

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

Complaint no.: 5042 of 2025
Order pronounced on: 13.01.2026

1. Bela Sharma
2. Varun Sharma

Both R/o: T0256, Baljeet Nagar, Near Kamla Sweet,
Patel Nagar, Delhi.

Complainants

Versus

M/s ATS Realworth Pvt Ltd.

Registered office at: 711/92, Deepali, Nehru Place,
New Delhi-110019.

Respondent

CORAM:

Shri. Arun Kumar

Chairman

APPEARANCE:

Nishant Jain (Advocate)

Complainants

Deeptanshu Jain (Advocate)

Respondent

ORDER

1. The present complaint has been filed by the complainants/allottees 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 allottees 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 complainants, 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 project	"ATS Grandstand Phase-I"
2.	Nature of project	Group Housing
3.	Location of project	Sector-99A, Gurugram.
4.	RERA Registered	Lapsed project Registration No. 06 of 2018 dated 02.01.2018
5.	DTCP license	License no. 37 of 2013 Dated-03.06.2013
6.	Welcome Letter	20.07.2019 (As on page no. 22 of complaint)
7.	Agreement For Sale	09.10.2019 (As on page no. 30 of complaint)
8.	Unit no.	3270, Type-C, Floor-27th, Tower no.-03 along with exclusive right to use 2 car parking (As on page no. 32 of complaint)
9.	Unit area	1118 sq.ft [Carpet area] 1750 sq.ft [Super area/Saleable Area] (As on page no. 32 of complaint)
10.	Possession clause	CLAUSE 7 POSSESSION OF THE APARTMENT FOR RESIDENTIAL USAGE:



		<p>7.1 Schedule for possession of the said Apartment for Residential usage:</p> <p><i>The promoter assures to hand over possession of the Apartment for Residential usage along with car parking (if applicable), on or before 30th June 2023, unless there is delay due to "force majeure", Court orders, Government policy/guidelines, 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 agrees the Promoter shall be entitled to the extension of time for delivery of possession of the Apartment for Residential usage.</i></p> <p>[Emphasis supplied]</p> <p>(As on page no. 39 of complaint)</p>
11.	Due date of possession	30.12.2023 (As per clause 7.1 of the Agreement dated 09.10.2019 plus 6 months grace period on account of Covid-19)
12.	Total sale consideration	Rs.88,90,000/- (As on page no. 35 of complaint)
13.	Amount paid	Rs. 9,33,450/-
14.	Final notice sent by the respondent to the complainants for refund of the amount paid	29.08.2025 (As on page no. 60 of complaint)
15.	Occupation Certificate	Not obtained
16.	Offer of possession	Not offered

B. Facts of the complaint:

3. The complainants have made the following submissions: -

- I. That the representatives of respondent approached the complainants and showed a promising image of a residential project "ATS Grandstand Phase - I" situated at Sector 99A, Gurugram being developed by M/s ATS Realworth Pvt. Ltd.
- II. That the respondent promised to deliver the unit in the said project on time. An amount of Rs.1,00,000/- and Rs.8,33,450/- was paid by the complainants to the respondent in lieu of booking a residential unit. That the application form signed and submitted by the complainants was filed with arbitrary and one sided terms and conditions and even after the protest of the complainants, the respondents demanded that the same be signed.
- III. That a Welcome Letter dated 20.07.2019 was issued by the respondent to the complainants acknowledging the receipt of Rs.1,00,000/- and Rs.8,33,450/- towards unit no. 3272 in the project. As per Annexure IV of the welcome letter dated 20.07.2019, the company is entitled to terminate the application and allotment for the reasons mentioned therein.
- IV. That an Agreement For Sale dated 09.10.2019 was duly signed between the complainants and respondent for apartment no. 3272, Type C, 27th Floor, Tower 3 admeasuring 103.86 sq. meter (carpet area) (1118 sq. ft.) alongwith exclusive right to use 2 (Two) car parking located at "ATS Grandstand Phase - I" situated at Sector 99A, Gurugram. The saleable/super area of the apartment is 162.58 square meter, equivalent to 1750 square feet. The Total Price of the said unit is Rs.88,90,000/-.
- V. As per Clause 7 of the Agreement, the Promoter assured to hand over possession of the apartment for residential usage along with car parking (if applicable), on or before 30th June 2023, unless there is delay due to

"force majeure", Court orders, Government policy/ guidelines, decisions affecting the regular development of the real estate project.

- VI. As per the terms of the Agreement for Sale dated 09.10.2019, the respondent cannot force the complainants to withdraw from the said project. The respondent is under legal and contractual obligation to handover possession of the said unit and pay delayed possession charges to the complainants.
- VII. After a period of more than 2 years, the respondent started basic excavation work but to utter surprise of the complainants, that work was also stopped by the respondent. That the due date for handing over of possession of the said unit was 30.06.2023 as per clause 7.1 of the Agreement for Sale dated 09.10.2019, however, there is no construction on site as on date.
- VIII. That to the utter shock and dismay of the complainants, the respondent instead of completing the said project and offering possession of the said unit to the complainants, sent a notice dated 29.08.2025. The respondent is trying to make unjust gains to itself at the expense of the complainants and other such innocent home buyers and through some ill-conceived notion of abandoning the project, is threatening to cancel the unit of the complainants. The complainants are ready to pay the outstanding dues as per the payment plan and take possession of their unit. The complainants do not want to withdraw from the said project.
- IX. That since the prices of the real estate have shot up, the respondent's intention is clearly malafide as it wants to cheat the complainants and other such innocent home buyers and resell the said project at premium rates. The respondent after utilizing the money of innocent home buyers for several years is now trying to abandon the said project. The fraudulent actions of the respondent have caused great mental and

financial harassment to the complainants. Further, in case, such malafide practices are left unchecked and promoters/ developers are allowed to make profit at the expense of innocent home buyers, the very purpose of Real Estate (Regulation and Development) Act, 2016 would be defeated.

- X. That the delivery of possession of the said unit has been delayed due to non-completion of the said project by the respondent on time due to illegal misappropriation of the funds, callous attitude and malafide of the respondent.
- XI. That the respondent has utilized the deposited amount of complainant for sufficient time and now the respondent is liable to pay delayed possession charges. The cause of action for the present complaint arose when the complainants made request to the respondent to complete the construction on time and hand over possession of the said unit. Further, when the respondent failed to deliver possession of the said unit and failed to pay delayed possession charges to the complainants. The cause of action also arose when the respondent got issued illegal and arbitrary letter to the complainants. The cause of action is continuous one and still subsisting, hence the present complaint.

C. Relief sought by the complainants:

4. The complainants have sought following relief:
- i. Direct the respondent to handover possession of the unit alongwith payment of delayed possession charges from the due date of possession, i.e. 30.06.2023 till actual handover of possession and execution of Conveyance Deed, whichever is later.
 - ii. Direct the respondent to complete the construction of the project.
 - iii. Direct the respondent to file a list of similarly placed unsold units being developed by the respondent and/or its group companies as an option for the complainants to choose an alternate unit. Further, handover

possession of the alternate unit at same rates and terms and conditions as detailed in Agreement for Sale dated 09.10.2019 alongwith payment of delayed possession charges.

- iv. Direct the respondent to submit in writing, in shape of an affidavit the reasons for not constructing the project through its Managing Director and make assurance that no construction will be made by the respondent or its group companies at the site of the said project.
 - v. Direct the respondent not to charge anything that is not part to the original Agreement for Sale dated 09.10.2019.
 - vi. Cost of present litigation amounting to Rs.1,00,000 may be awarded in favour of the complainants and against the respondent.
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.
6. Vide proceedings dated 09.12.2025, the respondent was directed to file reply within a period of 15 days with an advance copy to the complainant subject to payment of Rs.5,000/- and also it was clearly mentioned that in case no reply has been filed within the stipulated period, the defence of the respondent shall be struck off. No reply has been filed by the respondent till date. Thus, the defence of respondent is hereby struck off.
7. 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.

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.I 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 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;

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 leaving aside compensation which is to be decided by the adjudicating officer if pursued by the complainant at a later stage.

E. Findings on the relief sought by the complainants.

- E.I. Direct the respondent to handover possession of the unit alongwith payment of delayed possession charges from the due date of possession, i.e. 30.06.2023 till actual handover of possession and execution of Conveyance Deed, whichever is later.**
- E.II. Direct the respondent to complete the construction of the project.**
- E.III. Direct the respondent to file a list of similarly placed unsold units being developed by the respondent and/or its group companies as**

an option for the complainants to choose an alternate unit. Further, handover possession of the alternate unit at same rates and terms and conditions as detailed in Agreement for Sale dated 09.10.2019 alongwith payment of delayed possession charges.

E.IV. Direct the respondent to submit in writing, in shape of an affidavit the reasons for not constructing the project through its Managing Director and make assurance that no construction will be made by the respondent or its group companies at the site of the said project.

E.V. Direct the respondent not to charge anything that is not part to the original Agreement for Sale dated 09.10.2019.

12. In the present complaint, the complainants intend to continue with the project and are seeking possession of the unit along with delayed possession charges.

13. In the present case, the complainants had applied for booking a unit in project "ATS Grandstand Phase-I" being developed by the respondent and the Welcome Letter was issued on 20.07.2019. The complainants were allotted a unit bearing no. 3270, Type-C on 27th Floor in Tower-03 alongwith exclusive right to use 2 car parkings, admeasuring area 1118 sq.ft of carpet area and 1750 sq.ft of Super Area. Thereafter, the Agreement For Sale was executed on 09.10.2019 inter-se parties for a sale consideration of Rs.88,90,000/- against which the complainants had paid an amount of Rs.9,33,450/-.

14. Vide proceedings dated 13.01.2026, the counsel for the respondent submitted that the respondent seeks directions from the Authority to refund the amount paid by the complainants along with interest as due to unforeseen circumstances, the respondent is unable to complete the construction of the project and the project has been scrapped.

15. Due date of handing over possession and admissibility of grace period:
As per clause 7.1 of the Agreement For Sale executed between the complainants and the respondent, the possession of the unit was to be

handed over to the complainants on or before 30.06.2023 and the same is reproduced below:

“.....7

7. 1 POSSESSION

The Promoter assures to hand over possession of the Apartment for Residential alongwith parking (if applicable) to the Allottee on or before 30th day of June 2023 (“as may be mentioned in customer BBA”) unless there is delay or failure due to “Force Majeure”, war, flood, drought, fire, cyclone, earthquake, epidemic, pandemic or any other calamity caused by nature, reasons beyond the control of the Promoter, Court orders, Government Policy/guidelines, decisions affecting the regular development of the real estate project (Force Majeure). If, the completion of the Project is delayed due to the above conditions, then the Allottee agrees that the Promoter shall be entitled to the extension of time for delivery of possession of the Apartment for Residential.

[Emphasis supplied]

16. The Authority vide notification no. 9/3-2020 dated 26.05.2020 have provided an extension of 6 months for projects having completion date on or after 25.05.2020, on account of force majeure conditions due to the outbreak of Covid-19 pandemic and the same is also allowed to the respondent in lieu of the notification of the Authority. Thus, the due date of possession comes out to be 30.12.2023.

[Note: Vide proceedings dated 13.01.2026, the due date of possession was inadvertently mentioned as 30.06.2023, however, the actual due date of possession comes out to be 30.12.2023.]

17. 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]

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.

18. The legislature in its wisdom in the subordinate legislation under the 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.
19. 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%.
20. The definition of term 'interest' as defined under section 2(z) 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—

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 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;"

21. 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.

22. The Authority is of considered view that there is delay on the part of the respondent/promoter to offer of possession of the allotted unit to the complainants as per the terms and conditions of the agreement dated 09.10.2019. Accordingly, it is failure of the respondent/promoter to fulfil its obligations and responsibilities as per the agreement to handover the possession within the stipulated period.
23. 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 complainants are entitled to delay possession charges at prescribed rate of the interest @ 10.80% p.a. w.e.f. due date of possession i.e., 30.12.2023 till valid offer of possession after obtaining of Occupation Certificate from the competent authority plus two months 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. Further, the respondent is directed to handover the physical possession of the allotted unit to the complainants, after obtaining of occupation certificate from the competent authority as per obligations under section 11(4) (b) read with section 17 of the Act, 2016 and thereafter, the complainants are obligated to take the physical possession within 2 months as per Section 19 (10) of the Act, 2016. Further, the respondent is directed to get the conveyance deed of the allotted unit executed in the favour of the complainants in terms of section 17(1) of the Act of 2016 on payment of stamp duty and registration charges as applicable.

F.VI Cost of present litigation amounting to Rs.1,00,000 may be awarded in favour of the complainants and against the respondent.

24. The Hon'ble Supreme Court of India in civil appeal nos. 6745-6749 of 2021 titled as *M/s Newtech Promoters and Developers Pvt. Ltd. Vs. 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.

F. Directions of the authority

25. 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 to handover the physical possession of the allotted unit to the complainants, after obtaining of occupation certificate from the competent authority as per obligations under section 11(4) (b) read with section 17 of the Act, 2016 and thereafter, the complainants are obligated to take the physical possession within 2 months as per Section 19 (10) of the Act, 2016.
- ii. The respondent is directed to pay the interest to the complainants against the paid-up amount at the prescribed rate i.e., 10.80% p.a. w.e.f. due date of possession i.e., 30.12.2023 till valid offer of possession after obtaining the Occupation Certificate from the competent authority plus two months 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.
- iii. The arrears of such interest accrued from due date of possession till the date of this order shall be paid by the promoter to the allottee within a



period of 90 days from date of this order and interest for every month of delay shall be paid by the respondent-promoter to the allottees before 10th of the subsequent month as per rule 16(2) of the rules.

- iv. The rate of interest chargeable from the complainants-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 same rate of interest which the promoter shall be liable to pay the allottee, in case of default i.e., the delay possession charges as per Section 2(za) of the Act.
- v. The respondent is directed to get the conveyance deed of the allotted unit executed in the favour of the complainants in terms of section 17(1) of the Act of 2016 on payment of stamp duty and registration charges as applicable.
- vi. The respondent shall not charge anything from the complainants which is not the part of the agreement.

26. Complaint stands disposed of.

27. File be consigned to registry.


(Arun Kumar)
Chairman

Haryana Real Estate Regulatory Authority, Gurugram
Dated: 13.01.2026