

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

Complaint no.: 2208 of 2024
Date of decision: 20.11.2025

Mrs. Mithlesh Kumari

W/o Naresh Arora

R/o: - House No. 4/162, Shivaji Nagar, Gurugram-
122001

Complainant

Versus

Signature Global (India) Private Limited

Registered office: 1304, 13th floor, Dr. Gopaldas
Bhawan, 28 Barakhamba Road, New Delhi- 110001

Also, at: - Ground Floor, Tower-A, Signature Tower,
South City-I, Gurugram, Haryana-122001

Respondent

CORAM:

Shri Phool Singh Saini

Member

APPEARANCE:

Ms. Kaveri Kaushik (Advocate)

Complainant

Shri Shivaditya Mukherjee (Advocate)

Respondent

ORDER

1. The present complaint has been filed by the complainant/allottee under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (in short, the Act) read with Rule 28 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 provisions of the Act or the Rules and regulations made thereunder or to the allottee as per the agreement for sale executed *inter se*.



A. Unit and project related details

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

S. No.	Particulars	Details
1.	Name of the project	"The Millennia, Sector 37 D Gurugram
2.	Nature of project	Affordable group housing
3.	RERA Registered/Not registered	Registered 03 of 2017 dated 20.06.2017
4.	Unit no.	6-1008, tower - 6, 10 th floor [Page no. 28 of complaint]
	Area admeasuring	519.229 Sq. ft. (carpet area) 79.653 Sq. ft. (balcony area) (Page no. 28 of complaint)
5.	Date of flat buyer agreement	08.01.2018 (Page no. 27 of complaint)
6.	Possession clause	<p>5. Possession</p> <p>5.1 Within 60 (sixty) days from the date of issuance of Occupancy Certificate, the Developer shall offer the possession of the Said Flat to the Allotee(s). Subject to Force Majeure circumstances, receipt of Occupancy Certificate and Allotee(s) having timely complied with all its obligations, formalities or documentation, as prescribed by Developer in terms of the Agreement and not being in default under any part hereof including but not limited to the timely payment of installments as per the Payment Plan, stamp duty and registration charges, the Developer shall offer possession of the Said Flat to the Allotee(s) within a period of 4 (four) years from the date of approval of building plans or grant of environment clearance, (hereinafter referred to as the "Commencement Date"), whichever is later.</p> <p>(Page no. 37 of the complaint)</p>

7.	Date of building plan approval	08.06.2017 (taken from another case CR/5675/2022 decided on 21.09.2023 of the same project)
8.	Date of environmental clearance	21.08.2017 (taken from another case CR/5675/2022 decided on 21.09.2023 of the same project)
9.	Due date of possession	21.02.2022 (Calculated from the date of grant of EC being later including grace period of 6 months in lieu of Covid-19)
10.	Total sale consideration	Rs.21,16,743/- (As per clause 4.1 of the BBA at page no. 34 of complaint)
11.	Total amount paid by the complainant	Rs.23,84,690/- (As per customer ledger dated 14.07.2025, at page no. 5 of the additional documents filed by the respondent on 22.07.2025)
12.	Occupation certificate	25.01.2023 (Page no. 215-217 of reply)
13.	Offer of possession	28.03.2023 (Page no. 214 of reply)
14.	Conveyance deed	18.10.2023 (Page no. 194 of reply)
15.	Possession letter	04.03.2024 (Page no. 214 of reply)

B. Facts of the complaint:

3. The complainant has made the following submissions: -

- That relying on the representations, warranties and assurances of the respondent about the timely delivery of possession, the complainant, booked a flat in the affordable housing project of the respondent under the name and style of "The Millenia" situated at Village Gadoli khurd & Gadoli Kalan Sector 37D Gurugram, Haryana having License 04 of 2017 dated 02-02-2017 from DGTCP Chandigarh, Haryana. Since at the time booking of the unit of the complainant till date, the complainant(s) had been continuously harassed by the defaulting conduct of the respondent, which shall be noted as under.
- The complainant has allotted a unit bearing no. 6-1008, Tower 06, in 10th Floor, admeasuring 519.229 sq. ft. carpet area and 79.65 sq. ft balcony area in



the project of the respondent company vide allotment letter dated 01.11.2017. Thereafter, a builder buyers' agreement was executed between the parties on 09.01.2018 for the sale consideration of Rs.21,16,743/- as per clause 4.1 of the buyer's agreement. The complainant has paid an amount of Rs.24,10,378/- as when demanded by the respondent company. The malafide activities and the defaulting and unlawful conduct of the respondent and the ground for filing the present complaint have been noted as under: -

Execution of one-sided and arbitrary agreement:

- iii. After the allotment of the unit, a builder buyer agreement was given to be executed. That the complainant was made to sign the one-sided arbitrary agreement the terms and conditions of which were fixed and could not have been altered. That the respondent had deviated from the terms and conditions of the Affordable Housing policy, under the said agreement and had malafidely attempted to force its own terms and conditions over the complainant. For instance, in case of delay in payment, 15% to 18% of interest is charged from the complainant, however, no payment of interest has been noted in case of delay by the respondent.
- iv. That succumbing to the one-sided and arbitrary conduct of the respondent, the complainant, who booked the unit with dreams and aspirations of owning his own house, executed the arbitrary agreement.

Delay in delivery of possession:

- v. That as per affordable housing policy 2013, The developer shall be responsible to provide and maintain essential services in the project till 5 years from the issuance of the occupancy certificate. The cost of such maintenance has been included in the total price of the unit.
- vi. That, as per para 6.1 of the registered agreement for sale, the respondent agrees and undertakes that the timely delivery of possession of the unit to the allottee and the common areas to the association of allottees or the Government authority, as the case may be, is the essence of the agreement.





The respondent/developer assures to hand over possession of the unit along with ready on August 2021.

- vii. That the complainant regularly visited the corporate office as well as the construction site of the project but was surprised to see that construction work was not in progress and only few labours were present at the site but when enquired about slow progress, the respondent kept assuring of timely completion of construction work and timely possession as well. But the same is delivered after a delay of around 2 yrs 6 months and 14 days by the respondent. It appears that the respondent developer has played fraud upon the complainant. The only intention of the respondent developer was to take payments without completing the work on time. That the respondent has mala-fide intention and dishonest motives and intentionally cheated and defrauded the complainant. Despite repeated personal visits of the complainant the respondent has miserably failed to deliver the possession of the allotted unit to the complainant within stipulated time.
- viii. That as per clause 6.2(ii) of the agreement for sale, the respondent/developer shall pay the allottee interest equivalent to delay payment charges for every month of delay, till the handing over of the possession of the unit, which shall be paid by the developer to the allottee within ninety days of it becoming due. The respondent keeps making false promises to the complainant that the adjustment for the delay possession charges would be done in the full and final payment but the respondent the developer refused to do so.
- ix. That the respondent failed in complying with all the obligations, not only with respect to the agreement with the complainant but also with respect to the concerned laws, rules and regulations thereunder, due to which the complainant faced innumerable hardships. Moreover, the respondent made false statements about the progress of the project as and when inquired by



the complainant. That thereafter, the malafide conduct and unlawful activities of the respondent continued to be which has consequently led the complainant to go through mental agony and financial distress. Further, taking advantage of the dominant position and malafide intention had restored to unfair trade practices by harassing the complainant by way of delaying the project by diversion of the money from the innocent and gullible buyer.

- x. That in case of delay in offer of possession, the complainant has a right under proviso of section 18 of the act to seek delay possession charges to be calculated till the actual handover of the possession. Accordingly, the respondent is bound to make the payment of interest on the amount deposited by the complainant till the actual handover of possession. That it is the failure of the promoter to fulfill his obligations, and responsibilities as to hand over the possession within the stipulated period. Accordingly, the non-compliance of the mandate contained in section 11(4)(a) read with section 18(1) of the act on the part of the respondent is established. As such the complainant is entitled to delayed possession at the prescribed rate of interest from the due date till the physical handover of possession as per provisions of section 18(1) of the Act.

No benefit of GST input credit has been given to the complainant:

- xi. That it is matter of the fact that the GST was implemented on 01.07.2017. Thereafter, w.e.f. 01.04.2019, the rates of imposition of GST were revised. For an affordable housing project, the rate that can be charged from the allottee: 1% without input tax credit or 8% with input tax credit
- xii. That the promoter was given an option to either charge GST as the new rates or continue charging the same at the old rates. That the promoter has been charging GST @ 8% from the complainant, as is also evident from the

statement of accounts, however, no input tax credit/ITC was given to the complainant. That the complainant has made total payment as per the demand letter and receipts, however no input tax credit was given to the complainant.

- xiii. That the respondent has been acting in utmost malafide and deprived the complainant from enjoying the benefits reserved to him in law and by the government. That the respondent has always attempted to financially crunch the complainant and take undue benefits over wrongful gain to the complainant, all of which cannot be accepted, under any circumstances whatsoever.

Unlawful collection in terms of interest and other charges like maintenance charges & other related charges:

- xiv. That the respondent builder had malafidely and unlawfully collected monies over and above the agreed prices and without completed due construction in the project on time. That the respondent harassed the complainant of the project into cancelling the unit and has collected huge interest over and above the agreed payment. That the project was construction linked project and the respondent developer deliberately delayed the construction and despite the default in timely construction, the respondent has charged a hefty interest from the complainant.
- xv. That the respondent, had unlawfully charged money vide SOA cum letter of possession with illegal demand of Rs.1,47,097/- of outstanding balance under numerous heads like water connection charges, admin charges, advanced consumption deposit, IFSD Charges, Electrification charges and meter connection charges and 1 year advance maintenance & user charge for operational cost of utility services which was unlawful, illegal and not in accordance to the affordable housing policy 2013.
- xvi. That, the respondent/developer has not completed the project on time and the occupation certificate was issued by the DGTCP Chandigarh without

inspecting the project site which was hopelessly incomplete on the date of issue of the offer of possession. In fact, the physical possession was handed over after a long delay i.e. 04.03.2024 just because the project and the allotted unit was not completed and not ready to be occupied. The complainant keeps requesting over the phone as well as e-mail to the respondent but the respondent developer failed to give physical possession due to the non-completion of the project as well as unit of the complainant.

xvii. That the labours, heavy machineries and construction material including construction waste was lying all around. The flats & commercial shops were not ready to be occupied in any means and Occupation certificate was provided by DGTCP Chandigarh just to benefit to the respondent developer to avoid from delay possession charges to be paid to the buyers and among them is the complainant who is the ultimate sufferer and this occupation certificate given is not valid as per law and do not solve any purpose. Moreover, the 24-meter road is not connected to the main 75-meter-wide sector road which was assured by the respondent developer as shown in layout plan given at the time of booking, therefore the respondent must be directed to connect this 24-meter road to main 75-meter sector road. Moreover, it is also necessary just to avoid any mishappening because there would be more than 1450 family with more than 6000 people would be accommodated and current 8-meter road that too in one corner will not solve the purpose in case of emergency like fire or earthquake.

xviii. That the respondent developer had charged false and wrongful payment from the complainant and extorted money by using his dominant position and by threatening the complainant of cancelling the unit and forfeiting the amount paid. This act and conduct of the respondent amounts to grave deficiency in service and unfair trade practice of the highest degree. The respondent has caused great mental agony and physical harassment to the

complainant. The complainant has paid such a huge amount after taking loan from the IHFL which cause extra burden of interest from the said financial institution as mentioned above.

xix. That the respondent has utterly failed to fulfill its obligation to deliver the possession of the apartment in time and adhere to the contentions of the agreement which was caused mental agony, harassment, and huge losses to the complainant, hence the present complaint.

C. Relief sought by the complainant:

4. The complainant has sought following relief(s):
 - I. Direct the respondent to pay delayed possession charges along with interest @15% per annum on the amount paid by the complainant from the due date to the actual handover of the flat, as the respondent charged the same ROI on late payments, mentioned in clause 4.6 of the registered BBA.
 - II. To refund the excess GST paid by my client or ITC with interest which is illegally and unlawfully charged.
 - III. To refund the amount of Rs.1,47,097/- water connection charges, admin charges, advance consumption deposit, IFSD Charges, Electrification charges and meter connection charges, and 1-year advance maintenance and user charges for operational cost of utility services that you have charged was unlawful, illegal and not in accordance to the Affordable Housing Policy, 2013.
 - IV. Connectivity of 24-meter road in 75-meter sector road which is shown in layout plan and the brochure as well as assured my client at the time of booking.
 - V. To pay Rs.5,00,000/- for mental agony and torturing my client and financial losses due to the delay possession.



5. On the date of hearing, the authority explained to the respondent/promoter about the contraventions as alleged to have been committed in relation to Section 11(4) (a) of the Act to plead guilty or not to plead guilty.

D. Reply by the respondent.

6. The respondent contested the complaint on the following grounds:
- a) That the complainant applied for allotment of a flat in the project rather the complainant had made detailed and elaborated enquiries with regard to the location of the project, sanctions accorded by the concerned statutory authorities, specifications of the project as well as capacity, competence and capability of the respondent to successfully undertake the conceptualisation, promotion, construction, development and implementation of the project. Only after being fully satisfied in all respects, the complainant and other allottees proceed to submit their applications for obtaining allotment of apartments in the Affordable Group Housing project. This has also been recorded in BBA dated 09.01.2018 at recital "L".
 - b) That in case performance of any of the obligation or undertaking mentioned in BBA is prevented due to force majeure conditions in that case respondent neither responsible nor liable for not performing any of the obligations or undertakings mentioned in BBA at clause 19.2 executed on 19.01.2018.
 - c) That it is specifically mentioned in clause 19.3 that if possession of the unit is delayed due to force majeure in that case the time period for offering possession shall stand extended automatically to the extent of the delay caused under the force majeure circumstances. The complainant cannot be made to rely on selected covenants/clauses of the buyer's agreement. The covenants incorporated in the agreement are to be cumulatively considered in their entirety to determine the rights and obligations of the parties.
 - d) That the proposed period of delivery of physical possession was subject to force majeure circumstances, intervention of statutory Authorities, receipt of

occupation certificate and allottee having complied with all obligations of allotment in a timely manner and further subject to completion of formalities/documentation as prescribed by the respondent and not being in default of any clause of the agreement.

- e) That as per the complainant, the respondent was supposed to offer the possession, of the apartment in question up to 20.08.2021. However, the said period would have been applicable provided no disturbance/hindrance had been caused either due to force majeure circumstances or on account of intervention by statutory Authorities etc.
- f) That prior to the expiry of said period the deadly and contagious Covid-19 pandemic had struck. The same had resulted in unavoidable delay in delivery of physical possession of the apartment. In fact, Covid-19 pandemic was an admitted force majeure event which was beyond the power and control of the respondent.
- g) That almost the entire world had struggled in its grapple with the Coronavirus menace. The Novel Coronavirus had been declared as a pandemic by World Health Organization. On 14.03.2020 the Central Government had declared the pandemic as a "notified disaster" under the Disaster Management Act, 2005. The same had been recognized as a disaster threatening the country, leading to the invocation of The Disaster Management Act, 2005 for the first time on a national level. The 21-day national lockdown imposed by the Central Government to combat the spread of first wave of Covid-19.
- h) That in the first wave of Covid as many as 32 states and Union Territories had enforced lockdowns with some ordering a curfew as well. The lockdown meant that all rail and air services stood completely suspended.
- i) That in order to prevent the outbreak and spread of the Novel Coronavirus The Haryana Epidemic Disease, COVID-19 Regulations, 2020, had been



brought into operation. The Department of Expenditure, Procurement Policy Division, Ministry of Finance had issued an Office Memorandum on 19th of February, 2020, in relation to the Government's 'Manual for Procurement of Goods, 2017', which serves as a guideline for procurement by the Government. The Office Memorandum effectively stated that the Covid-19 outbreak could be covered by a force majeure clause on the basis that it was a 'natural calamity'.

- j) That for all Real Estate Projects registered under Real Estate Regulation and Development Act, where completion date, revised completion date or extended completion date was to expire on or after 15th of March, 2020, the period of validity for registration of such projects had been ordered to be extended by Haryana Real Estate Regulatory Authority vide order dated 27th of March, 2020. The Haryana Real Estate Regulatory Authority, Gurugram had issued order/direction dated 26th of May, 2020 whereby the Hon'ble Authority had been pleased to extend the registration and completion date of Real Estate Projects by 6 months, due to outbreak of Covid-19 (Corona Virus).
- k) However, even before the expiry of said extended period, it is very much in public domain and had also been widely reported that second wave of Covid-19 had also hit the country badly 'like a tsunami' and Haryana was no exception thereof. Copy of a news as published saying "Not A Wave, It's A Tsunami: Delhi High Court on Covid-19 Surge".
- l) That thereafter, during the second wave of Covid also the Hon'ble Haryana Real Estate Regulatory Authority, Panchkula had issued order/direction dated 2nd of August 2021 wherein it was specifically observed that taking into reckoning the second wave of Covid 19 had decided to grant extension of 3 months from 1st of April 2021 to 30th of June 2021 considering the same as a force majeure event.



- m) That it was further specifically observed in the direction/order dated 02.08.2021 that the aforesaid period of 3 months would be treated as zero period and compliance of various provisions of Real Estate Regulation and Development Act and Rules and Regulations framed thereunder would stand extended without even there being a requirement of filing of formal application. It needs to be highlighted that Haryana Government had imposed lockdown for different periods even after January 2021 terming it as "Mahamari Alert/Surkshit Haryana (Epidemic Alert/Safe Haryana)" resulting in virtual stoppage of all activity within the state of Haryana.
- n) That, therefore, it is manifest that both the first wave and second wave of Covid had been recognized by this Hon'ble Authority and the Hon'ble Haryana Real Estate Regulatory Authority, Panchkula to be Force Majeure events being calamities caused by nature which had adversely affected regular development of real estate projects. All these facts have been mentioned hereinabove to highlight the devastating impact of Covid-19 on businesses all over the globe.
- o) Moreover, the Agreement of sale notified under the Haryana Real Estate (Regulation and Development) Rules, 2017 categorically excludes any delay due to "force majeure", Court orders, Government policy/ guidelines, decisions affecting the regular development of the real estate project. That in addition to the aforesaid period of 9 months, the following period also deserves to be excluded for the purpose of computation of period available to the Respondent to deliver physical possession of the apartment to the Complainants as permitted under the Haryana Real Estate (Regulation and Development) Rules, 2017.
- p) That the period of 293 days was consumed on account of circumstances beyond the power and control of the respondent owing to passing of orders by statutory authorities affecting the regular development of the real estate



project. Since, the respondent was prevented for the reasons stated above from undertaking construction activity within the periods of time already indicated hereinbefore, the said period ought to be excluded, while computing the period availed by the Respondent for the purpose of raising construction and delivering possession.

- q) That it is also in public domain that the third wave of Covid-19 had also badly hit all the activities not only in Haryana but also in India and rest of the world.
- r) That in the event, the offer of possession of the said, independent floor is delayed due to Force Majeure, the time period for offering possession shall stand extended automatically to the extent of delay caused under the Force majeure circumstances. The allottee(s) shall not be entitled to any compensation for the period of such delay. The allottee(s) agrees and confirms that, in the event it becomes impossible for the developer to implement the project due to force majeure conditions, then this agreement and the allotment of the said independent floor hereunder shall stand terminated and the developer shall refund to the allottee(s) the entire amount received by the developer from the allotment within 45 (forty-five) days from that date on which developer confirms that it has become impossible for the developer to implement the project.
- s) That the complainant is the person who failed to adhere the terms and conditions of the agreement and failed to make the payment on time due to which late payment charges has been imposed upon them, however the respondent waived off sum of Rs.45,472/- but the complainant has deliberately and with malafide intension did not Wisper about the same which itself shows the conduct of the complainant.
- t) That, the charges charged by the respondent are of the basic amenities such as electricity charges and water charges which the complainant is liable to



pay as per the BBA, RERA Act and RERA rules hence nothing is baseless and unlawful etc. Further, as per office order dated 31.01.2024 bearing no. PF-27A/2024/3676, issued by the Directorate of Town and Country Planning, Haryana a detailed table of clarification of maintenance charges/utility charges chargeable from the allottees as per consumption levied on affordable group housing projects, has been provided, hence the complainant is liable to pay the same.

7. All other averments made in the complaint were denied in toto.
8. Copies of all the relevant documents have been filed and placed on record. Their authenticity is not in dispute. Hence, the complaint can be decided on the basis of those undisputed documents and oral as well as written submissions made by the parties.

E. Jurisdiction of the authority

9. 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

10. 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

11. 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."

12. So, in view of the provisions of the Act quoted above, the authority has complete jurisdiction to decide the complaint regarding non-compliance of obligations by the promoter leaving aside compensation which is to be decided by the adjudicating officer if pursued by the complainants at a later stage.

F. Findings on the objections raised by the respondent.

F.1 Objection regarding force majeure conditions.

13. The respondent-promoter raised a contention that the construction of the project was delayed due to force majeure conditions such as lockdown due to outbreak of Covid-19 pandemic which further led to shortage of labour and orders passed by National Green Tribunal (hereinafter, referred as NGT) and various court orders. But all the pleas advanced in this regard are devoid of merit. The passing of various orders passed by NGT during the month of November is an annual feature and the respondent should have taken the same into consideration before fixing the due date. Similarly, the various orders passed by other authorities cannot be taken as an excuse for delay. Further, the authority has gone through the possession clause of the agreement and observed that the respondent-developer proposes to handover the possession of the allotted unit by August 2021. As per **HARERA notification no. 9/3-2020 dated 26.05.2020**, an extension of 6 months is granted for the projects having completion/due date on or after 25.03.2020. The completion date of the aforesaid project in which the subject unit is being allotted to the complainant is 21.08.2021 i.e., after 25.03.2020. Therefore, an extension of 6 months is to be given over and above the due date of handing over possession in view of



notification no. 9/3-2020 dated 26.05.2020, on account of force majeure conditions due to outbreak of Covid-19 pandemic. So, in such case the due date for handing over of possession comes out to 21.02.2022.

G. Findings on the relief sought by the complainant.

G.1 Direct the respondent to pay delayed possession charges along with interest @15% per annum on the amount paid by the complainant from the due date to the actual handover of the flat, as the respondent charged the same ROI on late payments, mentioned in clause 4.6 of the registered BBA.

14. The factual matrix of the case reveals that the complainant was allotted unit no. 6-1008, tower 6, 10th floor in the respondent project at the sale consideration of Rs.21,16,743/- under the Affordable Group Housing Policy 2013. A buyer's agreement was executed between the parties on 08.01.2018. The possession of the unit was to be offered within 4 years from approval of building plans (08.06.2017) or from the date of environment clearance (21.08.2017), whichever is later, which comes out to be 21.08.2021 calculated from the date of environment clearance being later. Further, as per HARERA notification no. 9/3-2020 dated 26.05.2020, an extension of 6 months is granted for the projects having completion date on or after 25.03.2020. The completion date of the aforesaid project in which the subject unit is being allotted to the complainant is 21.08.2021 i.e., after 25.03.2020. Therefore, an extension of 6 months is to be given over and above the due date of handing over possession in view of notification no. 9/3-2020 dated 26.05.2020, on account of force majeure conditions due to outbreak of Covid-19 pandemic. Therefore, the due date of handing over possession comes out to be 21.02.2022. The complainants paid a sum of Rs.23,84,690/- towards the subject unit. The respondent obtained occupation certificate on 25.01.2023 from the competent authorities and offered possession of the unit to the complainant on 28.03.2023.



15. The complainant herein intends to continue with the project 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 an apartment, plot, or building, —

Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed."

16. **Admissibility of delay possession charges at prescribed rate of interest:** The complainant is seeking delay possession charges. Proviso to Section 18 provides that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoters, interest for every month of delay, till the handing over of possession, at such rate as may be prescribed and it has been prescribed under Rule 15 of the Rules, *ibid*. Rule 15 has been reproduced as under:

Rule 15. Prescribed rate of interest- [Proviso to section 12, section 18 and sub-section (4) and subsection (7) of section 19]

(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.

17. The legislature in its wisdom in the subordinate legislation under the provision of Rule 15 of the Rules, *ibid* 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.
18. 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., 20.11.2025 is 8.85%. Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., 10.85%.



19. The definition of term 'interest' as defined under Section 2(za) of the Act provides that the rate of interest chargeable from the allottee by the promoter, in case of default, shall be equal to the rate of interest which the promoter shall be liable to pay the allottee, in case of default. The relevant section is reproduced below:

"(za) "interest" means the rates of interest payable by the promoter or the allottee, as the case may be.

Explanation. —For the purpose of this clause—

- (i) the rate of interest chargeable from the allottee by the promoter, in case of default, shall be equal to the rate of interest which the promoter shall be liable to pay the allottee, in case of default.*
- (ii) the interest payable by the promoter to the allottee shall be from the date the promoter received the amount or any part thereof till the date the amount or part thereof and interest thereon is refunded, and the interest payable by the allottee to the promoter shall be from the date the allottee defaults in payment to the promoter till the date it is paid;"*

20. Therefore, interest on the delay payments from the complainant shall be charged at the prescribed rate i.e., 10.85% by the respondent/promoter which is the same as is being granted to them in case of delayed possession charges.
21. On consideration of the documents available on record and submissions made by both the parties, the authority is satisfied that the respondent is in contravention of the Section 11(4)(a) of the Act by not handing over possession by the due date as per the agreement dated 08.01.2018. By virtue of clause 1(iv) of the Affordable Housing Policy, 2013, the possession of the subject apartment was to be delivered by 21.08.2021. As far as grace period is concerned, the same is allowed for a period of 6 months in lieu of HARERA notification no. 9/3-2020 dated 26.05.2020. As such the due date for handing over of possession comes out to be 21.02.2022. Further, a relief of 6 months will be given to the allottee that no interest shall be charged from the complainant-allottees for delay if any between 6 months Covid period from 01.03.2020 to 01.09.2020.
22. During proceeding dated 20.11.2025, the counsel for the respondent placed a copy of order dated 02.06.2025, passed by the ***Appellate Tribunal in Appeal No.***



509 of 2024 in case of **Forever Buildtech Private Limited Vs. Akhil Jain and Disha Jain** vide which the Hon'ble Tribunal held that the allottees would thus, be entitled to interest at the rate already granted by the Authority from due date of possession till offer of possession. As the tribunal had arrived at a finding that valid offer of possession was made on 14.05.2022, there is no ground to grant delayed compensation beyond the said date.

23. It is important to note that the view taken by the Authority is in consonance with section 18(1) read with section 19(10) of the Act, 2016 and is not in derogation with the order passed by the Hon'ble Appellate Tribunal. Further, the facts of the case cited by the respondent are different from the facts and circumstances of the present case. In the said case the offer of possession was made on 14.05.2022 and the complainant/allottee has taken over the physical possession on 13.07.2022 (within a period of two months) However, in the present case, the offer of possession has been offered on 28.03.2023 and the complainant herein has taken the physical possession on 04.03.2024.
24. Therefore, in the interest of natural justice, the complainant should be given 2 months' time from the date of offer of possession. These 2 months' of reasonable time is being given to the complainant keeping in mind that even after intimation of possession practically he has to arrange a lot of logistics and requisite documents including but not limited to inspection of the completely finished unit but this is subject to that the unit being handed over at the time of taking possession is in habitable condition.
25. However, it is the failure of the promoter to fulfil its obligations and responsibilities as per the buyer's agreement to hand over the possession within the stipulated period. Accordingly, the non-compliance of the mandate contained in Section 11(4)(a) read with Section 18(1) of the Act on the part of the respondent is established. As such the complainant is entitled to delay possession charges at rate of the prescribed interest @ 10.85% p.a. w.e.f.



21.02.2022 till the date of offer of possession (28.03.2023) plus two months i.e., 28.05.2023 or actual handing over of possession, whichever is earlier as per proviso to Section 18(1) of the Act read with Rule 15 of the Rules, ibid.

G. II Direct the respondent to refund the excess GST paid by my client or ITC with interest which is illegally and unlawfully charged.

26. The complainant has sought the relief with regard to direct the respondent to give anti-profiteering credit/input tax credit to the complainants and charge the GST as per rules and regulations, the attention of the authority was drawn to the fact that the legislature while framing the GST law specifically provided for anti-profiteering measures as a check and to maintain the balance in the inflation of cost on the product/services due to change in migration to a new tax regime i.e. GST, by incorporating section 171 in Central Goods and Services Tax Act, 2017/Haryana Goods and Services Tax Act, 2017, the same is reproduced herein below.

"Section 171. (1) Any reduction in rate of tax on any supply of goods or services or the benefit of input tax credit shall be passed on to the recipient by way of commensurate reduction in prices."

27. As per the above provision, the benefit of tax reduction or 'Input Tax Credit' is required to be passed onto the customers in view of section 171 of HGST/CGST Act, 2017. In the event, the respondent/promoter has not passed the benefit of ITC to the buyers of the unit in contravention to the provisions of section 171(1) of the HGST Act, 2017. The allottee is at liberty to approach the State Screening Committee Haryana for initiating proceedings under section 171 of the HGST Act against the respondent-promoter.

G.III To refund the amount of Rs.1,47,097/- water connection charges, admin charges, advance consumption deposit, IFSD Charges, Electrification charges and meter connection charges, and 1-year advance maintenance and user charges for operational cost of utility services that you have charged was unlawful, illegal and not in accordance to the Affordable Housing Policy, 2013.

28. The complainant has contended that the respondent has issued offer of possession 28.03.2023 along with statement of account and containing several



illegal charges such as water connection charges, admin charges, advanced consumption deposit, IFSD Charges, Electrification charges and meter connection charges and I year advance maintenance & user charges for operational cost of utility services.

29. The Authority observes that the respondent has raised following demands at the time of offer of possession:

S. No.	Particulars	Basic Amt.	Tax Amount	Due Amount	Received/ adjustment	Balance
1.	Water connection charges	1381	249	1630	0	1630
2.	Meter connection charges	3850	693	4543	0	4543
3.	Administration Charges	15000	2700	17700	0	17700
4.	Advance consumption charges	6000	0	6000	0	6000
5.	IFSD charges	15000	0	15000	0	15000
6.	External Electrification charges	27597	4967	32564	0	32564
Sub Total		68828	8609	77437	0	77437

30. The Authority vide order dated 09.12.2022, passed in case bearing no. **4147 of 2021 titled as Vineet Choubey V/s Pareena Infrastructure Private Limited and also the complaint bearing no. 4031 of 2019 titled as Varun Gupta V/s Emaar MGF Land Limited**, has already decided the above said issues. The respondent is directed to charge the same relying on the above said orders.

G. IV Direct the respondent to connectivity of 24-meter road in 75-meter sector road which is shown in layout plan and the brochure as well as assured my client at the time of booking

31. The grievance of the complainant is that as per the sanctioned layout plan of the plotted colony where the complainant's unit is situated, the respondent is mandatorily required to construct/provide an approach road measuring 24 meter in width, however, a glaring anomaly exists, as there is a conspicuous absence of the stipulated 24-meter approach road, which is a critical infrastructure component essential for ensuring seamless accessibility to the unit.
32. The Authority observes that compliance relating to construction, adherence to approved building plans, issuance of occupation certificate, and structural safety



fall under the jurisdiction of the Directorate of Town and Country Planning (DTCP), to whom the complainants may approach in case of any grievance.

G. V Direct the respondent to pay Rs.5,00,000/- for mental agony and torturing my client and financial losses due to the delay possession.

33. The complainant is seeking above mentioned relief w.r.t. compensation. Hon'ble Supreme Court of India in civil appeal nos. 6745-6749 of 2021 titled as *M/s Newtech Promoters and Developers Pvt. Ltd. V/s State of Up & Ors. (supra)*, 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 adjudicating officer as per section 71 and the quantum of compensation & litigation expense shall be adjudged by the 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 & legal expenses.

H. Directions of the authority

34. Hence, the authority hereby passes this order and issues the following directions under Section 37 of the Act to ensure compliance of obligations cast upon the promoter as per the function entrusted to the authority under Section 34(f):
- I. The respondent is directed pay interest at the prescribed rate i.e., 10.85% per annum for every month of delay on the amount paid by the complainants itself from due date of possession i.e., 21.02.2022 till the date of offer of possession (28.03.2023) plus two months i.e. up to 28.05.2023 or actual handing over of possession, whichever is earlier as per proviso to Section 18(1) of the Act read with Rule 15 of the Rules, *ibid*. The respondent is directed to pay arrears of interest accrued so far within 90 days from the date of order of this order as per Rule 16(2) of the Rules, *ibid*.
 - II. The 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

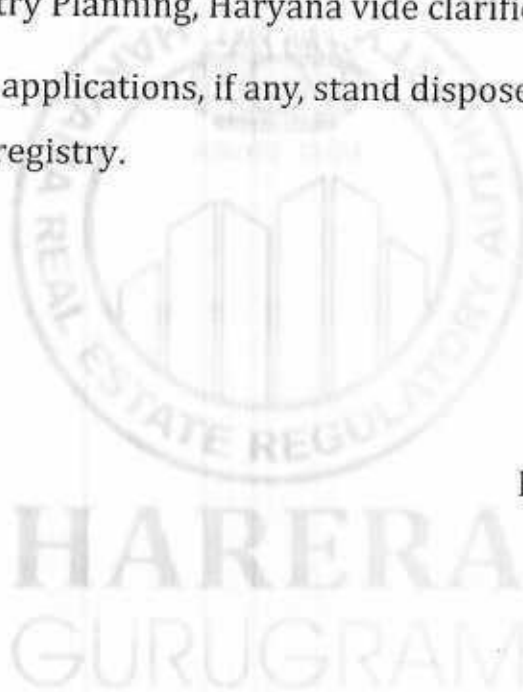




respondent/promoter which is the same rate of interest which the promoter shall be liable to pay the allottees, in case of default i.e., the delayed possession charges as per Section 2(za) of the Act. Further no interest shall be charged from complainant-allottee for delay if any between 6 months Covid period from 01.03.2020 to 01.09.2020.

- III. The respondent shall not charge anything from the complainant which is not the part of buyer's agreement or provided under Affordable Housing Policy.
- IV. The respondent is directed to charge the maintenance/use/utility charges from the complainants-allottees as per clarification by the Directorate of Town and Country Planning, Haryana vide clarification dated 31.01.2024.
35. Complaint as well as applications, if any, stand disposed off accordingly.
36. File be consigned to registry.

Dated: 20.11.2025




Phool Singh Saini
(Member)
Haryana Real Estate
Regulatory Authority,
Gurugram