



HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

Complaint No.:	1949 of 2024
Date of Filing:	31.12.2024
Date of First Hearing:	10.02.2025
Date of Decision:	24.04.2026

Umesh Magoo S/o Krishan Kumar Magoo
R/o Naveen Apartment, Opposite Sainik Vihar,
Pitam Pura, North West Delhi-110034.

Sonu Magoo W/o Umesh Magoo
R/o Naveen Apartment, Opposite Sainik Vihar,
Pitam Pura, North West Delhi-110034.

Sanjay Arora C/o Gyan Chand, 9/22,
Subhash Nagar, PO-Tagore Garden, West Delhi-110027.

Raj Kumar Arora C/o Gyan Chand, 9/22,
Subhash Nagar, PO-Tagore Garden, West Delhi-110027.

....COMPLAINANTS

VERSUS

TDI Infrastructure Limited
Mahindra Towers 2A, Bhikaji Cama Place,
2nd Floor, New Delhi-110066.

....RESPONDENT No.1

Cannes Property Management Services Pvt. Ltd.
Mahindra Towers 2A, Bhikaji Cama Place,
2nd Floor, New Delhi-110066.

....RESPONDENT No.2

3.	DTCP License no.	183-228 of 2004, 153-157 of 2004, 101-144 of 2005, 200-285 of 2002, 652-722 of 2006, 729-872 of 2006, 42-60 of 2005, 51 of 2010 and 177 of 2007
	Licensed Area	927 acres
4.	Unit No.(plot)	FC-4/22
5	Unit Area	204 sq. yds.
6.	Date of Allotment	13.11.2008
7.	Date of Builder Buyer Agreement	Not executed
8.	Due date of Offer of Possession	Not available
9.	Possession Clause	Not available
10.	Total Sale Consideration	₹23,85,576/-
11.	Amount paid by Complainants	₹22,21,500/-
12.	Offer of Possession	Not given

B. FACTS OF THE COMPLAINT

3. Facts of the present complaint are that on 25.01.2006, the original allottee, Mr. S.K. Kapoor, was booked a commercial S.C.O. plot measuring 204 sq. yards in the project, namely, 'TDI City', Kundli, Sonipat, by paying ₹10,00,000/-. On 29.07.2008, the complainants purchased the said plot from the original allottee. The respondents endorsed the transfer in

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favour of the complainants on the back of the initial payment receipt and also issued a revised statement of account in their name. On 13.11.2008, the complainants were issued an allotment letter for plot no. FC-4/22 measuring 204 sq. yards. Even after a period of about 18 years, no Builder Buyer Agreement has been executed between the parties. Instead, the respondent no.1 issued a document titled "Payment Annexure/Statement of Accounts" mentioning the plot details, total cost and payments made. As per the said statement, the basic sale price of the plot was ₹16,32,000/- (@ Rs. 8,000/- per sq. yard) and the total sale consideration including EDC and IDC, was ₹23,85,576/-.

4. The complainants have paid ₹22,21,500/-, which is more than 93% of the total sale consideration. The remaining amount was payable at the time of final offer of possession, which has never been made. All installments towards the basic sale price were paid before the year 2009 and the EDC/IDC charges demanded in the year 2013 were also duly paid. On 21.08.2017, after about 11 years, the respondents issued an offer of possession for a different plot. The respondents, without obtaining consent of the complainants, arbitrarily changed the location of the plot from a main road to a location near an open drain, which lacks proper access and connectivity. The offer also included additional charges towards infrastructure and miscellaneous expenses, which were not part of the agreed

terms. The complainants repeatedly visited the office of the respondents and protested against the said actions, but no action was taken. The respondents continued to raise maintenance demands without handing over possession of the originally booked plot.

5. On 18.09.2017, the complainants sent a letter to the respondents and its Managing Director regarding the change of plot location but no reply was received and maintenance charges continued to be demanded. Thereafter, the complainants sent reminder letters dated 18.03.2019 and 05.08.2024 requesting delivery of possession of the originally allotted plot and objecting to the unilateral change. However, the respondent failed to respond. Despite lapse of more than 16 years from the date of booking in the year 2006, the respondents have failed to deliver possession of the plot. It amounts to breach of obligations and unfair trade practice, causing loss to the complainants who invested their hard-earned money. Therefore, the complainants are left with no other option but to approach this Authority. Hence, the present complaint has been filed by the complainants.

C. RELIEFS SOUGHT

6. Complainants in their complaint have sought following reliefs:
- i. To direct the respondent no.1 to deliver the possession of booked commercial SCO plot i.e. FC-4/22 and execute Conveyance Deed in a time bound manner.

- ii. To direct the respondent no.1 to pay delayed possession interest from deemed date of possession i.e. 25.01.2009 after taking a period of 3 years for delivery of possession of plot in the absence of any possession clause (In ref. to Apex Court judgement in 2018 STPL 4215 M/s Fortune Infrastructure {now known as M/s Hicon Infrastructure} & Anr.)
- iii. To direct the respondent no.1 not to raise illegal demands on account of infrastructure charges or any other charges
- iv. To direct the respondent no.2 to withdraw demand of maintenance bills till lawful and valid possession is offered to complainants.
- v. To impose penalty against the respondents under Section 59 and 63 of the RE(RD) Act, 2016
- vi. Any other relief(s) as the Hon'ble Authority may deem fit and proper in the light of facts and circumstances of the above case.

D. REPLY SUBMITTED ON BEHALF OF RESPONDENT NO.1

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7. Learned counsel for the respondent no.1 filed a detailed reply on 20.11.2025 pleading therein that due to the reputation of the respondent company, the complainants had voluntarily invested in the project of the respondent company namely- TDI City at Kundli, Sonipat, Haryana. Part completion certificate for the said project-927 acres approx. with respect to

the township has already been received on 23.01.2008, 18.11.2013 and 22.09.2017. Copies of part completion certificates are annexed as Annexure R-1, 2 and 3.

8. When the respondent company commenced the construction of the said project, RE(RD) Act was not in existence. Therefore, the respondent company could not have contemplated any violations and penalties thereof, as per the provisions of the RE(RD) Act, 2016. The provisions of the RE(RD) Act are to be applied prospectively. Thus, the present complaint is not maintainable and falls outside the purview of provisions of RE(RD) Act.

9. The project was completed way back before the enactment of RE(RD) Act, so the complainants cannot approach Ld. Authority for adjudication of its grievances. Further, the complaint is barred by limitation as the cause of action arose on 21.08.2017 when an offer of possession was made to the complainants. Hence the complaint is not maintainable before this Authority.

10. The complainants herein are investors, have accordingly invested in the project of the respondent company for the sole reason of investing, earning profits and speculative gains, therefore, the captioned complaint is liable to be dismissed in limine.

11. The respondent company stated that it offered possession of the commercial unit to the complainants on 21.08.2017, as the possession letter attached by the complainants themselves. The unit is also covered under the

part completion certificate dated 22.09.2017. A layout plan showing the location of the complainant's unit has also been placed on record. Along with the possession offer, the respondent issued a final statement of account showing the outstanding amount payable by the complainants. Despite being aware of the possession offer and the dues, the complainants did not clear the outstanding amount and have not taken possession of the unit till date.

12. It is further submitted that the change in location of the plot was made with the consent of both parties. The complainants were informed about the issue regarding the original land and agreed to accept an alternative plot offered by the respondent. As a gesture of goodwill, the respondent also gave a 50% concession on EDC interest, subject to payment within 30 days of the possession offer. However, the complainants failed to make the payment within the stipulated time. Therefore, the delay in taking possession is due to the complainant's own inaction and the allegations made against the respondent in this regard are stated to be baseless and misleading.

13. It is submitted that the Builder Buyer Agreement was not executed only because of the complainant's own inaction and default. The respondent company had repeatedly asked the complainants to visit its office and sign the agreement, which is a normal requirement in such transactions. However, despite being given sufficient opportunities, the complainants failed to execute the agreement. Since the complainants did not formalize the

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contractual relationship by signing the Builder Buyer Agreement, the respondent cannot be bound by any alleged terms that were never agreed upon in writing. In the absence of a signed agreement, no enforceable contractual obligations arise against the respondent. Therefore, the complainants cannot seek relief based on terms that were never finalized and the complaint is liable to be dismissed on this ground alone.

14. It is further stated that the alternate commercial unit was offered to the complainants with their full knowledge and consent due to title-related issues with the originally allotted plot. At that time, the complainants did not raise any objection and accepted the alternate unit without protest, thereby giving up their right to challenge it later. The present attempt to question a valid offer of possession is an afterthought and appears to be an attempt to extract money from the respondent, despite the complainants' own failure to comply with the terms of the possession. From the contents of the complaint, it appears that this is not a genuine grievance but a calculated legal attempt to create a dispute where none exists. The amounts received from the complainants were used for development of the project and the possession was not withheld without reason.

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E. REPLY SUBMITTED ON BEHALF OF RESPONDENT NO.2

15. Respondent no.2 has filed reply on 12.03.2026 pleading therein that the present complaint is not maintainable against respondent No. 2 as a

plain reading of the complaint shows that the complainants have not disclosed any specific or valid cause of action against respondent No. 2. The allegations, if any, are only against respondent no. 1. Therefore, the inclusion of respondent no. 2 in the present complaint is unnecessary and unjustified.

16. It is submitted that the only allegation made by the complainants against respondent no. 2 is that it issued demand letters seeking maintenance charges without offering possession of the unit. This allegation is incorrect and not legally sustainable. Respondent No. 2 is only a maintenance agency responsible for upkeep of the project whereas the responsibility to offer possession lies solely with respondent no. 1, being the promoter/developer. Therefore, respondent no. 2 has no role in offering possession. It is further submitted that the complainants have not placed on record even a single demand letter allegedly issued by respondent no. 2. The only document relied upon i.e., Annexure P-8, is not a demand letter at all. A plain reading of Annexure P-8 shows that it is only a communication issued by respondent no. 2 on the occasion of the New Year, informing the complainants about a scheme offering 100% waiver of interest on outstanding maintenance charges, subject to payment by 31.01.2023. This communication was merely a goodwill gesture and a settlement opportunity extended to all allottees with pending dues and cannot be treated as a demand letter. Therefore, it is evident that the complainants have made vague and unsupported allegations against respondent no. 2 without placing

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any material on record. The complainants do not disclose any liability or wrongdoing on the part of respondent no. 2.

F. REJOINDER ON BEHALF OF THE COMPLAINANTS

17. The complainants have filed rejoinder on 16.02.2026 wherein it is stated that they have paid a total amount of ₹22,21,500/- which is more than 93% of the total sale consideration. All installments towards the basic sale price were paid before the year 2009. The remaining amount was to be paid only at the time of a final and lawful offer of possession which was never made by the respondents. In the year 2013, the respondents demanded EDC/IDC charges which were duly paid by the complainants. After an unexplained delay of about 11 years, the respondents issued an alleged offer of possession on 21.08.2017 but for a different plot. This plot was shifted from the main road near GT Road/NH-44 to a location about 6 km away, near an open drain and without proper road access. The complainants stated that this change in location was done unilaterally and without their consent, making it illegal. The alleged offer of possession also included arbitrary and illegal charges such as infrastructure development charges and miscellaneous expenses which were never part of the agreed payment terms. According to the complainants, they were only liable to pay the basic sale price @Rs.8,000/- per sq. yard and EDC/IDC @Rs.3,694/- per sq. yard and no other charges. They further stated that they repeatedly visited the

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respondent's office and objected to the change of plot and additional charges, but no action was taken. On 18.09.2017, the complainants sent a written protest to the respondent company and its Managing Director but no reply was given and instead maintenance demands continued to be raised. It is also alleged that the respondent no. 2 has been raising maintenance bills for a different plot without handing over lawful possession of the originally booked plot, which is illegal. The complainants argued that changing the location of the plot without consent is prohibited under law, including the provisions of the RE(RD) Act. They further submitted that the alleged offer of possession is not genuine as it relates to a substituted plot and includes illegal demands. The objection regarding limitation is stated to be incorrect as possession has still not been handed over. The complainants rely on judgments of the Hon'ble Supreme Court including *Pioneer Urban Land & Infrastructure Ltd. vs Union of India*, *Fortune Infrastructure vs Trevor D'Lima*, and *Imperial Structures Ltd. vs Anil Patni*, to support their case. They submitted that a reasonable period for possession is three years and in the present case, the deemed date of possession was 25.01.2009. Therefore, they are entitled to delay interest from that date till the actual possession is given.

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G. ARGUMENTS OF LEARNED COUNSEL FOR COMPLAINANTS, RESPONDENT NO.1 AND RESPONDENT NO.2

18. During oral arguments, learned counsel for the complainants insisted upon the possession of booked plot alongwith delay interest stating that refund of paid amount is not acceptable to complainants. Learned counsel for the respondent no. 1 and 2 have reiterated arguments as were submitted in the written statement.

H. ISSUES FOR ADJUDICATION

19. Whether the complainants are entitled to get possession of booked plot alongwith delay interest in terms of Section 18 of RE(RD) Act, 2016?

I. OBSERVATIONS AND DECISION OF THE AUTHORITY

20. The Authority has gone through the rival contentions. In the light of background of the matter as captured in this order and also the arguments submitted by both parties, Authority observes as follows:

- (i) With regard to the plea raised by the respondent no.1 that provisions of RE(RD) Act, 2016 are applicable with prospective effect only, therefore the same were not applicable as on 13.11.2008 when the complainants were allotted plot no. FC-4/22, TDI City, Kundli; it is observed that the issue regarding operation of RE(RD) Act, 2016, whether

retrospective or retroactive has already been decided by Hon'ble Supreme Court in its judgment dated 11.11.2021 passed in *Civil Appeal No. (s) 6745-6749 OF 2021 titled as Newtech Promoters and Developers Pvt. Ltd. versus State of Uttar Pradesh and others*. Relevant part is reproduced below for reference:-

"52. The Parliament intended to bring within the fold of the statute the ongoing real estate projects in its wide amplitude used the term "converting and existing building or a part thereof into apartments" including every kind of developmental activity either existing or upcoming in future under Section 3(1) of the Act, the intention of the legislature by necessary implication and without any ambiguity is to include those projects which were ongoing and in cases where completion certificate has not been issued within fold of the Act.

53. That even the terms of the agreement to sale or home buyers agreement invariably indicates the intention of the developer that any subsequent legislation, rules and regulations etc. issued by competent authorities will be binding on the parties. The clauses have imposed the applicability of subsequent legislations to be applicable and binding on the flat buyer/allottee and either of the parties, promoters/home buyers or allottees, cannot shirk from their responsibilities/liabilities under the Act and implies their challenge to the violation of the provisions of the Act and it negates the contention advanced by the appellants regarding contractual terms having an overriding effect to the retrospective applicability of the Authority under the provisions of

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the Act which is completely misplaced and deserves rejection.

54. From the scheme of the Act 2016, its application is retroactive in character and it can safely be observed that the projects already completed or to which the completion certificate has been granted are not under its fold and therefore, vested or accrued rights, if any, in no manner are affected. At the same time, it will apply after getting the on-going projects and future projects registered under Section 3 to prospectively follow the mandate of the Act 2016.”

(ii) The respondent in its reply has contended that the complainants are “investors” who have invested in the project for monetary returns and taking undue advantage of RE(RD) Act, 2016 as a weapon during the present down side conditions in the real estate market, therefore, they are not entitled to the protection of the Act of 2016. In this regard, the Authority observes that “any aggrieved person” can file a complaint against a promoter if the promoter contravenes the provisions of the RE(RD) Act, 2016 or the rules or regulations. In the present case, complainants are an aggrieved person who have filed the present complaint under Section 31 of the RE(RD) Act, 2016 against the promoter for violation/contravention of the provisions of the RE(RD) Act, 2016 and the Rules and Regulations made thereunder. Here, it is important to emphasize

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upon the definition of term "allottee" under the RE(RD) Act of 2016, reproduced below: -

Section 2(d) of the RERA Act:

(d) "allottee" in relation to a real estate project, means the person to whom a plot, apartment or building, as the case may be, has been allotted, sold (whether as freehold or leasehold) or otherwise transferred by the promoter, and includes the person who subsequently acquires the said allotment through sale, transfer or otherwise but does not include a person to whom such plot, apartment or building, as the case may be, is given on rent;

In view of the above-mentioned definition of "allottee" as well as upon careful perusal of the allotment letter dated 13.11.2008, it is clear that the complainants are "allottees" as plot bearing no. FC-4/22 in the Real Estate Project of the respondent namely, "TDI, City, Kundli", Sonipat was allotted to them by the respondent promoter. The concept/definition of investor is not provided or referred to in the RE(RD) Act, 2016. As per the definitions provided under Section 2 of the RE(RD) Act, 2016, there will be "promoter" and "allottee" and there cannot be any party having a status of an investor. Further, the definition of "allottee" as provided under RE(RD) Act, 2016 does not distinguish between an allottee who has been allotted a plot, apartment or building in a real estate project for

self-consumption or for investment purpose. The Maharashtra Real Estate Appellate Tribunal in its order dated 29.01.2019 in appeal no. 0006000000010557 titled as *M/s Srushti Sangam Developers Ltd. Vs Sarvapriya Leasing (P)Ltd. And Anr.* had also held that the concept of investors not defined or referred to in the Act. Thus, the contention of the promoter that allottees being investors are not entitled to protection of this Act also stands rejected.

(iii) The respondent has also taken objection that the complaint is grossly barred by the limitation. In this regard Authority places reliance upon the judgement of Apex court in "*Civil Appeal No. 4367 of 2004 titled as M.P Steel Corporation v/s Commissioner of Central Excise*" where it has been held that Indian Limitation Act deals with applicability to courts and not tribunals. Further, the RE(RD) Act is a special enactment with particular aim and object covering certain issues and violations relating to the housing sector. Provisions of the Limitation Act, 1963, would not be applicable to the proceedings under the Real Estate Regulation and Development Act, 2016, as the Authority set up under that Act being quasi-judicial and not a Court. The promoter has till date failed to fulfil its obligations because of which the cause of action is re-occurring.

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21. Admittedly, the complainants, being subsequent purchasers, were duly recognized by the respondent no.1 and an allotment letter was issued in their favour in the year 2008. Despite the lapse of an inordinate period of about 16-18 years, no Builder Buyer Agreement has been executed between the parties, which reflects serious deficiency on the part of the respondent no.1. It is further observed that the complainants have paid more than 93% of the total sale consideration including EDC/IDC charges and only a nominal amount remained payable at the stage of lawful offer of possession. However, no valid and lawful offer of possession has been made till date. The offer of possession dated 21.08.2017 pertains to a different plot and the change in location has been effected unilaterally without the consent of the complainants which is impermissible in law and amounts to deficiency in service.

22. In the written statement submitted by the respondent no.1, it has been admitted that an offer of possession was issued on 21.08.2017 and the complainants failed to clear the outstanding dues. However, it is noted that the said offer relates to a different/substituted plot and the alleged change in location has not been shown to be supported by any cogent written consent of the complainants on record. The contention of the respondent no.1 that the Builder Buyer Agreement was not executed due to the complainants' default is not convincing, as execution of such agreement is a primary obligation of the promoter. The absence of a formal agreement, despite substantial

payment by the complainants, cannot be used to defeat their rights. Further, merely issuing a possession letter along with a statement of account does not constitute a valid offer of possession unless the unit/plot is complete in all respects and offered in accordance with the originally agreed terms. The respondent no.1 has also failed to justify the delay of several years in offering possession. The plea that the complainants consented to the change of plot and waived their rights is not substantiated by reliable evidence. On the contrary, the material on record indicates that the complainants had raised objections. Respondent no.1 has pleaded that part completion certificates for the 927 acres have already been received. Copies of said part completion certificates have been placed on record but despite receiving PCC, no valid offer of possession has been given till date.

23. In view of the above, the Authority finds that the delay in handing over the possession and unilateral changes cannot be attributed to the complainants. The submissions of the respondent no.1 are, therefore, not sustainable and do not absolve it from its obligations. It clearly highlights the fact that the respondent no.1 without specifying any concrete reason/justification expressed its inability to deliver the possession of unit/plot to the complainants. The complainants filed this complaint in the year 2024, i.e., after the lapse of 7 years from the date of the said letter. During all these years, respondent no.1 remained silent and did not even bother to refund the amount received from the complainants towards sale

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consideration of unit/plot. Now, the respondent no.1 cannot take the benefit of its own wrong for causing delay in offering of the possession stating that the possession of booked unit/plot is not possible.

24. The Authority observes that the allotment letter for the plot in question was issued to complainants on 13.11.2008. But Builder Buyer Agreement has not been executed till date and there is no clause pertaining to the deemed date of possession in the allotment letter. In absence of a specific clause of deemed date of possession in allotment letter, it cannot rightly be ascertained as to when the possession of said unit/plot was due to be given to the complainants. In *Appeal no 273 of 2019 titled as TDI Infrastructure Ltd Vs Manju Arya*, the Hon'ble Tribunal has referred to the observation of Hon'ble Apex Court in 2018 STPL 4215 SC titled as M/s Fortune Infrastructure (now known as M/s Hicon Infrastructure) & Anr. in which it has been observed that a period of 3 years is reasonable time for completion of the construction work and delivery of the possession. In present complaint, the unit/plot was allotted vide allotment letter dated 13.11.2008 by the respondent no.1, accordingly, taking a period of 3 years from the date of allotment as a reasonable time to complete development works in the project and handover the possession to the allottee, the deemed date of possession comes to 13.11.2011. In the present situation, the respondent no.1 failed to honour its contractual obligations without any reasonable justification.

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25. The complainants are insisting upon possession of the booked unit/plot only as alternate unit/plot is not available with the respondent no.1. The respondent no.1 who is in receipt of a total amount of ₹22,21,500/- since the year 2013 has not even made sincere efforts to provide at least a reasonable number of options of alternate unit/plot to choose from. It is the respondent no.1 who has failed to develop the booked unit/plot till date. However, no such circumstances have been specified in written statement/ oral arguments which can be relied upon to convince the Authority that the physical possession of the booked unit/plot is actually not possible. For reference judgement dated 14.03.2005 passed by the *Hon'ble Supreme Court in Appeal (civil) 6306-6316 of 2003 titled as Manager, R.B.I., Bangalore vs S. Mani & Ors.* is relied upon. Relevant part of the judgement is reproduced is follow:-

"The concerned workmen in their evidence did not specifically state that they had worked for 240 days. They merely contended in their affidavit that they are reiterating their stand in the claim petition. Pleadings are no substitute for proof. No workman, thus, took an oath to state that they had worked for 240 days. No document in support of the said plea was produced. It is, therefore, not correct to contend that the plea raised by the Respondents herein that they have worked continuously for 240 days was deemed to have been admitted by applying the doctrine of non-traverse. In any event the contention of the Respondents having been denied and disputed, it was obligatory on the part of the Respondents to add new evidence. The contents raised in the letters of the Union dated 30th May, 1988 and 11th April, 1990 containing statements to the effect that the workmen had been working continuously for

240 days might not have been replied to, but the same is of no effect as by reason thereof, the allegations made therein cannot be said to have been proved particularly in view of the fact that the contents thereof were not proved by any witness. Only by reason of non-response to such letters, the contents thereof would not stand admitted. The Evidence Act does not say so.

In Range Forest Officer Vs. S.T. Hadimani [(2002) 3 SCC 25], it was stated: "3\005 In our opinion the Tribunal was not right in placing the onus on the management without first determining on the basis of cogent evidence that the respondent had worked for more than 240 days in the year preceding his termination. It was the case of the claimant that he had so worked but this claim was denied by the appellant. It was then for the claimant to lead evidence to show that he had in fact worked for 240 days in the year preceding his termination. Filing of an affidavit is only his own statement in his favour and that cannot be regarded as sufficient evidence for any court or tribunal to come to the conclusion that a workman had, in fact, worked for 240 days in a year. No proof of receipt of salary or wages for 240 days or order or record of appointment or engagement for this period was produced by the workman. On this ground alone, the award is liable to be set aside."

26. In the present complaint, the complainants intend to continue with the project and are seeking delayed possession charges as provided under the proviso to Section 18(1) of the Act. Section 18 (1) proviso reads as under :-

"18. (1) If the promoter fails to complete or is unable to give possession of an apartment, plot or building-

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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”.

27. The Authority observes that the respondent no.1 has severely misused its dominant position. Allotment of the unit/plot was done on 13.11.2008, the due date of possession as explained above is 13.11.2011. Now, even after the lapse of 16 years, the respondent no.1 is not able to offer possession to the complainants. Respondent no.1 has not even specified the valid reason/ground for not offering the possession of the booked unit/plot. The complainants however are interested in getting the possession of the booked unit/plot. They do not wish to withdraw from the project. In these circumstances, the provisions of Section 18 of the Act clearly come into play by virtue of which while exercising the option of taking possession of the unit/plot, the allottee can also demand interest and the respondent is liable to pay monthly interest for the entire period of delay caused at the rates prescribed. So, the Authority hereby concludes that the complainants are entitled for the delay interest from the deemed date i.e. 13.11.2011 to the date on which a valid offer is sent to them after obtaining completion certificate.

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28. The definition of term ‘interest’ is defined under Section 2(za) of the Act which is as under:

(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;

29. Rule 15 of HRERA Rules, 2017 provides for prescribed rate of interest which is 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”.

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30. Consequently, as per website of the State Bank of India, i.e., <https://sbi.co.in>, the highest marginal cost of lending rate (in short MCLR) as on date i.e. 24.04.2026 is 8.80%. Accordingly, the prescribed rate of interest will be MCLR + 2% i.e., 10.80%.

31. Authority has got calculated the interest on total paid amount from the deemed date of possession till the date of this order at the rate of 10.80% till and said amount works out as per detail given in the table below:

Sr. No.	Principal Amount	Deemed date of possession or date of payment whichever is later	Interest Accrued till 24.04.2026
1.	₹14,68,000/-	13.11.2011	₹22,92,155/-
2.	₹2,44,000/-	06.07.2013	₹3,37,594/-
3.	₹4,79,500/-	08.07.2013	₹6,63,145/-
4.	₹30,000/-	09.07.2013	₹41,481/-
	Total = ₹22,21,500/-		₹33,34,375/-
	Monthly interest		₹19,720/-

32. In respect of relief pertaining to execution of conveyance deed, it is observed that the respondent no.1 is liable to get it executed as per Section 11(4)(f) of the RE(RD) Act, 2016, which provides that the promoter shall:

“execute a registered conveyance deed of the apartment, plot or building, as the case may be, in favour of the allottee along with the undivided proportionate title in the common areas to the association of allottees or competent authority, as the case may be, as provided under Section 17 of this Act.”

Further, Section 17(1) of the Act mandates that:

“The promoter shall execute a registered conveyance deed in favour of the allottee along with the undivided proportionate title in the common areas to the association of the

allottees or the competent authority, as the case may be, and hand over the physical possession of the plot, apartment or building, as the case may be, to the allottees and the common areas to the association of the allottees or the competent authority, as the case may be, in a real estate project, and the other title documents pertaining thereto within specified period as per sanctioned plans as provided under the local laws:

Provided that, in the absence of any local law, conveyance deed in favour of the allottee or the association of the allottees or the competent authority, as the case may be, under this section shall be carried out by the promoter within three months from date of issue of occupancy certificate.”

33. In the light of the above-stated statutory provisions, the Authority finds that the respondent no.1 is duty bound to execute the conveyance deed, as statutorily required under Section 17(1) of the RE(RD) Act, 2016. Therefore, the Authority directs the respondent no.1 to execute the conveyance deed in favour of the complainants in compliance with Section 11(4)(f) and Section 17(1) of the RE(RD) Act, 2016.

34. Regarding relief sought against respondent no.2, it is observed that since respondent no.1 has not handed over possession till date, no maintenance charges will be payable by the complainants till the actual handing over of the possession. So, the respondent no.2 is directed not to send any demand of maintenance till the actual taking over of the possession by the complainants.

G. DIRECTIONS OF THE AUTHORITY

35. Hence, the Authority hereby passes this order and issue following directions under Section 37 of the Act to ensure compliance of obligation cast upon the promoter as per the function entrusted to the Authority under Section 34(f) of the Act of 2016:

(i) Respondent no.1 is directed to pay upfront delay interest of ₹33,34,375/- as calculated above in this order to the complainants towards delay already caused in handing over the possession within 90 days from the date of this order. Further, on the entire paid amount, monthly interest of ₹19,720/- shall be payable by the respondent no.1 to the complainants up to the date of actual handing over of the possession after obtaining occupation certificate. Respondent no.1 is further directed to get conveyance deed executed in favour of complainants within 90 days of actual handing over of possession of unit/plot to the complainants.

(ii) Complainants will remain liable to pay balance consideration amount to the respondent no.1 at the time when the possession offered to the complainants as per agreed terms.

(iii) The rate of interest chargeable from the complainants/allottees by the promoter/respondent, 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 to the allottees.

36. **Disposed of.** File be consigned to the record room after uploading of the order on the website of the Authority.


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(CHANDER SHEKHAR)
MEMBER

24.04.2026
Narinder Kaur
(Law Associate)

