	:	02.12.2025

Bhaskar De, Both R/o: 203B, Janak Residency Plot 12, Sec 18A, Dwarka, New Delhi-110078.	Complainant
Versus	
M/s Signature Global Homes Pvt. Ltd. Regd. office: GF, Tower A< Signature Tower South City, GGN, Haryana-122001.	Respondent

CORAM:	
Sh. Ashok Sangwan	Member
Sh. Phool Singh Saini	Member
APPEARANCE:	
Sh. Sachin Saini (Advocate)	Complainants
Ms. Anjalika (Advocate)	Respondent

ORDER

- The present complaint has been filed by the complainant/allottees under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (in short, the Act) read with rule 29 of the Haryana Real Estate (Regulation and Development) Rules, 2017 (in short, the Rules) for violation of section 11(4)(a) of the Act wherein it is inter alia prescribed that the promoter shall be responsible for all obligations, responsibilities and functions under the provision of the Act or the rules and regulations made there under or to the allottees as per the agreement for sale executed inter se.

A. Unit and project related details



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

S. N	Particulars	Details
1.	Name of the project	Signum Plaza V, Village Hariyahara, Tehsil-Sohna, Sec 36, Gurugram 122004, Haryana
2.	Nature of the project	Affordable Plotted colony along with commercial space name "Signum Plaza V" at "Signature Global Park V"
3.	HRERA Registered or not registered	Registered 30 of 2020 valid upto 30.07.2022
4.	Provisional allotment letter	21.04.2021 (page 25 of reply)
5.	Date of agreement for sale	21.06.2021 [Page 27 of complaint]
6.	Unit no.	SF01B, 2 nd floor (page 37 of complaint)
7.	Unit area	Carpet area 453.649 Sq.ft. (page 37 of complaint)
9.	Possession clause	<p><i>Clause 7.1</i></p> <p><i>The promoter assured to hand over possession of the retail unit along with parking (applicable only if parking fee/charges has been paid) as per agreed terms and conditions by 31st July 2022 unless there is delay due to "force majeure".</i></p> <p>(Emphasis supplied)</p> <p>[Page 45 of complaint]</p>
12.	Due date of possession	31.07.2022 (page 45 of complaint)
13.	Total sale consideration as per buyer developer agreement	Rs. 68,85,880/- [As per customer ledger, page 67 of reply]
14.	Amount paid by the complainants	Rs. 43,86,301/- [As per customer ledger, page 67 of reply]



15.	Occupation certificate	06.05.2022 [as per DTCP cite]
16.	Offer of possession	Not offered
17.	Surrender letter	22.04.2025 (page 66 of complaint)

B. Facts of the complaint:

- I. That the complainant was looking to invest his hard-earned money in the commercial real estate project. The complainant at such point of time was lured by the respondent into investing in their project. The main highlight of the project was that the project was proposed to be a retail hub in the region and in the vicinity. It was proposed to be attached to the Signature Global Park 5 residential complex.
- II. That the complainant made the application for the booking in the project on 09.02.2021 for a retail unit bearing no. 5-SF01B, tower-Signum Retail, floor 2nd admeasuring 453.649 sq.ft., relying upon the representations made by the respondent.
- III. That the complainant had already made the payment of lakhs of rupees to the respondent through his own resources and in such a scenario lost good leverage to the respondent, who abusing their dominant position drafted and placed a unilateral, biased and one-sided agreement before the complainant. The respondent abusing its dominant position threatened the complainants with cancellation and forfeiture in case the complainants do not sign the unilateral agreement. The complainant was told that the agreement is standard in nature and cannot be changed under any circumstances. The complainant realized that he has much to lose in case he does not sign on the dotted lines. Thus, the present agreement for sale was executed on 21.06.2021.
- IV. That such agreements have already been deprecated by the Hon'ble Apex courts and the Hon'ble National Consumer Commission in several of its judgments. Such agreements provide unfair advantage to the developers

giving them unrestricted right as compared to the allottees. The Real Estate (Regulation and Development) Act, 2016 was brought in placed to curb such malpractices.

- V. That while deciding the present case, the Authority should not rely on those provisions of the agreement dated 21.06.2021, which are unfair, arbitrary and one-sided. Rather, the Authority should be moved by the provisions of the Real Estate (Regulation and Development) Act, 2016, which states that the "rate of interest" shall be equal for both the sides in case of default.
- VI. That while the respondent has already collected almost the majority of the sale consideration from the Complainant, i.e. Rs. 4,684,060/-, it has failed to complete the construction and development of the project and deliver possession to the complainant till date. On the other hand, at the time of the execution of the agreement dated 21.06.2021, the complainant was promised that the possession of the unit shall be delivered latest by 31.07.2022.
- VII. That as per the above clause, the possession of the unit/retail unit ought to have been delivered to the complainant, latest by 31.07.2022. Nevertheless, despite lapse of almost 3 years now, the possession of the unit/retail unit is nowhere near soon. The complainant has written multiple reminders to the respondent but he has failed to receive any satisfactory response from him. The complainant is aggrieved as the delay in the completion of the project is unreasonable and unexplained. The respondent herein has not given any explanation or reasons for the delay in the project. The delay is deliberate and intentional on the part of the respondent.
- VIII. That the situation of the complainant is further worsened over time, as the complainant has lost considerable time value of money, and while the other projects in the vicinity have been completed and delivered, the

present project and its status remain in limbo. It has come to the knowledge of the complainant that the respondent is a habitual litigant and has multitude of cases pending against it. It is further made clear by the fact that till date the respondent has not made any attempts to reach out to the complainant and apprise them of the status of the project.

- IX. That the complainant has now lost complete interest in the project as he no longer has any faith in the ability of the respondent to complete the development and construction and deliver the retail unit. That the complainant cannot be expected to wait indefinitely for the completion of the project and has thus decided to seek refund of his money by filing of the complaint.
- X. That the complainant has lost all patience for the respondent and no longer wishes to continue in the project. It is also vital to mention here that the circumstances of the complainant have also changed and he has made alternate arrangements. The complainant therefore neither has any resources or patience to continue and wait for the respondent to complete the project. Especially under the present circumstances when the respondent has no clear vision.
- XI. In view of the above-mentioned facts and circumstances, it is most respectfully prayed that the Authority maybe pleased to hold that the respondent has failed to complete the construction and development of the project within the promised time frame thus entitling the complainant to seek refund of his paid amount with prescribed rate of interest, from the respective date of payments until realization.

C. Relief sought by the complainants:

3. The complainants have sought following relief(s):
- a) Direct the respondent to refund the consideration/amount paid by the Complainant till date i.e., Rs. 46,84,060/- along with prescribed rate of interest, from the date of respective payment of installments and until realization.



4. 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 respondent:

- i. That in the year 2021, the complainant applied for allotment of a retail unit in the project of the respondent. Pursuant to the application for allotment, a retail unit was allotted vide allotment letter dated 21.04.2021 to the complainant bearing unit no. SF-01B in block/tower-Signum Plaza V, on having carpet area of 453.649 sq. ft. along with stilt parking.
- ii. That on 21.06.2021, an agreement to sell, was executed for the said unit having a sale price of Rs. 72,30,176/-, excluding all other charges, taxes etc. as mentioned and agreed by the complainant under the agreement. The said agreement was signed by the complainant voluntarily with free will and consent without any demur.
- iii. That as per the provision of clause 7.1 of the agreement, the possession of the unit was proposed to be offered by 31.07.2022 unless there is a delay or failure due to force majeure events.
- iv. That the committed date of possession fall at the time of Covid-19 when the entire nation was under lockdown and considering the same the Ministry of Finance vide Office Memorandum No. F.18/4/2020-PPD, dated 13.05.2020, had considered the period of covid-19 lockdown as *force-majeure* circumstance and had allowed the parties to the contract with an extension of 6 months period for fulfilling the contractual obligations. Further, the Ministry of Housing and Urban Affairs vide Office Memorandum no. O-17024/230/2018-Housing-UD/EFS-9056405, dated 13.05.2020, had considered the said covid-19 situation as *force majeure* for real estate projects and advised the regulatory authorities to extend the registration date, completion date, revised

completion date and extended completion date automatically by 6 months due to outbreak of covid 19.

- v. That further, the Authority at Panchkula upon considering the obstructions/challenges faced by various Real Estate Developers due to second wave of Covid-19, had allowed special extension of 3 months from 01.04.2021 to 30.06.2021, considering the same as *force majeure* event. Thus, the respondent is entitled for 3 months extension for completion of the project.
- vi. That subsequently, upon removal of the Covid-19 restrictions, it took time for the workforce to commute back from their villages, which led to slow progress of the completion of the project. Despite facing shortage in workforce, materials and transportation, the respondent managed to continue with the construction work and completed the project. The respondent also has to carry out the work of repair in the already constructed building and fixtures as the construction was left abandoned during the period of Covid-19 lockdown. This led to further hurdle in timely completion of the project.
- vii. That construction of real estate projects in Delhi NCR region was put on halt on various occasions by the various courts, authorities etc., to mitigate the adverse effects of the pollution. Due to such ban on construction, the promoter was constrained to halt the development work in compliance of various order which effected the timely completion of the project. It is to note herein that the said delay was completely beyond the control of the respondent and thus, the respondent is entitled for extension for such period of delay.
- viii. That due to above unforeseen circumstances and causes beyond the control of the respondent, the development of the project got decelerated. Such delay was neither intentional nor deliberate. The

respondent was bound to adhere with the order and notifications of the courts and the government.

- ix. That the complainant had defaulted in making the payment at various instances as per the Affordable Housing policy and the schedule of payment as agreed under the agreement. The majority of times, the payment from the complainant was received after the lapse of stipulated time period which led to levying of late payment charges on the complainant as per the policy. The same is evident from the statement of account wherein the payment entries shows that at various occasions, the complainant had paid late payment charges due to default in making timely payments.
 - x. That the complainant has paid an amount of Rs. 43,64,611/- till date towards the total sale consideration of Rs. 72,30,176/-. The credit notes of Rs. 2,97,759/- was given by the respondent and the waiver of Rs. 29,222/-towards the total late payment fee amounting to Rs. 78,018/-.
 - xi. That the project in question has already been completed, an occupation certificate was obtained on 04.04.2024, the possession was offered on 30.04.2024 well within the timeline of the project as stipulated in the agreement. Further, the conveyance deed was executed on 02.01.2025 Therefore, the project was completed.
 - xii. That the complainant sought relief from the delay in possession charges. It is pertinent to mention that the complainant is not liable to said relief as the possession has been taken over, and at the time of taking the possession, the complainant waived off his rights by stating that the complainant has no claims whatsoever against the respondent and fully satisfied with the construction.
5. 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 those undisputed documents and submissions made by the parties.

E. Jurisdiction of the authority:

6. The respondent 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

7. 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

8. Section 11(4)(a) of the Act, 2016 provides that the promoter shall be responsible to the allottee's as per agreement for sale. Section 11(4)(a) is reproduced as hereunder:

Section 11(4)(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.

9. 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. Findings on the objections raised by the respondent:

F.I Objection regarding -- majeure conditions.

10. The Authority observes that the builder buyer agreement was executed in year 2021, it is reasonable to assume that the respondent was aware of the prevailing circumstances and agreed to the designated timeframe for possession accordingly. Consequently, any extension in timeframe for handover of possession in lieu of Covid-19 cannot be granted and the due date for handover of possession remains unaltered i.e., 31.07.2022.

G. Findings on the relief sought by the complainants.

G.I Direct the respondent to refund the consideration/amount paid by the Complainant along with prescribed rate of interest, from the date of respective payment of instalments and until realization.

11. In the instant case, the complainants were allotted a retail space admeasuring 453.649 sq.ft. super area, on 2nd floor in the project namely 'Signum Plaza V' at Sector 36, Gurugram vide allotment letter dated 21.04.2021 for a total sale consideration of Rs.68,85,889/- and the complainant has paid an amount of Rs. 43,86,301/-. In the present complaint, the complainant intends to withdraw from the project and are seeking return of the amount paid by them in respect of subject unit along with interest @18% p.a. from the date of payment until realization under section 18(1) of the Act. Sec. 18(1) of the Act is reproduced below for ready reference:

"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, -

(a) in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or

(b) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason,

he shall be liable on demand to the allottees, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the



amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act:

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."

(Emphasis supplied)

12. **Due date of handing over possession:** Vide clause 7 of the buyer's agreement dated 21.06.2021, it was agreed between the parties that the possession of the allotted unit/space shall be handed over by 31.07.2022.
13. **Admissibility of refund along with prescribed rate of interest:** The complainants are seeking refund of the amount paid by them along with interest at the rate of 18% p.a. However, the legislature in its wisdom in the subordinate legislation, under the provision of rule 15 of the rules vide notification dated 12.09.2019, has determined that 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%. the prescribed rate of interest. Therefore, in this case as the complainant/allottees intend to withdraw from the project after commencement of the Act, 2016, the amount paid by them shall be refunded along with interest at prescribed rate as provided 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.

14. 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.

15. 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., 02.12.2025 is **8.85%**. Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., **10.85%**.
16. The complainant has submitted that due to failure of the respondent to handover possession within the stipulated period, the complainant through letter dated 22.04.2025, requested the respondent to refund the paid-up amount paid by the complainant. Thereafter, the complainant has filed a complaint on 19.05.2025 and sought the relief of refund along with interest. The due date of possession as per agreement for sale as mentioned in the table above is 31.07.2022. The allottee in this case has requested the respondent to refund the paid-up amount through letter dated 22.04.2025 which is after receiving the Occupation Certificate (06.05.2022). As per the Section 19(10) every allottee shall take physical possession of the apartment, plot or building as the case may be, within a period of two months of the Occupancy Certificate issued for the said apartment, plot or building, as the case may be. In the present case, the complainant did not take the possession as he has issued letter dated 22.04.2025, to the respondent and sought refund of the paid-up amount.
17. The right under section 18(1)/19(4) accrues to the allottee on failure of the promoter to complete or unable to give possession of the unit in accordance with the terms of the agreement for sale or duly completed by the date specified therein. If allottee has not exercised the right to withdraw from the project after the due date of possession is over till the obtaining of OC, it can be inferred that the allottee has tacitly consented to continue with the project. The promoter has already invested in the project to complete it and offered possession of the allotted unit.

18. The promoter is responsible for all obligations, responsibilities, and functions under the provisions of the Act of 2016, or the rules and regulations made thereunder or to the allottee as per agreement for sale. The judgement of the Supreme Court of India in ***Newtech Promoters and Developers Private Limited Vs. State of U.P. and Ors. (supra)*** reiterated in case of ***M/s Sana Realtors Private Limited & other Vs Union of India & others SLP (Civil) No. 13005 of 2020*** recognizes unqualified right of the allottees and liability of the promoter in case of failure to complete or unable to give possession of the unit in accordance with the terms of agreement for sale or duly completed by the date specified therein. However, the complainant-allottees failed to exercise their right and rather tacitly wished to continue with the project themselves. Now, when unit is ready for possession, such withdrawal on considerations other than delay will not be in the spirit of the section 18 which protects the right of the allottees in case of failure of promoter to give possession by due date either by way of refund if opted by the allottee or by way of delay possession charges at prescribed rate of interest for every month of delay.
19. In the instant case, the unit was allotted to the complainant vide buyer's agreement dated 21.06.2021 and the due date for handing over for possession was 31.07.2022. The OC was received on 06.05.2022. However, the complainants surrendered the unit/space in question and sought refund of the paid-up amount along with interest vide letter 22.04.2025. Therefore, in this case, refund can only be granted after certain deductions as prescribed under the Haryana Real Estate Regulatory Authority Gurugram (Forfeiture of earnest money by the builder) Regulations, 11(5) of 2018, which provides as under:

"5. AMOUNT OF EARNEST MONEY

Scenario prior to the Real Estate (Regulations and Development) Act, 2016 was different. Frauds were carried out without any fear as

there was no law for the same but now, in view of the above facts and taking into consideration the judgements of Hon'ble National Consumer Disputes Redressal Commission and the Hon'ble Supreme Court of India, the authority is of the view that the forfeiture amount of the earnest money shall not exceed more than 10% of the consideration amount of the real estate i.e. apartment/plot/building as the case may be in all cases where the cancellation of the flat/unit/plot is made by the builder in a unilateral manner or the buyer intends to withdraw from the project and any agreement containing any clause contrary to the aforesaid regulations shall be void and not binding on the buyer"

20. Thus, keeping in view the aforesaid factual and legal provisions, the respondent is directed to refund the paid-up amount of Rs.43,86,301/- after deducting 10% of the sale consideration of Rs.68,85,889/- being earnest money along with an interest @10.85% p.a. (the State Bank of India highest marginal cost of lending rate (MCLR) applicable as on date +2%) as prescribed under rule 15 of the Haryana Real Estate (Regulation and Development) Rules, 2017 on the refundable amount, from the date of surrender i.e., 22.04.2025 till actual refund of the amount within the timelines provided in rule 16 of the Haryana Rules 2017 *ibid*.

H. Directions of the Authority:

21. 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 functions entrusted to the Authority under Section 34(f) of the Act of 2016:
- The respondent/promoter is directed to refund the paid-up amount of Rs. 43,86,301/- after deducting 10% of the sale consideration of Rs. 68,85,889/- being earnest money along with an interest @10.85%



p.a. on the refundable amount, from the date of surrender i.e., 22.04.2025 till actual refund of the amount.

- ii. A period of 90 days is given to the respondent to comply with the directions given in this order and failing which legal consequences would follow.
- iii. The respondent is further directed not to create any third-party rights against the subject unit before full realization of paid-up amount along with interest thereon to the complainant, and even if, any transfer is initiated with respect to subject unit, the receivable shall be first utilized for clearing dues of allottee-complainant.

22. Complaint stands disposed of.

23. File be consigned to the registry.

(Phool Singh Saini)
Member

(Ashok Sangwan)
Member

Haryana Real Estate Regulatory Authority, Gurugram

Dated: 02.12.2025

HARERA
GURUGRAM