

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

Complaint no.:	3617 of 2024
Date of complaint:	01.08.2024
Date of order:	07.04.2026

Gaurav Puri

R/o: - H. No. C-3/35, Top Floor, Sector 11, Rohini,
Sector 7, New Delhi, 110085

Complainant

Versus

Parsvnath Developers Limited

Having Regd. Office at: Parsvnath Tower,
Near Shahdara Metro Station, Shahdara, Delhi-110032.

Respondent

CORAM:

Sh. Arun Kumar

Chairman

APPEARANCE:

Sh. Garvit Gupta (Advocate)

Sh. Nitish Harsh Gupta (Advocate)

Complainant

Respondent

ORDER

1. The present complaint has been filed by the complainant/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 as provided under the provision of the Act or the Rules and regulations made there under or to the allottee as per the agreement for sale executed *inter se*.

A. Unit and project related details

2. The particulars of unit details, sale consideration, the amount paid by the 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 and location of the project	"Parsvnath Exotica" Sector- 53-54, Gurugram
2.	Nature of the project	Group Housing
3.	Project area	23.0815 acres
4.	DTCP license no.	69-74 of 1996 dated 03.05.1996 Valid up to 02.05.2019. 52-57 of 1997 dated 14.11.1997 Valid up to 13.11.2019.
5.	Name of licensee	M/s Florentine Estates of India Ltd. & 5 others
6.	RERA registered or not registered	Un-registered
7.	Provisional allotment letter [Original allottee i.e., Neena Mehra]	15.09.2006 (As per page no.34 of complaint)
8.	Unit no. Unit area	B5-603, 6 th Floor, Tower-B (As mentioned in clause 1 of BBA at page no.38 of complaint) 3390 sq. ft. (super area) (As mentioned in clause 1 of BBA at page no.38 of complaint)
9.	Increase in super area	105 sq. ft. (as per final statement of account at page 58 of complaint)
10.	Date of execution of buyer's agreement	11.01.2007 (As per page no.37 of complaint)
11.	Possession clause	10(A) Construction of the flat is likely to be completed within a period of 36 months of commencement of construction of the particular block in which the flat is located, with a grace period of 6 months, on receipt of sanction

		of building plan and approvals of all concerned authorities ... [Emphasis Supplied] (As per page no.43-44 of complaint)
12.	Date of start of construction of Block-B	(To be ascertained)
13.	Due date of possession	Cannot be ascertained
14.	Basic sale consideration	Rs.1,86,45,000/- (As mentioned in clause 2(a) of BBA at page no.38 of complaint)
15.	Amount paid by the complainant	Rs.1,84,34,673/- (As confirmed by the complaint)
16.	Occupation certificate	Not Obtained
17.	Offer of possession	Not offered
18.	Agreement to sell [B/w Original allottee and Gaurav Puri and Krishna Puri]	04.11.2019 (As per page no.80-87 of complaint)
19.	Letter to respondent [w.r.t change in right to purchase]	04.11.2019 (As per page no.88-89 of complaint)
20.	Endorsement [in favour of Gaurav Puri and Krishna Puri]	06.11.2019 (As per endorsement annexed with BBA at page no.54 of complaint)
21.	Letter issued by respondent [w.r.t Authorization for interior work]	10.06.2021 (As per page no.93 of complaint)
22.	Death certificate [Co-allottee after endorsement Krishna Puri]	11.03.2023 (As per page no.26 of complaint)
23.	Legal heirs certificate [LR's of after endorsement Krishna Puri]	15.06.2023 (As per page no.27-29 of complaint)

B. Facts of the complaint

3. The complainant has made the following submissions: -
- I. That the respondent offered for sale units in a Group Housing Project known as 'Parsvnath Exotica' which claimed to comprise of residential units, car parking spaces, recreational facilities, gardens etc. on a piece and parcel of land situated in Golf Course Road, Sector 53/54, Gurugram, Haryana. The respondent also claimed that the DTCP, Haryana had granted license bearing no. 69-74 of 1996, No. 52-57 of 1997, No. 1079 of 2006 and no. 1080 of 2006 for development of a Residential plotted Colony in accordance with the provisions of the Haryana Development and Regulation of Urban Areas Act, 1975 and Rules made thereunder in 1976.
 - II. That the original allottee i.e Neena Nehra received a marketing call from the office of respondent in the month of March 2006 for booking in the said project of the respondent. The original allottee had also been attracted towards the said project of the respondent on account of publicity given by the respondent through various means like various brochures, posters, advertisements etc. The original allottee visited the sales gallery and consulted with the marketing staff of the respondent. The marketing staff of the respondent painted a very rosy picture of the project and made several representations with respect to the innumerable world class facilities to be provided by the respondent in their project. The marketing staff of the respondent also assured timely delivery of the unit.
 - III. That the original allottee, induced by the assurances and representations made by the respondent, decided to book a residential unit in the project of the respondent as she required the title of the unit in a time bound manner. This fact was also later specifically brought to

the knowledge of the officials of the respondent by the original allottee who confirmed that the title would be transferred in the name of the original allottee in a time bound manner and all the contractual obligations of the Respondent would be duly met by them. The original allottee accordingly made a payment of Rs 28,00,000 at the time of booking. The said payments were acknowledged by the respondent vide receipts dated 17.06.2006 and 22.06.2006.

- IV. That accordingly based on the said booking made by the original allottee, the respondent vide its allotment letter dated 15.09.2006 allotted a four-bedroom residential flat bearing no. B5-603 admeasuring 3390 sq. ft. to the complainant in the said project of the respondent. A payment plan was enclosed along with the said allotment letter and as per the said payment plan, the basic sale consideration of the said unit was Rs 1,86,45,000/- . The original allottee duly complied with the said payment plan and no delays or defaults were committed by the original allottee in making the said payments
- V. That after several reminders and communication by the original allottee, a copy of the apartment buyer's agreement was sent to the original allottees. The original allottee and later the complainant expressed their objections to the arbitrary and unilateral clauses of the apartment buyer's agreement to the respondent. Although the respondent had categorically assured the original allottee that the terms of the agreement would be balanced, the agreement which was shared was a wholly one-sided document containing totally unilateral, arbitrary, one-sided, and legally untenable terms favoring the respondent and was totally against the interest of the purchaser, including the complainant herein.

- VI. Moreover, the respondent was in a completely dominant position and wanted to deliberately exploit the same at the cost of the innocent purchasers including the original allottees and complainant is evident from the clauses of the said Agreement. It is submitted that the respondent had given itself an absolute liberty to terminate the allotment of the allottee and forfeit more than 15% of the basic sale consideration, moreover, the respondent gave itself absolute liberty to choose whether to not terminate the allotment and charge an interest at the rate of 24% per annum on the amounts in defaults. Furthermore, the respondent on the other hand vide the said agreement provided for the amount of interest paid to the allottee at a much lesser rate in case of defaults on the part of the respondent.
- VII. That it is important to note that provisions of the apartment buyer's agreement besides other similar one-sided provisions were on the face of it were highly illegal, absurd, unilateral, arbitrary, unconscionable and not valid. The legislature has promulgated the Real Estate (Regulation and Development) Act, 2016 to balance the bargaining power of the allottees who have been disadvantaged by the abuse of the dominant position of the developers. A bare perusal of the above clauses highlights the one-sided arbitrary agreement and the abuse of dominant position is all pervasive in the terms and conditions of the apartment buyer's agreement executed by the respondent vide various clauses imposing all the liabilities on the complainants, while conveniently relieving itself from all obligations on its part.
- VIII. That the original allottee made vocal her objections to the arbitrary and unilateral clauses of the apartment buyer's agreement to the respondent. Prior to the signing of the apartment buyer's agreement,

original allottee had made payment of a significant amount of Rs 50,61,250/- as is evident from the said agreement. The respondent categorically assured the original allottee that she need not worry and that the respondent would strictly adhere to the timeline, terms of the allotment. Since the original allottee had already parted with a considerable amount, she was left with no other option but to accept the lopsided and one-sided terms of the apartment buyer's agreement. The original allottee felt trapped and had no other option but to sign the dotted lines. Hence the apartment buyer agreement dated 11.01.2007 was executed.

- IX. That it is pertinent to mention here that the original allottee based on the assurances and representations of the respondent continued to make the payments as and when demanded by the respondent and had paid the entire basic sale consideration. The said fact is evident from the Final Statement of Account as issued by the respondent.
- X. That the complainant and his mother krishna puri had been attracted towards the aforesaid project on account of publicity done by the respondent through various means like various brochures, posters, advertisements etc. complainant and his mother Krishna Puri visited the sales gallery and consulted with the marketing staff of the respondent. The marketing staff of the respondent painted a very rosy picture of the project and made several representations with respect to the innumerable world class facilities to be provided by the respondent in its project. The marketing staff of the respondent also assured timely completion of all the obligations of the agreement including handing over of possession in time.

- XI. That initially the complainant and his mother namely Smt. Krishna Puri approached the original allottee for purchase of the unit in question and accordingly it was decided that the original allottee would transfer the rights, title and lien of the unit in question to the complainant and his mother. The complainant, his mother and the original allottee accordingly entered into an agreement for sale dated 04.11.2019. Vide the said agreement, it was agreed that the complainant and his mother shall pay a sum of Rs 2,21,50,000/- in lieu of the said transfer of unit in the name of the complainant and his mother from the original allottee. Thus, based on the said agreement dated 04.11.2019, the original allottee transferred her share of the said unit in the name of the complainant and his mother. Moreover, respondent vide its application dated 06.11.2019 confirmed the said transfer in the rights and title of the said unit after completely due diligence and scrutiny of the documents. Thus, the complainant and his mother stepped into the shoes of the original allottee with respect to the unit in question. It is further submitted that on account of change of the allottee, the respondent rightly endorsed all document pertaining to the unit in question in favour of complainant and his mother.
- XII. That it is pertinent to mention here that despite having made the buyer's agreement dated 11.01.2007 containing terms very much favorable as per the wishes of the respondent, the respondent miserably failed to abide by its obligations thereunder. The respondent/promoter has even failed to perform the most fundamental obligation of the agreement which was to handover the possession of the said unit within the promised time frame to the complainant and his mother, which has been

delayed for an extremely long period of time. The failure of the respondent and the fraud played by it is writ large.

- XIII. That the complainant and his mother vide several telephonic conversations requested the respondent to handover the possession of the said unit to them. The respondent categorically assured the complainant and his mother that the possession would be handed over to them soon as the construction was almost complete and that the respondent would complete the project expeditiously in order to deliver the possession to the complainant and his mother. Since, the complainant and his mother had already parted with a substantial amount, they had no other choice but to believe the representations of the respondent. However, it was assured by the respondent that the respondent would make payment towards the interest amount at the time of offer of possession.
- XIV. That moreover, when the complainant and his mother went to meet the representatives of the respondent at the project site to enquire about the possession of the unit, the complainant and his mother were shocked to see the construction status. No construction activities were going on at the project site and the actual ground reality at the construction site was way different than what the respondent had claimed to the complainant and his mother regarding the completion of the project. The complainant and his mother confronted the respondent and enquired about the status of completion of the project. The respondent yet again, with mala fide motives, gave an assurance that it would adjust the delayed possession charges after completing the unit. However, yet again, the assurances made by the respondent turned out to be false. No concrete steps were taken by the respondent for

completion of the unit in question. The respondent kept on misleading the complainant and his mother by giving incorrect information and assurances that it would hand over the possession to the complainant and his mother very soon.

- XV. That the respondent falsely issued a letter dated 10.06.2021 vide which the respondent authorized the complainant and his mother to take over the possession of the said unit only for the purpose of carrying out the interior work in the said unit of the respondent prior to obtaining the occupation certificate. It is pertinent to mention herein that the respondent has till date not received the occupation certificate for the tower wherein the unit of the complainant is situated. However, despite the fact that no occupation certificate was obtained by the respondent, the respondent sent the said letter dated 10.06.2021 to the complainant asking the complainant and his mother to carry out the interior work of the unit.
- XVI. That when the complainant and his mother confronted the respondent to offer and handover the valid possession to the complainant and his mother, the representatives of the respondent started making excuses and cited that the fact that the complainant and his mother have taken the possession for carrying out the interior work means that the valid possession has been handed over. The said case pertained to the same project in question and had similar facts. It is a settled law that the possession of a unit can only be offered after obtaining the occupation certificate and any offer of possession issued prior to that holds no ground and is considered as 'invalid' offer of possession. The said offer of possession is invalid and the complainant is not bound by the same.

- XVII. That the complainant again reminded the respondent to handover the possession of the said unit after obtaining the valid Occupancy Certificate from the concerned authorities. The respondent yet again, with mala fide motives, gave an assurance that it would soon obtain the occupation certificate and handover the possession of the said unit to the complainant. However, yet again, the assurances made by the respondent turned out to be false. No concrete steps were taken by the respondent for handing over the possession of the said unit after obtaining the OC. The respondent kept on misleading the complainant by giving incorrect information and assurances that it would hand over the possession to the complainant very soon.
- XVIII. That the complainant has been duped of his hard-earned money paid to the respondent regarding the unit in question. The complainant is reduced to the mercy of the respondent but the respondent has been dilly-dallying the matter. The complainant has been running from pillar to post and has been mentally and financially harassed by the conduct of the respondent.
- XIX. That the complainant has already paid a substantial amount of Rs. 1,84,34,673/- out of the total sale consideration of Rs.2,10,16,073/- towards the unit in question and the said fact is evident from the Statement of Accounts attached hereinabove vide the present complaint. The said total sale consideration which was earlier as Rs. 2,10,16,073/- was later revised to 1,93,16,073/- on account of rebate given by the respondent for non-provision of the specifications of the unit. Furthermore, the respondent had adjusted Rs. 8,81,400/- towards the admitted delay on its part and hence after adjustment, no dues are payable by the complainant to the respondent.

- XX. That to the further surprise and dismay of the complainant, all promises of the respondent turned out to be false and absolutely misleading since after considerable lapse of time and despite of many follow-ups, the respondent had failed to keep pace with obtaining the occupation certificate and in process issue a valid offer of possession letter and eventually handover the possession, after due compliance and adherence to the provisions laid down by law. It is clear that the respondent has played a fraud upon the complainant and has cheated him fraudulently and dishonestly with a false promise to complete the construction of the project within the stipulated period.
- XXI. Moreover, the obligation to execute the Conveyance deed has been detailed in the provisions of Real Estate (Regulation and Development) Act, 2016 as well. It is submitted that as per Section 11(4)(f) and Section 17 of the Real Estate (Regulation and Development) Act, 2016, the promoter is duty bound to execute a registered conveyance deed in favour of an allottee.
- XXII. That the respondent has taken undue advantage of the helplessness of the complainant and has further exploited its dominant position. It would not be out of place to mention that the complainant was always ready and willing to perform his part of the contract and has performed the same without any delay or defaults whatsoever. Therefore, it is evident from the entire sequence of events that no illegality or acts can be attributed to the complainant. The Respondent cannot be permitted to take advantage of its own illegal acts.
- XXIII. That the respondent is enjoying the valuable amount of consideration paid by the complainant out of his hard-earned money and the complainant realizing the same requested the respondent/promoter to

handover the valid possession of the said unit. but a week ago, the respondent has in complete defiance of its obligations refused to perform the said obligation leaving him with no other option but to file the present complaint. Since respondent miserably failed in its obligations, hence the complainant is entitled to delayed possession charges at the rate prescribed as per law and a valid offer of possession and handing over of the unit as per the Real Estate (Regulation and Development) Act, 2016 and Haryana Real Estate (Regulation and Development) Rules, 2017.

- XXIV. That it is submitted that the project is an ongoing project and hence falls under the first proviso to Section 3(1) of RERA 2016. The complainant believe that no occupation and completion certificate has been issued for the project in question till date and hence this project falls clearly under the jurisdiction of this Hon'ble Authority. The respondent in utter disregard of its responsibilities has left the complainant in the lurch and the complainant has been forced to chase the respondent for seeking relief.
- XXV. That the cause of action for the present complaint is recurring one on account of the failure of the respondent to perform its obligations within the agreed time frame. The cause of action again arose when the respondent failed to hand over the valid possession of the unit and finally about a week ago when the respondent refused to perform its part of the contract. The complainant reserve his right to approach the appropriate forum to seek compensation.

C. Relief sought by the complainant:

4. The complainant has sought following reliefs:

- a. Direct the respondent to pay interest for every month of delay at Prevailing rate of interest. from 17.02.2013 till valid handing of the possession after obtaining the Occupation certificate.
 - b. To declare that no offer of possession and valid handover of the unit has been done by the respondent towards the unit in question.
 - c. Direct the respondent to issue valid offer of possession after obtaining the Occupation Certificate.
 - d. Direct the respondent to handover the valid possession of the unit to the complainant after obtaining the Occupation Certificate.
 - e. Direct the respondent not to raise any further demand as the total sale consideration stands paid by the complainant.
 - f. Direct the respondent to execute Conveyance deed of the unit in question as per Section 17 of the RERA Act, 2016.
5. The respondent/promoter put in appearance through its counsel and marked attendance on 21.11.2024 27.02.2025, 22.05.2025, 17.07.2025, 04.09.2025, 13.11.2025, 20.01.2026 and 07.04.2026. Despite giving specific directions to file reply, it has failed to comply with the orders of the authority. It shows that the respondent is intentionally avoiding filing of the written reply. Therefore, vide proceeding dated 07.04.2026, the defence of the respondent was ordered to be struck off for not filing reply.
6. Copies of all the documents have been filed and placed on record. The authenticity is not in dispute. Hence, the complaint can be decided on the basis of these undisputed documents as well as submissions made by the parties.

D. Jurisdiction of the Authority

7. 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

8. As per notification no. 1/92/2017-1TCP dated 14.12.2017 issued by Town and Country Planning Department, the jurisdiction of Real Estate Regulatory Authority, Gurugram shall be entire Gurugram District for all purpose with offices situated in Gurugram. In the present case, the project in question is situated within the planning area of Gurugram District, therefore this Authority has complete territorial jurisdiction to deal with the present complaint.

D.II. Subject matter jurisdiction

9. Section 11(4)(a) of the Act, 2016 provides that the promoter shall be responsible to the allottee 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.

10. So, in view of the provisions of the Act quoted above, the Authority has complete jurisdiction to decide the complaint regarding non-compliance of obligations by the promoter.

E. Findings on the relief sought by the complainant.

- E.I. Direct the respondent to pay interest for every month of delay at prevailing rate of interest. from 17.02.2013 till valid handing of the possession after obtaining the Occupation certificate.**
- E.II Declare that no offer of possession and valid handover of the unit has been done by the respondent towards the unit in question.**
- E.III Direct the respondent to issue valid offer of possession after obtaining the Occupation Certificate.**
- E.IV Direct the respondent to handover the valid possession of the unit to the complainant after obtaining the Occupation Certificate.**
- E.V. Direct the respondent not to raise any further demand as the total sale consideration stands paid by the complainant.**
11. The above-mentioned relief sought by the complainant are being taken together as the findings in one relief will definitely affect the result of the other relief and the same being interconnected.
12. That the respondent vide allotment letter dated 15.09.2006 allotted the unit no. B5—603 on 6th floor in Tower B in the project namely "Parsvnath Exotica", Village Wazirabad, Sector-53, Gurugram to the original allottee i.e Neena Mehra. Now the present complainant is a 1st subsequent allottee who has purchased the subject unit from the original allottee on 06.11.2019 i.e., when the unit was endorsed to the 1st subsequent allottee from the original allottee.
13. The site of the project namely "Parsvnath Exotica," located at Village Wazirabad, Sector-53, Gurugram and being developed by M/s Parsavnath Developers Limited was inspected by the planning branch of the Authority on 13.01.2026 to ascertain the status of the project. Accordingly, the project was examined and the following observations were made: -

The complainant's tower, i.e. Tower B6, has not received the Occupation Certificate; however, occupants, including the complainant, have already started residing therein, as observed during the site visit.

The project is almost complete. All 18 residential towers, community building and common facilities have been constructed, and internal roads, common areas and services are in place, but internal finishing is still ongoing in four towers (B5, B6, C1 and C4). Several occupation certificates have been issued for parts of the project by DTCP on different dates, and the complainant's tower has not been granted OC so far. Despite this, allottees, including the complainant, have started residing in the tower without OC. At the same time, the project is not registered with HARERA and is under a pending non registration proceeding where the promoter continues to cite outstanding deficiencies, pending approvals (including BIP) and ongoing court matters as reasons for non-registration and for not having a final, project-wide OC/CC.

14. Upon examination of the site inspection report conducted by the Authority, it has been observed that the 1st subsequent allottee which is the complainant in the present case is already residing in the unit even in a case where occupation certificate has not been received from the competent Authority yet. Vide proceeding dated 07.04.2026 the counsel for the complainant submitted that the allotment of the unit was endorsed in the name of the complainant on 06.11.2019, despite the fact that the occupation certificate had not been obtained by the promoter. It was further submitted that the complainant has been residing in his unit since the year 2022. The learned counsel also undertook to file an

affidavit affirming that the complainant has been residing in the unit w.e.f. 06.06.2022. The said affidavit was subsequently filed on 09.04.2026 wherein it is stated that :

- i. That after completion of the requisite works and making the unit habitable, the possession of the unit was effectively taken over by me on 06.06.2022.
- ii. That I commenced residing in the aforesaid unit from 06.06.2022 after ensuring that the unit was in a liveable and usable condition.

15. In the present complaint, the complainant intends to continue with the project and are seeking delay possession charges as provided under the proviso to Section 18(1) of the Act. Sec. 18(1) proviso reads as under.

Section 18: - Return of amount and compensation

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

.....

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

16. Clause 10(a) of the apartment buyer agreement (in short, agreement) provides for handing over of possession and is reproduced below:

"10(a). Construction of the flat is likely to be completed within a period of thirty six (36) months of commencement of construction of the particular block in which the flat is located, with a grace period of 6 months, on receipt of sanction of building plans/revised building plans and approvals of all concerned authorities including the Fire Service Department, Civil Aviation Department, Traffic Department, Pollution Control Department as may be required for commencing and carrying on construction subject to force majeure....."

17. **Due date of possession and admissibility of grace period:** As per Clause 10(a) of the agreement dated 11.01.2007, possession of the allotted unit was to be offered within a stipulated period of 36 months from the commencement of construction of the particular block in which the flat is located, along with a grace period of 6 months.

However, the date of commencement of construction is not provided in the present file. However in the present case in hand it is such case wherein the complainant was endorsed the unit in their name on 06.11.2019 i.e the date when the complainant stepped into the shoes of the original allottee with respect to the unit in question. Therefore, the due date is considered to be 06.11.2019.

18. Payment of delay possession charges at prescribed rate of interest:

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

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

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

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

19. 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.

20. 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., 07.04.2026 is **8.80%**. Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., **10.80%**.

21. 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;"*

22. 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 delay possession charges.
23. 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 by not handing over possession by the due date.
24. 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 the prescribed rate of interest i.e., @ 10.80% p.a. from the date on which the unit was endorsed to the complainant on i.e 06.11.2019 till the date being on which the complainant took the actual possession of the unit i.e 06.06.2022.

25. It is also important to mention that the Occupation Certificate has not yet been obtained from the competent authority, and the complainant is already residing in the unit without having received actual possession. Therefore, no direction with respect to possession can be granted in the present case, as the complainant has already been residing in the unit since 06.06.2022.

E.VI Direct the respondent to execute Conveyance deed of the unit in question as per Section 17 of the RERA Act, 2016.

26. The Authority observes that the conveyance deed has been subjected to all kinds of terms and conditions of agreement and the complainant not being in default under any provisions of agreement and compliance with all provisions, formalities and documentation as prescribed by the promoters. A reference to the provisions of sec. 17 (1) and proviso is also must and which provides as under:

“Section 17: - Transfer of title

17(1) 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 of 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."

27. The respondent is under an obligation as per section 17 of Act to get the conveyance deed executed in favour of the complainant. The respondent is directed to execute the conveyance deed after making payment of stamp duty/registration charges and administration charges by the complainant within three months from the date of this order.

F. Directions of the Authority

28. 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 pay the interest at the prescribed rate i.e., 10.80% per annum for every month of delay on the amount paid by the complainant from the date on which the unit was endorsed to the complainant i.e., on 06.11.2019 till the date being on which the complainant took the actual possession of the unit i.e., on 06.06.2022 as per Section 18(1) of the Act of 2016 read with Rule 15 of the Rules, *ibid*.
- ii. The rate of interest chargeable from the allottees by the promoter, in case of default shall be charged at the prescribed rate i.e., 10.80% 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.
- iii. The respondent is directed to pay arrears of interest accrued within 90 days from the date of order of this order as per Rule

16(2) of the Rules, ibid

- iv. The respondent is directed to execute conveyance deed in favour of the complainant in terms of Section 17(1) of the Act of 2016 on payment of stamp duty and registration charges as applicable, within three months after handing over possession to the complainant.
- v. The respondent shall not charge anything from the complainant which is not the part of the buyer's agreement.

29. Complaint stands disposed of.

30. File be consigned to registry.



(Arun Kumar)
Chairman

**Haryana Real Estate Regulatory Authority,
Gurugram**

Dated: 07.04.2026