

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

Date of decision: 13.01.2026

NAME OF THE BUILDER		M/S SIGNATURE Global India Ltd.	
PROJECT NAME		"Signature Global-36, Sohna"	
Sr. No.	Case No.	Case title	Appearance
1.	CR/2607/2025	Hemendra Pratap VS Signature Global India Private Limited	Shri Nishi Bhushan (Advocate) (Complainant) Shri Venket Rao (Advocate) (Respondent)
2.	CR/2608/2025	Neeti Pratap Singh Vs. M/s Signature Global India Private Limited	Shri Nishi Bhushan (Advocate) (Complainant) Shri Venket Rao (Advocate) (Respondent)

CORAM:

Shri Arun Kumar

Chairman

ORDER

1. This order shall dispose of the aforesaid complaints titled above filed before this authority under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred as "the Act") read with Rule 28 of the Haryana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred as "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 its obligations, responsibilities and functions to the allottees as per the agreement for sale executed inter se between parties.
2. The core issues emanating from them are similar in nature and the complainant(s) in the above referred matters are allottees of the project, namely, "Signature Global-36, Sohna, Gurugram being developed by the same respondent/promoter i.e., "M/s Signature Global India Private Limited." The terms and conditions of the buyer's agreements and fulcrum of the issue

involved in all these cases pertains to failure on the part of the promoter to deliver timely possession of the units in question, seeking possession of the unit along with delayed possession charges.

3. The details of the complaints, reply status, unit no., date of agreement, possession clause, due date of possession, total sale consideration, total paid amount, and relief sought are given in the table below:

Project Name and Location		"Signature Global-36, Sohna, Gurugram				
Nature of the project		Commercial plotted colony				
Project area		5.21875 acres				
DTCP License No. and validity		22 of 2022 dated 11.03.2022 valid upto 10.03.2027				
HRERA Registered		Registered 46 of 2022 dated 06.06.2022 valid upto 30.06.2023				
Possession Clause		7. Possession "7.1 Clause 7.1. <i>"the promoter assures to handover possession of the SCO Plot as per agreed terms and conditions by 30.06.2023. unless there is delay due to force majeure, court orders, government policy/guideline, decisions affecting the regular development of the real estate project. If, the completion of the project is delayed due to the above conditions, then the allottee(s) agrees that the promoter shall be entitled to the extension of time for delivery of possession of the SCO plot."</i> (Emphasis supplied)(Page 47 of complaint)				
Due date of possession		30.06.2023				
Completion Certificate		23.12.2024				
Offer of possession		23.12.2024				
Reminder		30.01.2025				
Date of Pre-cancellation letter		15.02.2025				
Cancellation notice		05.03.2025				
Sr. No.	Complaint No., Case Title, and Date of filing of complaint	SCO Plot no. & size	Date of execution of BBA	Total Sale Consideration /	Total Amount paid by the complainant	Relief sought
1.	CR/2607/2025 Hemendra Pratap Vs.	C63, block no. O2D, 72 Sq.mt. (page 41 of complaint)	01.12.2022 (page 36 of complaint)	TSC- Rs. 1,08,21,170 /-	AP- Rs. 1,10,36,255 /- (page 121 of reply)	<ul style="list-style-type: none"> • DPC • Physical possession • Not to create any third-party rights. • Not to charge holding charges.



	Signature Global India Private Limited.					<ul style="list-style-type: none"> • Refund/adjust excess amount. • Litigation charges. 										
	DOF: 30.05.2025 Reply: 29.12.2025															
2.	CR/2608/2025 Neeti Pratap Singh Vs. Signature Global India Private Limited.	C62, block no. O2D, 72 Sq.mt. (page 34 of complaint)	16.11.2022 (Page 30 of complaint)	TSC- Rs. 1,03,33,440 /-	Rs.1,10,60,649/- (as per customer ledger, page 123 of reply)	<ul style="list-style-type: none"> • DPC • Physical possession • Not to create any third-party rights. • Not to charge holding charges. • Refund/adjust excess amount. • Litigation charges. 										
	DOF: 28.11.2024 Reply: 01.04.2025															
<p>Note: In the table referred above certain abbreviations have been used.</p> <table border="0"> <tr> <td>Abbreviation</td> <td>Full form</td> </tr> <tr> <td>DOF</td> <td>Date of filing of complaint</td> </tr> <tr> <td>DPC</td> <td>Delayed possession charges</td> </tr> <tr> <td>TSC</td> <td>Total sale consideration</td> </tr> <tr> <td>AP</td> <td>Amount paid by the allottee/s</td> </tr> </table>							Abbreviation	Full form	DOF	Date of filing of complaint	DPC	Delayed possession charges	TSC	Total sale consideration	AP	Amount paid by the allottee/s
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- The aforesaid complaints were filed by the complainant-allottee(s) against the promoter on account of violation of the builder buyer's agreement executed between the parties in respect of subject unit for not handing over the possession by the due date, seeking the physical possession of the unit along with delayed possession charges and maintenance charges.
- It has been decided to treat the said complaints as an application for non-compliance of statutory obligations on the part of the respondent in terms of Section 34(f) of the Act which mandates the authority to ensure compliance of the obligations cast upon the promoters, the allottee(s) and the real estate agents under the Act, the rules and the regulations made thereunder.
- The facts of all the complaints filed by the complainant-allottee(s) are similar. Out of the above-mentioned cases, the particulars of lead case **CR/2607/2025**

titled as "Hemendra Pratap Singh & Others Vs. M/s Signature Global India Ltd." are being taken into consideration for determining the rights of the allottee(s) qua the relief sought by them.

A. Unit and project related details.

7. 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:

Sr. No.	Particulars	Details
1.	Name and location of the project	"Signature Global-36, Sohna.
2.	Project area	5.21875 acres
3.	Nature of the project	Commercial plotted colony
4.	DTCP license no. and validity status	22 of 2022 dated 11.03.2022 valid upto 10.03.2027
5.	RERA registered/ not registered and validity status	Registered 46 of 2022 dated 06.06.2022 valid upto 30.06.2023
6.	Agreement for sale	01.12.2022 (Page 36 of complaint)
7.	SCO plot no.	C63, block no. 02D (Page 41 of complaint)
8.	SCO plot admeasuring	72 Sq.mt. (Page 41 of complaint)
9.	Possession Clause	Clause 7.1. <i>"The promoter assures to handover possession of the SCO Plot as per agreed terms and conditions by 30.06.2023. unless there is delay due to force majeure, court orders, government policy/guideline, decisions affecting the regular development of the real estate project. If, the completion of the project is delayed due to the above conditions, then the allottee(s) agrees that the promoter shall be entitled to the extension of time for delivery of possession of the SCO plot."</i> (Emphasis supplied) (Page 47 of complaint)
10.	Due date of possession	30.06.2023
11.	Total sale consideration	Rs. 1,08,21,170/- (as per customer ledger, page 121 of reply)

12.	Amount paid by the complainants	Rs.1,10,36,255/- (as per customer ledger, page 121 of reply)
13.	Date of Completion Certificate	23.12.2024 (page 114 of reply)
14.	Date of offer of possession	23.12.2024(page 117 of reply)
16.	Date of pre-cancellation letter	15.02.2025 (page 127 of reply)
17.	Cancellation notice	05.03.2025 (page 128 of reply)

B. Facts of the complaint:

8. The complainant has made the following submissions: -

- I. That somewhere in the year 2022 the respondent through its marketing executives had advertisement done through various medium and means approached the complainant with an offer to invest and buy a commercial plot in the proposed project of the respondent, which respondent was going to launch the project under the name and style of Signature Global-36, Sohna situated at revenue estate of village Dhunela, Tehsil Sohna, Sector 46, Gurugram. The respondent had represented to the complainant that the respondent is very ethical business house in the field of construction of residential and commercial project and in case, the complainants would invest in the project of respondent then they would deliver the possession of proposed commercial plot, on the assured delivery date as per the best quality assured by the respondent. The respondent had further assured the complainants that the respondent has already secured all the necessary sanctions and approvals from the appropriate and concerned authorities for the development and completion of the said project on time with the promised quality and specification. The respondent had also shown the brochures and advertisement material of the said project to the complainants given by respondent and assured that the allotment letter and agreement to sell for the said project would be issued to the complainants within one week of booking to be made by the complainants. While relying on the representations and warranties of the respondent and believing those to be true had agreed to the

proposal of the respondent to book a commercial plot in the project of the respondent. The representative of the respondent had also shown the brochures to the complainants. The respondent arranged the visit of its representatives to the complainants and they also assured the same as assured by the respondent to the complainants, wherein it was categorically assured and promised by respondent that they already have secured all the sanctions and permissions from the concerned authorities and departments for the sale of sale project and would allot the commercial plot in the name of the complainants immediately upon booking. Relying upon those assurances and believing those to be true, the complainants booked a commercial plot/SCO plot no. C-63 in block/tower O2-D having a Signature Global-36 for a basic sale consideration of Rs. 1,03,33,440/- for SCO plot by paying the booking amount of Rs. 9,30,010/- on dated 05.08.2022. On 03.10.2022, complainant made payment of Rs. 16,53,350/- as per the demand raised by the respondent.

- II. The respondent executed an agreement for sale on dated 01.12.2022 in favour of the complainant. The complainant did not agree with some certain conditions of the agreement for sale, as the agreement for sale was unilateral one and when complainant to sign the same otherwise the payment already made by the complainant to the respondent shall be forfeited by the respondent and the said SCO plot shall also be cancelled by the respondent. Under such threat, the complainants were left with no other efficacious remedy available but to sign the unilateral agreement. On 29.03.2023, complainant made payment of Rs. 25,83,360/- as per the demand raised by the respondent.
- III. That the respondent was required to handover the possession of the said unit to the complainant as provided under Rule 2(1)(f) of Rules 2017, but the respondent has not fulfilled his promise to deliver the said SCO on 30.06.2023.

The respondent has miserably defaulted in fulfilling its commitment as per the terms of the agreement.

- IV. The respondent issued an offer for possession on 23.12.2024 and demand for the remaining amount of Rs.51,66,720/- and additional to that the respondent ask for Rs.5,51,377/- as additional cost which is also paid by the complainant.
- V. That when the complainant visited the corporate office of respondent in Gurugram, their representative told them to make a payment of Rs.51,66,720/- only then they are allowed to visit the site also. The complainant made a payment of Rs.51,66,720/-, despite having made all payment the complainant was not permitted to visit the site, further reflecting the respondent's lack of transparency and failure to uphold their obligations under the agreement. On 05.03.2025, complainant received a pre-cancellation letter.
- VI. Upon receiving the pre cancellation letter, the complainant was shocked and immediately visited the respondent and informed them that the issuance of the letter was due to a system error but further stated that they have to make a remaining payment of Rs.5,99,481/- was still due. Relying on this representation the complainants promptly made the said payment on dated 07.03.2025.
- VII. That on 19.03.2025, the complainant also paid an amount of Rs.1,03,334/- as TDS.
- VIII. That while booking the said unit, it was represented by the respondent that the respondent has already secured all necessary permissions, sanctions and approvals from the competent authorities and since the complainants has booked the unit, the complainants were assured by the respondent that it would allot the said unit in favour of the complainants within a period of maximum one week. Thereafter, respondent started raising unnecessary demand of money/instalments from the complainants and complainant as on

- today had paid Rs.1,10,36,255/- which is very much evident from the receipts duly issued by the respondent to the complainants and the complainant has already paid more than the sale consideration amount to the respondent subject to the timely handing over the SCO Plot. The respondent raised various demands for payments from time to time, which were duly paid by the complainants as per the schedule mentioned in the builder buyer agreement.
- IX. That from the date of booking and till today, the respondent had raised various demands for the payment of installments from complainants towards sale consideration of the said unit and the complainants have duly paid and satisfied all those demands without any default or delay on his part and has also fulfilled otherwise also his part of obligations but the respondent having fraudulent intention never started.
- X. That as per clause 7.1 of the BBA, the possession of the said SCO plot was to be handed over to the complainants by 30.06.2023. however, upon a recent visit, the complainants discovered that construction is still ongoing and there is no marketing for their SCO plot which indicating a clear deviation from the stipulated schedule possession schedule and thereby constituting a breach of agreed terms.
- XI. That the respondent committed grave deficiency in services by not delivering the possession of the SCO plot and that too by playing with emotions and making false promises with complainants again and again with a malafide and dishonest intention, for which the respondent has no right, title or interest to do som. The complainants suffered a huge loss by paying a huge amount of Rs. 1,10,36,255/- more than the total sale consideration and still continues to suffer at the hands of respondent as being deprived of their plot for a number of years without being delivered any possession of the said plot or without being paid any interest on the huge amount.

XII. That the cause of action accrued in favour of the complainants and against the respondent in year 2022, when the complainant had booked the said SCO plot and it further arose when respondent failed/neglected to deliver the said SCO plot to the complainants. The cause of action is continuing and is still subsisting on day to day basis.

C. Relief sought by the complainants:

9. The complainants have sought following relief:
- i. Direct the respondent to handover the possession of the said unit to the complainant.
 - ii. Direct the respondent to pay the delayed interest at the prescribed rate of 18% per annum on the amount of Rs. 1,10,36,255/- which has been paid by the complainant to the respondent against the sale consideration.
 - iii. Direct the respondent to refund/ adjust the excess amount of Rs. 1,51,798/- paid by the complainant to respondent over and above total sale consideration.
 - iv. Direct the respondent not to alienate, sell, transfer, mortgage the said unit and not to create any third-party interest or charge.
 - v. Direct the respondent to waive off so called unnecessary and unwarranted holding charges.
 - vi. Direct the respondent to pay the penalty / DPC to the complainant on account of delay in delivering possession of the unit.
 - vii. Direct the respondent to pay an amount of Rs. 75,000/- to the complainant as cost of the present litigation.
10. 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.

- i. That the complainant has intentionally concealed the correct/complete facts and the same are now being reproduced hereunder for necessary and proper adjudication of the present matter. The complainant raising false, frivolous, misleading, and baseless allegations against the respondent with intent to make unlawful gains.

- ii. That the complainant has not approached the Authority with clean hands and has suppressed relevant facts. The complaint under reply is devoid of merits and the same should be dismissed with cost.
- iii. That the present complaint is legally untenable because the relationship of complainant and respondent has already been severed. Due to persistent non-payment and failure to take possession following the offer of possession dated 23.12.2024, the respondent issued a pre-cancellation notice on 15.02.2025, followed by a formal notice of termination on 05.03.2025. Since the unit has been cancelled due to the complainant's default, they no longer possess the *locus standi* to seek "delay possession charges" for a unit they no longer hold rights to.
- iv. That the complainant in the year 2022, being in search of an independent floor, learned about the project titled 'Signature Global-36, Sohna' at Sector 36, Gurugram being developed by the respondent.
- v. That on 12.08.2022, the complainant applied for allotment of a unit in the project of the respondent vide application no. SG-202208-26607. Pursuant to the application for allotment, an independent floor was allotted vide provisional allotment letter dated 30.08.2022 to the complainant bearing unit no. 36-02D-C63-SCO in block no.- 02D, having carpet area of 72 sq. mts. along with the basement/stilt parking (if the applicable charges have been paid).
- vi. That on 01.12.2022, an agreement for sale, was executed for the said unit having a sale price of Rs. 1,03,33,440/-, excluding all other charges, taxes, etc. as mentioned and agreed by the complainant under the agreement. It is to note, that the said agreement was signed by the complainant(s) voluntarily with free will and consent without any demur.
- vii. That the complainant(s) had applied for the unit only after the due diligence, verification were done, and post being fully satisfied with the project. As per the provision of **Clause 7.1 of the Agreement**, the possession of the unit was

proposed to be offered by 30.06.2023 unless there is a delay due to force majeure events.

- viii. That the complainant's assertion of a fixed delivery date fails to account for the conditional nature of the agreement for sale. Under clause 7.1 of the agreement, the respondent's obligation to hand over possession by 30.06.2023 was explicitly contingent upon the absence of force majeure events and government-imposed delays. Since the complainant signed this agreement voluntarily, they are contractually bound by the provision that the respondent is entitled to an extension of time for any period where development was affected by such external conditions.
- ix. That the committed date of possession fell 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.
- x. 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.

- xi. 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.
- xii. That in addition to the abovementioned hindrances, it is also pertinent to mention here 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. The said delay was completely beyond the control of the respondent and thus, the respondent is entitled for extension for such period of delay.
- xiii. 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. Further, certain bans were imposed by the commission for air quality management in national capital region and adjoining areas through their Grap orders whereby the ban on construction was imposed in the Delhi and NCR. The details of force majeure

circumstances and reasons beyond the control of the respondent are highlighted in the table below:

S.N	AUTHORITIES / DATE OF ORDER	TITLE	DURATION OF BAN
1.	Environment Pollution (Prevention and Control Authority) order dated 07.11.2017		90 days
2.	Haryana State Pollution Control Board order dated 29.10.2018		01.11.2018-10.11.2018 (10 days)
3.	Directions vide Notification DPCC/PA to MS/2018/7919-7945 dated 24.12.2018		3 days
4.	Commissioner, Municipal Corporation, Gurugram order dated 11.10.2019		11.10.2019-31.12.2019 81 days
5.	Environment Pollution (Prevention and Control Authority) for NCR order dated 01.11.2019		01.11.2019-05.11.2019 5 days
6.	Supreme Court - 04.11.2019 - 14.02.2020	M. C. Mehta Vs. UOI WPC 13029 / 1985	(55days)
7.	Covid-19 extension (First Wave)- HRERA, Gurugram / 26.05.2020	Order dated 26.05.2020	6 Months extension
8.	Covid-19 extension (Second Wave) HRERA, Panchkula / 02.08.2021	Extract of the Resolution passed in the meeting dated 02.08.2021	3 months extension
9.	Commission for Air Quality Management (NCR and Adjoining Areas) / 16.11.2021	Order dated 16.11.2021	16.11.2021 to 21.11.2021 (6 days)
10	Commission for Air Quality Management (NCR and Adjoining Areas) / 29.10.2022	Order dated 29.10.2022	29.10.2022 to 14.11.2022 (17 days)
11	Commission for Air Quality Management (NCR and Adjoining Areas) / 04.12.2022	Order dated 04.12.2022	04.12.2022 to 07.12.2022 (4 days)

12	Commission for Air Quality Management (NCR and Adjoining Areas) /30.12.2022	Order dated 30.12.2022	30.12.2022 to 04.01.2023 (6 days)
13	Commission for Air Quality Management (NCR and Adjoining Areas) /06.01.2023	Order dated 06.01.2023	06.01.2023 to 15.01.2023 (10 days)
TOTAL		1.5 yrs (approx.)	

- xiv. That the delay was caused due to unforeseen circumstances as mentioned above, shall be considered and exempted while determining the due date to offer possession. Between 2017 and 2023, the project was subjected to numerous constructions bans by the Hon'ble Supreme Court, the NGT, and the commission for air quality management. When a statutory authority or court prohibits construction—as seen in the GRAP orders and the 55-day ban directed by the Supreme Court—the respondent is legally barred from performance. Consequently, these periods, totaling approximately 1.5 years, must be excluded from any calculation of "default" on the part of the respondent. The respondent had carried out its obligations in agreement with utmost diligence. Further, after the completion of the project and receiving the completion certificate on 23.12.2024, the possession was offered to the complainant vide offer of possession letter dated 23.12.2024.
- xv. That the complainant had defaulted in making the payment at various instances as per the affordable plotted colony and the schedule of payment as agreed under the agreement.
- xvi. That the respondent, being bonafide, had sent intimation letters for demands to the complainant dated 30.08.2022 and 18.01.2023, however, the complainant still failed to fulfil their obligation for payments of outstanding dues.
- xvii. That 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 complainants as per the policy. The same is evident from the statement of account wherein the payment entries show that at various

occasions, the complainant had paid late payment charges due to default in making timely payments.

- xviii. That as is evident from the customer ledger, it may be stated that the complainant had only paid Rs. 1,10,36,255/- against the total dues of Rs. 1,10,88,152/-, which clearly highlights that the complainant did not comply to the payment plan and thereby did not fulfil their obligation as per the agreement. Further, it may be noted that the respondent had provided a credit note of Rs. 51,896/- to the complainant, which has not been acknowledged by the complainant.
- xix. That the complainant in the present complaint has raised an issue of delay in completion of the project by concealing the very fact that the project is delayed due to various reasons beyond the control of the respondent. Further, nowhere in the complaint, it has been disclosed that the committed date of possession as provided under the agreement, is subject to various *force majeure* circumstances and thus, the respondent is entitled for extension of such time period effected due to the reasons disclosed in the preceding paras. Therefore, the contention of the complainant that the project is delayed is false and frivolous as the occupation certificate has been obtained and the respondent also offered the possession on 23.12.2024.
- xx. That the failure of the complainant to comply with the obligation under the agreement forced the respondent to issue a reminder letter dated 30.01.2025, wherein the respondent was forced to claim the outstanding dues from the complainant.
- xxi. That on the non-compliance of the complainant(s), the respondent was forced to issue a pre-cancellation notice dated 15.02.2025, wherein it was informed to the complainant that on the non-compliance of the same within 15 days, the respondent would be forced to cancel the booking. Further, the respondent was obligated to cancel the unit of the complainant for the reason of non-complying

of obligations to pay the outstanding dues by the complainant vide the notice of termination on 05.03.2025.

- xxii. That the entire case of the complainant is nothing but a web of lies, false and frivolous allegations made against the respondent. The complainant is trying to hoodwink the Authority by placing untrue facts and attempting to hide the true colour of intention.
 - xxiii. That there exists no cause of action as much as in favour of the complainant or against the respondent, and the complaint under reply is liable to be dismissed as per the facts and averments as explained hereinabove. Hence, the present complaint under reply is liable to be dismissed with cost for wasting the precious time and resources of the Authority. The present complaint is an utter abuse of the process of law and hence deserves to be dismissed.
 - xxiv. That the complainant sought relief of the delay possession charges. The complainant is not liable to said relief as the possession had already been offered, however, the complainant themselves failed to pay the dues and takeover the possession, and thereby, the respondent was obligated to cancel the unit.
- 11. All other averments made in the complaint were denied in toto.
 - 12. 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.

- 13. 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

- 14. 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

15. 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.

16. 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.I Objection regarding force majeure conditions.

17. 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 no.1 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.

18. Further, the Authority has examined the possession clause of the agreement and observed that the respondent-promoter proposed to hand over possession of the allotted unit by 30.06.2023. As per HARERA Notification No. 9/3-2020 dated 26.05.2020, an extension of six months was granted for projects having a completion/due date on or after 25.03.2020. The completion date of the aforesaid project, in which the subject unit has been allotted to the complainant, is 30.06.2023, i.e., after 25.03.2020. However, in the present case, the builder buyer agreement was executed in the year 2022, therefore, it is reasonable to assume that the respondent was aware of the prevailing circumstances and agreed to the stipulated timeframe for possession accordingly. Consequently, any extension of time for handing over possession on account of COVID-19 cannot be granted, and the due date for handing over possession remains unchanged, i.e., 30.06.2023.

G. Findings on the relief sought by the complainants.

G.I Direct the respondent to pay delay possession charges.

G.II Direct the respondent not to alienate, sell, transfer, mortgage the said unit and not to create any third-party interest or charge thereon.

19. The complainant, through the present complaint, contends that the subject unit was booked by him on 12.08.2022, and a builder buyer agreement was executed between the parties on 01.12.2022 for SCO no. C-63, block O-2-D, having an area of 775 sq. ft. Further, perusal of the case file reveals that possession of the said unit was to be offered on or before 30.06.2023.
20. The complainant has paid an amount of Rs. 1,10,36,255/- against the total sale consideration of Rs. 1,08,21,170/-, which is evident from the customer ledger annexed at page no. 121 of the reply. The Completion Certificate of the project was obtained on 23.12.2024, and possession of the allotted SCO plot was offered on the same date, i.e., 23.12.2024. Thereafter, a pre-cancellation letter dated

15.02.2025 was issued by the respondent, followed by a cancellation notice dated 05.03.2025.

21. In its contrary respondent submits that the complainant had defaulted in making the payment at various instance as per the Affordable Plotted Colony and the schedule of payment as agreed under the agreement. The majority of time, the payment from the complainant was received after the lapse of stipulated period which lead to levying of late payment charges on the complainant as per the policy. The same is evident from the SOA wherein the payment entries show that at various occasions, the complainant had paid late payment charges due to default in making timely payments. On the non-compliance of the complainant, the respondent was forced to issue a pre-cancellation notice dated 15.02.2025, it was informed to the complainant that on the non-compliance of the same within 15 days, the respondent would be forced to cancel the booking. Further, the respondent was obligated to cancel the unit of the complainant for the reason of non-complying of obligations to pay the outstanding dues by the complainant vide notice of termination on 05.03.2025.
22. The foremost question which arises before the authority for the purpose of adjudication is that "whether the said cancellation is a valid or not in the eyes of law?".
23. The Authority finds the cancellation by the respondent to be unfair and invalid for several reasons. *Firstly*, by the time the allotment was cancelled, the complainant had already paid an amount of Rs. 1,10,36,255/- against the total sale consideration of Rs. 1,08,21,170/-, which is in excess of the total consideration. The same is evident from the customer ledger annexed by the respondent with its reply at page no. 121. *Secondly*, as per the payment plan annexed at page no. 51 of the complaint, the complainant was required to pay 50% of the total consideration towards plot possession charges (as mentioned in the break-up and description of consideration). The offer of possession was

made on 23.12.2024, and a demand of Rs.51,66,720/- was raised. In addition, the respondent demanded Rs.5,51,377/- towards additional charges, which was also paid by the complainant. Thereafter, the respondent, through a pre-cancellation letter dated 15.02.2025, again raised a demand of Rs.57,18,097/- against which the complainant has paid an amount of Rs.51,66,720/- on 27.02.2025. Subsequently, on 05.03.2025, a cancellation letter was issued by the respondent, wherein a demand of Rs.6,92,469/- was raised, and it was stated that the said amount was to be paid within 15 days from the date of dispatch of the letter, failing which the allotment made in favour of the allottee would stand cancelled without any further notice. However, within two days, i.e., on 07.03.2025, the complainant paid an amount of Rs.5,99,481/-. The Authority cannot ignore the fact that, as on 07.03.2025, the complainant had already paid an amount exceeding the total sale consideration. Therefore, no cause of action had accrued to the respondent to cancel the unit allotted to the complainant.

24. In light of the above observations, the cancellation of the subject unit is held to be unjustified and unwarranted, being bad in the eyes of the law. Accordingly, the respondent is directed to reinstate the unit allotted to the complainants.
25. 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. Section 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.”

26. The interest is applicable on the amount paid by allottee for the delay in handing over of the possession by the respondent from the date of possession till offer of

possession and the same is balanced vide provision of Section 2(za) of the Act. The complainants cannot be made suffer due to fault of the respondent and to pay for the unit as per today's rate.

27. **Admissibility of delay possession charges at prescribed rate of interest:** The complainants are seeking delay possession charges. However, 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. 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%.

(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.

28. 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.
29. 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., 13.01.2026 is 8.80%. Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., 10.80%.
30. 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;"*

31. Therefore, interest on the delay payments from the complainants shall be charged at the prescribed rate i.e., 10.80% by the respondent/promoter which is the same as is being granted to them in case of delayed possession charges.
32. On consideration of the documents available on record and submissions made regarding contravention of provisions of the Act, the Authority is satisfied that the respondent is in contravention of the Section 11(4)(a) of the Act, 2016 by not handing over possession by the due date as per the agreement. By virtue of clause 7.1 of the agreement, the possession of the subject SCO plot was to be delivered on or before 30.06.2023. However, the respondent offered possession only on 23.12.2024, which was beyond the agreed timeline and, subsequently, the unit was cancelled on 05.03.2025. As previously elaborated, the said cancellation was found to issued in bad faith. Therefore, it stands established that the respondent/promoter failed to fulfil its contractual obligations as per the agreement by not delivering timely possession.
33. 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 @ 10.80% p.a. w.e.f. 30.06.2023 till the date of offer of possession (23.12.2024) plus two months i.e.,

23.02.2025 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.III Direct the respondent to handover the physical possession.

34. Section 19(10) of the Act obligates the allottee to take possession of the subject unit within 2 months from the date of receipt of Completion Certificate. In the present complaint, the Completion Certificate was granted by the competent authority on 23.12.2024. The respondent offered the possession of the unit in question to the complainants only on 23.12.2024. So, it can be said that the complainants came to know about the Completion Certificate only upon the date of offer of possession. Therefore, in the interest of natural justice, the complainant should be given 2 months' time from the date of offer of possession. This 2 months' of reasonable time is being given to the complainants 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. It is further clarified that the delay possession charges shall be payable from the due date of possession i.e. 30.06.2023 till the date of offer of possession (23.12.2024) plus two months i.e., 23.02.2025.

35. 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 @ 10.80% p.a. w.e.f. 30.06.2023 till the date of offer of possession (23.12.2024) plus two months i.e., 23.02.2025 as per provisions of section 18(1) of the Act read with rule 15 of the Rules.

G.IV. Direct the respondent to refund/adjust the excess amount of Rs. 1,51,798/- paid by the complainant to respondent over and above total sale consideration.

36. As per the record, the complainant has paid an amount of Rs. 1,10,36,255/- against the sale consideration of Rs. 1,08,21,170/-. If the complainant has paid an amount exceeding the agreed sale consideration as per the terms and conditions of the buyer's agreement, then the respondent is liable to refund the excess amount paid by the complainant.

G.V Direct the respondent to pay an amount of Rs. 75,000/- to the complainants as cost of the present litigation.

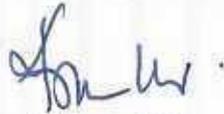
37. The complainant is seeking the above-mentioned reliefs w.r.t. Litigation cost. The Hon'ble Supreme Court of India in *Civil Appeal nos. 6745-6749 of 2021 titled as M/s Newtech Promoters and Developers Ltd. V/s State of UP & Ors.* has held that an allottee is entitled to claim litigation charges under Sections 12, 14, 18 and Section 19 which is to be decided by the adjudicating officer as per Section 71 and the quantum of litigation expense shall be adjudged by the adjudicating officer having due regards to the factors mentioned in Section 72. The adjudicating officer has exclusive jurisdiction to deal with the complaints in respect of legal expenses.

H. Directions of the authority

38. 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 cancellation is hereby set aside being bad. The respondent is directed to reinstate the subject unit. Further, the respondent is directed to pay interest on the amount paid by the complainant at the prescribed rate of 10.80% p.a. for every month of delay from the due date of possession i.e., 30.06.2023 till the offer of possession (23.12.2024) plus 2 months i.e., (23.02.2025) or actual handing over of possession whichever is earlier.
 - 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., 10.80% 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, 2016.

- III. The respondent is directed to handover the physical possession of the allotted unit to the complainants complete in all aspects of buyer's agreement.
 - IV. The respondent shall not charge anything from the complainants which is not the part of the buyer's agreement.
39. This decision shall mutatis mutandis apply to cases mentioned in para 3 of this order.
 40. The complaints stand disposed of. True certified copy of this order shall be placed in the case file of each matter.
 41. File be consigned to registry.



(Arun Kumar)

Chairman

Haryana Real Estate Regulatory Authority, Gurugram

13.01.2026