

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

Complaint no. : 5872 of 2024  
Date of complaint : 04.12.2024  
Date of order : 17.10.2025

Mr. Udayan Maheshwari  
**Address:** - K-5a/14 Dlf City Phase-2,  
Gurgaon-122002

**Complainant**

Versus

M/S Signature Global (India) Pvt. Ltd.  
**Registered office Address:** - Ground Floor, Tower A,  
Signature Towers, Gurugram -122001  
Having Its Registered Office At Unit No 1304,  
13th Floor, Dr Gopaldas Bhawan, 28 Barakhamba Road,  
New Delhi-110001

**Respondent**

**CORAM:**

Shri Arun Kumar

**Chairman**

**APPEARANCE:**

Ms. Kaveri Kaushik

(Advocate)

**Complainant**

Ms. Anjlika Sharma

(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 there under 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. N. | Particulars                       | Details   |
|-------|-----------------------------------|---|
| 1.    | Name of the project               | The Millennia, Sector-37D, Gurugram   |
| 2.    | Project area                      | 9.701 acres   |
| 3.    | Nature of the project             | Affordable group housing  |
| 4.    | DTCP License no.                  | 04 of 2017 dated 02.02.2017 valid upto 01.02.2022   |
| 5.    | RERA Registered/ not registered   | Registered 03 of 20174 dated 20.06.2017 upto 4 years from the date of environment clearance i.e., upto 21.08.2021   |
| 6.    | Unit no. and area admeasuring     | 9-1108, Tower-9<br>519.22 sq. ft (carpet area)<br>79.653 sq. ft. (balcony area)   |
| 7.    | Date of builder buyers' agreement | 05.12.2018<br>[Page 27 of the complaint]  |
| 8.    | Possession clause                 | <b>5. Possession</b><br>5.1 Within 60 (sixty) day from the date of issuance of occupancy certificate, the Developer shall offer the possession of the Said Flat to the Allottee(s). Subject to Force Majeure circumstances, receipt of occupy Certificate and Allottee(s) having timely complied with all its, obligations, formalities or documentation, as prescribed by the Developer in terms of the Agreement and not being in default under any part hereof including but not limited to the timely payment of instalments as per the Payment Plan, stamp duty and registration charges, the developer shall offer possession of the said Flat to the Allottee(s) <b>within a period of 4 years</b> |

|     |  |  |
|-----|--|--|
|     |  | from the date of approval of building plans or grant of environment clearance, (hereinafter referred to as the "Commencement Date"), whichever is later."  |
| 9.  | Possession clause as per Affordable Housing Policy, 2013 | (iv) All such projects shall be required to be necessarily completed within 4 years from the approval of building plans or grant of environmental clearance, whichever is later. This date shall be referred to as the "date of commencement of project" for the purpose of this policy. The licences shall not be renewed beyond the said 4 years period from the date of commencement of project.  |
| 10. | Date of approval of building plan                        | 08.06.2017<br>(Taken from another file of the same project i.e., CR/382/2023)  |
| 11. | Date of clearance environment                            | 21.08.2017<br>(Taken from another file of the same project i.e., CR/382/2023)  |
| 12. | Due date of possession                                   | 21.02.2022<br><b>(Calculated from date of environment clearances i.e., 21.08.2017 being later, which comes out to be 21.08.2021 + 6 months as per HARERA notification no. 9/3-2020 dated 26.05.2020 for projects having completion date on or after 25.03.2020, on account of force majeure conditions due to outbreak of Covid-19 pandemic)</b><br>➤ It was inadvertently mentioned in the POD dated 17.10.2025 that the due date of possession was 05.02.2023. |
| 13. | Total sale consideration                                 | Rs. 22,86,085/-  |



|     |  |  |
|-----|--|--|
|     |  | [as per SOA dated 23.03.2023 at page 64 of the complaint]                    |
| 14. | Amount paid by the complainant                 | Rs. 22,86,085/-<br>[as per SOA dated 23.03.2023 at page 64 of the complaint] |
| 15. | Occupation certificate /Completion certificate | 25.01.2023   |
| 16. | Conveyance deed                                | 20.03.2024<br>[Page 45-82 of the complaint]                                  |
| 17. | Possession latter                              | 20.03.2024<br>[Page 81-82 of the complaint]                                  |

### B. Facts of the complaint

3. The complainant has made the following submissions: -

- I. That, relying upon the representations, warranties, and assurances of the Respondent regarding timely delivery of possession, the Complainant booked a flat in the Respondent's affordable housing project under the name and style of "**The Millenia**", situated at Village Gadoli Khurd & Gadoli Kalan, Sector 37D, Gurugram, Haryana, having License No. 04 of 2017 dated 02.02.2017 issued by DGTCP, Chandigarh, Haryana.
- II. That after allotment of the unit, the Respondent presented a Builder Buyer Agreement for execution. The Complainant was compelled to sign a one-sided, arbitrary agreement, the terms and conditions of which were fixed and non-negotiable. The Respondent deviated from the Affordable Housing Policy under the said agreement and mala fidely attempted to impose its own unfair terms upon the

Complainant. For instance, in case of delay in payment by the Complainant, interest at the rate of 15%–18% is levied, whereas no such interest is paid by the Respondent in case of delay in handing over possession. That succumbing to the one-sided and arbitrary conduct of the Respondent, the Complainant, who booked the unit with dreams and aspirations of owning a home, executed the said arbitrary agreement.

- III. That as per the Affordable Housing Policy, 2013, the developer is responsible for providing and maintaining essential services in the project for a period of five years from the issuance of the Occupancy Certificate, the cost of which is included in the total price of the unit. That as per Clause 6.1 of the registered Agreement for Sale, the Respondent agreed and undertook that timely delivery of possession of the unit to the allottee and of the common areas to the association of allottees or the concerned authority is the essence of the agreement. The Respondent assured delivery of possession of the unit by **August 2021**.
- IV. That the Complainant regularly visited the corporate office as well as the construction site of the project and was surprised to observe that construction was not progressing, with only a few labourers present at the site. Upon inquiry regarding the slow progress, the Respondent repeatedly assured timely completion and delivery of possession. However, possession was ultimately delivered after a

delay of approximately **2 years and 7 months**. It is apparent that the Respondent has committed fraud upon the Complainant with the sole intention of collecting payments without completing the project on time. Despite repeated visits and follow-ups, the Respondent failed to deliver possession within the stipulated time. That due to the Respondent's failure to complete the project within the agreed timeline, the Complainant has suffered immense mental agony, harassment, and continues to incur severe financial losses, which could have been avoided had possession been delivered on time.

- V. That despite repeated concerns raised by the Complainant through personal visits and telephonic inquiries, the Respondent adopted no positive approach to complete the project within the promised time. That as per Clause 6.2(ii) of the Agreement for Sale, the Respondent is liable to pay interest equivalent to delay payment charges for every month of delay until handing over possession, payable within ninety days of becoming due. That the Respondent repeatedly made false assurances that delay possession charges would be adjusted at the time of final settlement; however, the Respondent later refused to make such adjustment.
- VI. That the Respondent failed to comply with its obligations not only under the Agreement but also under the applicable laws, rules, and regulations. The Respondent made false statements regarding the



progress of construction and indulged in unfair trade practices by taking advantage of its dominant position, thereby causing continued mental agony and financial distress to the Complainant.

VII. That accordingly, the Respondent is legally bound to pay interest on the amount deposited by the Complainant till actual handover of possession, which is a statutory right and cannot be ignored. That the Respondent's failure to deliver possession within the stipulated time has caused severe mental agony, harassment, and financial loss to the Complainant, hence the present complaint.

VIII. That the Respondent has acted in a mala fide manner and deprived the Complainant of statutory and governmental benefits, attempting to extract undue financial gain, which is arbitrary, illegal, and cannot be sustained under law.

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

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

1. Direct the Respondent to hand over possession of Unit along with delay possession charges at the prescribed RERA rate on the entire amount deposited by the Complainant, from the due date of possession till the actual date of handing over physical 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:

- I. That on 05.05.2018, the complainant applied for allotment of a unit in the project of the respondent and based on draw of lots held on 24.07.2018 in presence of the officials of DGTCP and representatives of Deputy Commissioner for our Affordable Housing Project "The Millennia", a unit was allotted to the complainants bearing no. 9-1108 in tower 9 having carpet area of 519.229 sq. ft. and balcony area of 79.653 sq. ft. on 11th floor together with the two wheeler parking site and pro rata share in common areas vide allotment letter dated 26.07.2018.
- II. That on 05.12.2018, a buyer's agreement was executed for the said unit having sale price of Rs.21,16,742/- excluding all charges, taxes etc. as mentioned and agreed by the complainants under the agreement. The said agreement was signed by the complainants voluntarily with free will and consent without any demur. The complainants had applied for the unit only after the due diligence, verification done and post being fully satisfied with the project. That as per provision of clause 4.4 of the agreement, the possession of the retail unit was proposed to be offered by August 2021 unless there is a delay or failure due to force majeure events.
- III. 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 has allowed the parties to contract with an extension of 6 months period fulfilling the contractual obligations. Further, Ministry of Housing and Urban Affairs vide Office Memorandum no. 0-



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.

- IV. 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. Also, it is not out of the place to mention here that the Hon'ble Supreme Court in '**Supertech Ltd. vs. Rajni Goyal, Civil Appeal No. 6649-50 of 2018**', keeping in view the Bans imposed by NGT and other Government Authorities etc. allowed the promoter for the grace period for completion of construction. That it is pertinent to mention here that the complainants herein 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 complainants was received after the lapse of the stipulated time period, which led to levying of late payment charges on the complainants as per the Policy. The same is evident from the Statement of Account as relied upon by the complainants themselves, wherein the payment entries show that at various occasions, the complainants had paid late payment charges due to default in making timely payments.

- V. Further, it is pertinent to mention that the conveyance deed dated 20.03.2024 and possession dated 20.03.2024 and the same is evident from the possession certificate dated 20.03.2024.
- VI. That the project in question has already been completed, occupation certificate was obtained on 25.01.2023, the conveyance deed was executed on 20.03.2024, and the possession certificate dated 20.03.2024 was issued. Therefore, the project was completed. Moreover, the delay so caused was due to reasons beyond control and therefore, the respondent shall not be liable for the period wherein construction/development activity was affected due to force majeure circumstances or order/direction of the Court or State. That there exists no cause of action as much as in favour of the complainants or against the respondent and the complaint under reply is liable to be dismissed as per the facts and averments as explained hereinabove.
7. Copies of all the relevant documents have been filed and placed on the record. Their authenticity is not in dispute. Hence, the complaint can be decided on the basis of these undisputed documents and submission made by the parties.

**D. Jurisdiction of the authority**

8. The authority observes that it has territorial as well as subject matter jurisdiction to adjudicate the present complaint for the reasons given below.

**D.1 Territorial jurisdiction**

9. 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.

#### D.II Subject matter jurisdiction

10. 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.

11. 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.

#### **E. Findings on the relief sought by the complainant.**

E. I Direct the Respondent to hand over possession of Unit along with delay possession charges at the prescribed RERA rate on the entire amount deposited by the Complainant, from the due date of possession till the actual date of handing over physical possession.

12. In the present complaint, the complainant 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."*

13. Clause 5 of the apartment buyer agreement (in short, agreement) provides for handing over of possession and is reproduced below:

**5. Possession**

*5.1 Within 60 (sixty) day from the date of issuance of occupancy certificate, the Developer shall offer the possession of the Said Flat to the Allottee(s). Subject to Force Majeure circumstances, receipt of occupancy Certificate and Allottee(s) having timely complied with all its obligations, formalities or documentation, as prescribed by the Developer in terms of the Agreement and not being in default under any part hereof including but not limited to the timely payment of instalments as per the Payment Plan, stamp duty and registration charges, the developer shall offer possession of the said Flat to the Allottee(s) **within a period of 4 years from the date of approval of building plans or grant of environment clearance, (hereinafter referred to as the "Commencement Date"), whichever is later."***

14. **Admissibility of delay possession charges at prescribed rate of interest:** Proviso to section 18 provides that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of possession, at such rate as may be prescribed and it has been prescribed under rule 15 of the rules. Rule 15 has been reproduced as under:

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

- (1) *For the purpose of proviso to section 12; section 18; and sub-sections (4) and (7) of section 19, the "interest at the rate prescribed" shall be the State Bank of India highest marginal cost of lending rate +2%.*

*Provided that in case the State Bank of India marginal cost of lending rate (MCLR) is not in use, it shall be replaced by such benchmark lending rates which the State Bank of India may fix from time to time for lending to the general public.*

15. 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.
16. 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., 17.10.2025 is 8.85%. Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., 10.85%.
17. 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;"*

18. 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 the complainant in case of delayed possession charges.
19. 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. By virtue of clause 5 of the apartment buyer's agreement executed between the parties on 05.12.2018, the possession of the subject apartment was to be delivered by 21.02.2022 Calculated from date of environment clearances i.e., 21.08.2017 being later, which comes out to be 21.08.2021 + 6 months as per HARERA notification no. 9/3-2020 dated 26.05.2020 for projects having completion date on or after 25.03.2020, on account of force majeure conditions due to outbreak of Covid-19 pandemic).
20. Accordingly, the non-compliance of the mandate contained in section 11(4)(a) read with proviso to section 18(1) of the Act on the part of the respondent is established. As such, the allottee shall be paid, by the promoter, interest for every month of delay from the due date of possession i.e., 21.02.2022 till Valid offer of possession plus 2 months after obtaining occupation certificate from the competent authority or



actual handing over of possession whichever is earlier as per section 18 (1) of the Act of 2016 read with rule 15 of the rules.

21. It is observed by the Authority that the Occupation Certificate was obtained by the Respondent on 25.01.2023. However, despite obtaining the said Occupation Certificate, the Respondent failed to offer possession of the unit to the Complainant. Subsequently, the Conveyance Deed was executed between the parties on 20.03.2024, and the Possession Certificate was also issued on the same date. Since the Conveyance Deed stands executed and possession was offered/handed over on 20.03.2024, the Complainant is entitled to delayed possession charges from the due date of possession i.e., 21.02.2022 till 20.03.2024, i.e., the date of issuance of the handing over of Possession in terms of Section 18(1) of the Real Estate (Regulation and Development) Act, 2016 read with Rule 15 of the Haryana Real Estate (Regulation and Development) Rules, 2017.


#### **F. Directions of the Authority**

22. 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/promoter is directed to pay interest to the complainant against the paid-up amount at the prescribed rate of 10.85% p.a. for every month of delay from the due date of

possession i.e., 21.02.2022 till 20.03.2024, i.e., the date of issuance of the handing over of Possession in terms of Section 18(1) of the Real Estate (Regulation and Development) Act, 2016 read with Rule 15 of the Haryana Real Estate (Regulation and Development) Rules, 2017.

- ii. The complainant is also directed to pay outstanding dues, if any, after adjustment of interest for the delayed period.
  - iii. The rate of interest chargeable from the allottee by the promoter, in case of default shall be charged at the prescribed rate i.e., 10.85% by the respondent/promoter which is the same rate of interest which the promoter shall be liable to pay the allottee, in case of default i.e., the delayed possession charges as per section 2(za) of the Act.
  - iv. The respondent/promoter shall not charge anything from the complainant which is not the part of the buyer's agreement.
23. The complaint and application, if any, stands disposed of.
24. File be consigned to registry.

Dated: 17.10.2025

  
(Arun Kumar)  
Chairman  
Haryana Real Estate Regulatory  
Authority, Gurugram