

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

**Complaint no.** : 4273 of 2024  
**Date of complaint** : 16.09.2024  
**Date of order** : 27.01.2026

**Rajneesh Verma**

**R/o:** - E 204, Manavsthal Heights, Military Road,  
Marol, Andheri East, Mumbai-400072

Complainant

Versus

**M/s Manish Buildwell Pvt. Ltd.**

**Regd. Office at:** - S-1, 2<sup>nd</sup> Floor, Usha Chambers,  
37-38, Central Market, Ashok Vihar, Delhi-110052.

Respondent

**CORAM:**

**Arun Kumar**

**Phool Signh Saini**

**Chairman**  
**Member**

**APPEARANCE:**

Jagdeep Kumar (Advocate)

Garvit Gupta (Advocate)

Complainant  
Respondent

**ORDER**

1. The present complaint has been filed by the complainant/allottee under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (in short, the Act) read with Rule 28 of the Haryana Real Estate (Regulation and Development) Rules, 2017 (in short, the Rules) for violation of Section 11(4)(a) of the Act wherein it is *inter alia* prescribed that the promoter shall be responsible for all obligations, responsibilities and functions under the provisions of the Act or the Rules and regulations made thereunder or to the allottee as per the agreement for sale executed *inter se*.

**A. Unit and project related details**

2. The particulars of unit details, sale consideration, the amount paid by the complainant, date of proposed handing over the possession, delay period, if any, have been detailed in the following tabular form:

S. N.	Particulars	Details
1.	Name and location of the project	"Manish Gallexie91", Sector-91, Gurugram, Haryana
2.	Nature of the project	Commercial complex
3.	Project area	3.725 acres
4.	DTCP license	28 of 2009 dated 24.06.2009 Valid up to 23.06.2026 Licensed area- 3.73 acres
5.	RERA Registered & validity status	<b>Registered</b> vide no. 382 of 2017 dated 12.12.2017 Valid up to 11.12.2022
6.	Unit no.	S-222, 2 <sup>nd</sup> floor (Retail space) (As per page no. 35 of the complaint)
7.	Unit area admeasuring	518 sq. ft. (Super area) & 259 sq. ft. (carpet area) (As per page no. 35 & 43 of the complaint)
8.	Welcome Letter	11.04.2022 (Page 42 of complaint)
9.	Allotment letter	09.04.2022 (As per page no. 33 of the complaint)
10.	Date of buyer's agreement	Not executed
11.	Possession clause	<b>N.A</b>
12.	Due date of possession	01.06.2022  (Note: Taken from the similar complaint of the same project of

		complaint bearing no. 4272 of 2024) (31.12.2021 + 180 days grace period)
13.	Basic sale consideration	Rs.42,12,656/-  (As per page no. 35 of the complaint)
14.	Amount paid by the complainant	Rs.30,84,295/-  (As per payment details on page no. 45 of the complaint)
15.	Occupation Certificate	Not obtained
16.	Offer of possession	Not offered
17.	Demand letter	11.05.2022, 20.10.2023  (As per page no. 46 & 53 of the complaint)
18.	Reminder letter	30.05.2022  (As per page no. 49 of the complaint)

### B. Facts of the complaint

3. The complainant has made the following submissions: -

- I. That the respondent have secured all the necessary sanctions and approvals from the appropriate authorities for the construction such as RERA Registration of Project through RERA Registration no. 382 of 2017, Project Licence No. 28 of 2009 dated 24.06.2009 & Approval of Zoning Plan dated 31/10/2012 from Town & Country Planning Department, Haryana, NOC for Construction Purposes from office of Administration, HUDA, Gurgaon and Environment Clearance dated 31.07.2014 from Ministry of Environment, Forest & Climate Changes for completion of the real estate project sold by them to the consumers in general.
- II. That somewhere in the start of 2022, the respondent through its business development associate approached the complainant with an offer to invest and buy a retail space/ commercial space in the proposed project

of respondent, which the respondent was going to launch the project namely "Manish Gallexie91" in the Sector-91, Gurugram. On 09.04.2022 complainant had a meeting with respondent at the respondent branch office where the respondent explain the project details of "manish gallexie91" and highlight the amenities of the project. The respondent represented to the complainant that the respondent is a very ethical business house in the field of construction of residential and commercial project and in case the complainant would invest in the project of respondent then they would deliver the possession of proposed retail space/ commercial space on the assured delivery date as per the best quality assured by the respondent. The respondent had further assured to the complainant that the respondent has already processed the file for all the necessary sanctions and approvals from the appropriate and concerned authorities for the development and completion of said project on or by end of 2022 with the promised quality and specification and all leading banks are providing commercial loan to this project as all sanctions are duly obtained by the respondent. The complainant while relying upon those assurances and believing them to be true, complainant booked a retail space shop bearing shop no. s-222, second floor, manish gallexie91, sector 91, Gurugram, Haryana in the proposed project of the respondent measuring approximately super area of 518 sq. ft (carpet area 259 sq ft). in the commercial project to be developed by respondent. Accordingly, the complainant have paid booking amount on 09.04.2022.

- III. That in the said application form, the price of the said shop was agreed at the rate of Rs. 16,265/- per sq. ft of carpet area. mentioned in the said application form. At the time of execution of the said application form, it was agreed and promised by the respondent that there shall be no



change, amendment or variation in the area or sale price of the said shop from the area or the price committed by the respondent in the said application form or agreed otherwise. As per the final discussion between the complainant & respondent the sales consideration for said shop was Rs. 42,12,656/- (Carpet Area 259 @ 16,265/-) exclusive of Service Tax and GST.

- IV. That the payment plan agreed between the complainant and respondent at the time of booking is a flexi construction payment plan which is as follows.
- i. 50% - of BSP at the time of Booking.
  - ii. 100% - of EDC /IDC Within 30 days of Booking
  - iii. 20% - of BSP On Completion of Super Structure
  - iv. 30% of BSP + Other charges On Offer of Possession
- V. That the respondent issued the welcome letter dated 11.04.2022 for confirming the booking of retail space shop no. s-222, second floor, Gallexi91, Sector 91, Gurgaon, Haryana.
- VI. That the complainant made a payment of Rs 27,52,775/- at the time of booking i.e 09/04/2024 to complete the 50% of consideration value and made a further payment of Rs 3,31,520/- on 02.05.2022 as demanded by the respondent. The complainant made the total payment Rs 30,84,295/- towards the consideration value as per the payment plan.
- VII. That the complainant has paid the entire due sale consideration along with applicable taxes to the respondent for the said commercial unit. As per the statement of account issued by the respondent, the complainant have already paid Rs. 30,84,295/- towards sale consideration and applicable taxes as on today to the respondent as demanded time to time and now nothing is pending to be paid on the part of complainant.

Although the respondent not sharing the project development status and nor providing the builder buyer agreement to complainant. The respondent issued a statement of account through email dated 10.11.2022 on the request of complainant.

- VIII. That the complainants doing the constant follow-up with respondent from 11.12.2022 to till date for execution of BBA document, but respondent never pay any heed to it, respondent giving false excuse in pretext of RERA Registration Certificate No. 382 of 2017 dt 12.12.2017 and mislead the complainant by stating that the BBA format is under evaluation before the RERA Authority and only after obtaining the RERA Authority clearance, respondent can execute the BBA.
- IX. That the date agreed for the delivery of possession of said commercial unit as per assurance given by the respondent at the time of Booking is 11.12.2022, the complainant had approached the respondent and its officers for inquiring the status of BBA , construction status and revised date of delivery of possession, but none had bothered to provide any satisfactory answer to the complainants about the completion and delivery said commercial unit. The complainant thereafter kept running from pillar to post asking for the delivery of his commercial unit but could not succeed in getting any reliable answer from respondent till date.
- X. That on 10.08.2023 the respondent sent a construction update through email. On 25.08.2024 complainant wrote an email to respondent to enquire the tentative date of completion of project & also demanded the original payment receipts of earlier payments made to respondent towards the consideration value of said commercial unit, respondent did not respond to the emails of complainant.
- XI. That on 20.10.2023 the respondent sent a payment demand letter for through email for alleged milestone achievement of completion of

superstructure as per respondent. The complainant opposed any such demand which is contrary to the provisions of RERA Act 2016, complainant already made payment of more than 60% consideration value but even after a substantial payment of 60%, respondent showing reluctance in executing BBA documents of said commercial unit. On 20.10.2023 the complainant wrote an email to respondent to enquire the revised completion date of project, reasons for delay and calculations of delay possession interest, but again such requests fell on deaf ears of respondent.

- XII. That on 27.10.2023 & on 08.11.2023 the complainant wrote follow up emails to respondent to enquire the status of project, tentative date of completion of project and also enquire the compensation of delay possession, but respondent did not provide any information to the complainant. On 18.11.2023 complainant made it clear to the respondent that respondent is under obligation to abide by all the provisions of RERA Act 2016, complainant inform respondent that, complainant will not made any further payment till the respondent will not execute the BBA document with the complainant. Complainant also inform respondent that, in RERA Act 2016 it is mandatory for respondent to execute the bba document within reasonable time, and respondent cannot raise demand for payment beyond 10% before executing the BBA documents.
- XIII. That on 24.01.2024 respondent sent a construction update through email. The complainant replied the respondent's email on same day i.e 24.01.2024 to enquire the tentative date of completion of project, but respondent did not respond to the emails of complainant.
- XIV. That on 24.01.2024 the respondent sent a construction update through email. The complainant replied the respondent's email on same day i.e

24.01.2024 to enquire the tentative date of completion of project, but respondent did not respond to the emails of complainant.

- XV. That on 10.02.2024 the respondent sent a construction update through email. The complainant replied the respondent's email on 26.02.2024 to enquire the tentative date of completion of project and also enquire the total compensation planned by the Respondent for the delay caused by respondent. The complainant also request to have a telephonic conversation over the issue of execution of BBA, compensation for delay and revised date of completion of project, but respondent did not respond to the emails of complainant.
- XVI. That on 05.03.2024 respondent sent a construction update through email. complainant replied the respondent's email on 05.03.2024 to remind the respondent the pendency on the part of respondent, complainant inform that till date the BBA of said commercial unit is not executed, revised date of completion is not yet informed to complainant, respondent did not share the compensation amount and complainant also wants to know the option available with the complainant to exit from the project is case complainant didn't like the respondent's offer of delay compensation. The complainant also communicated to respondent to refrain from sending further demands till the BBA is not issued to complainant.
- XVII. That despite of several email from complainant to respondent for obtaining builder buyer agreement, respondent shows reluctance to execute the BBA. As per the provision of RERA Act, Allotment Letter and BBA were required to be executed upon the payment of 10% of the total consideration, however despite of the payment of approx 60% of total consideration value, respondent didn't execute the BBA and only

demanding installments, which is against the provision of RERA Act 2016.

- XVIII. That on 16.06.2024 respondent sent an email to update the construction status of said stalled project and from the photographs it can be very well understand only 30% to 40 % progress is achieved in last 10 years, there hardly be any labour working at site.
- XIX. That the respondent has committed grave deficiency in services by delaying the delivery of possession and false promises made at the time of sale of the said shop which amounts to unfair trade practice which is immoral as well as illegal. The respondent has also criminally misappropriated the money paid by the complainant as sale consideration of said Shop by not delivering the unit on agreed timelines. The respondent has also acted fraudulently and arbitrarily by inducing the complainant to buy the said shop on basis of its false and frivolous promises and representations about the delivery timelines aforesaid As on 16.06.2024, it has been a total delay of 1 years 7 months.
- XX. That as per section 18 of the RERA Act. 2016, the promoter is liable to pay compensation to the allottees of an apartment, building or project for a delay or failure in handing over of such possession as per the terms and agreement of the sale.

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

4. The complainant has sought following relief(s):
- I. Direct the respondent to pay interest at the rate of 15% on Rs.30,84,295/- from due date of Possession (i.e 11.12.2022) to till the physical possession of said flat to complainant.
  - II. Direct the respondent to provide the valid offer of possession, physical possession of shop and also direct the respondent to execute the conveyance deed.
  - III. Direct the respondent to execute the BBA for the unit booked by the complainant.

- IV. Direct the respondent to update the construction status of project to complainant.
  - V. Restrain the respondent from arbitrary cancellation of commercial unit.
  - VI. Direct the respondent to pay an amount of Rs. 55,000/- to the complainant as cost of the present litigation.
5. On the date of hearing, the Authority explained to the respondent/promoter about the contraventions as alleged to have been committed in relation to Section 11(4) (a) of the Act to plead guilty or not to plead guilty.

**D. Reply by the respondent.**

- I. That the complaint is premature, without merit, vexatious, and filed with mala fide intention to harass the respondent. It deserves to be dismissed in its entirety along with exemplary costs. The due date of handing over of possession is to be ascertained as 3 years from the date of booking in accordance with the Hon'ble Supreme Court's observation in the case titled Fortune Infrastructure and Ors. vs. Trevor D' Lima and Ors. (12.03.2018- SC); MANU /SC /0253 /2018 wherein the Hon'ble Apex Court has observed that in case there is no agreement or where no due date has been specified in the agreement, then a reasonable period of 3 years from the date of booking would be considered as an apt time in which the promoter was bound to handover the possession of a plot/unit/apartment. Since, the booking was made by the complainant on 09.04.2022, the due date of possession of the said unit was 09.04.2025. Since, the complainant has filed the present complaint prior to the lapse of the due date, the present complaint is pre-mature, and the complainant is not entitled to the reliefs as sought by him vide the present complaint.
- II. That the respondent had obtained the approval/sanction to develop a project known as 'Manish Gallaxie 91', situated at revenue estate of

Village Maneka, Sector 91, Manesar Urban Complex, Gurugram, Haryana from the Director Town and Country Planning, Haryana, Chandigarh (hereinafter referred to as the 'DTCP') vide approval bearing license no. 28 of 2009 dated 24.06.2009 & Approval of Zoning Plan dated 31/10/2012 from Town & Country Planning Department, Haryana.

III. That the complainant, after checking the veracity of the said project had applied for allotment of a commercial space vide his booking application form on 09.04.2022. The complainant agreed to be bound by the terms and conditions of booking application form. The complainant was aware and had admitted and accepted vide the said booking application form that they by the way of said application form had applied in the said project and had understood all the limitations and obligations after being provided with all the information and clarifications. The complainant was aware that all the payment demands towards the total sale consideration were to be demanded by the respondent strictly as per the agreed payment plan and only after being completely satisfied about the same, had made the booking with the respondent. Moreover, the complainant had also perused and signed the part of the application form which contained the payment plan which specifically stated the stage of payments. It was mutually agreed between the complainant and respondent that the payment plan of the said allotted unit would be as follows:

- 50% of the BSP- At the time of Booking
- 100% of the EDC/IDC- Within 30 days of booking
- 20% of BSP- On Completion of Super Structure
- 30% of BSP + Other Charges- On Offer of possession

- IV. That the complainant based on the booking made by him in the said project of the respondent was allotted a unit bearing no. s-222 on second floor having carpet area of 259 sq ft. in the said project of the respondent vide its allotment letter dated 09.04.2022. the respondent strictly as per the terms of the allotment and policy vide the said allotment letter intimated the complainant that the basic sale consideration of the unit is Rs.42,12,656/- and that the said basic sale consideration amount was not inclusive of IDC & EDC, parking charges, PLC, Government fees/taxes/levies, common area, IFMS, GST, etc. and that the same would become due to be paid by the complainant at the appropriate stage.
- V. That the complainant, despite being fully aware of the terms and conditions of the allotment as set forth in the booking application form and the allotment letter, failed to comply with the agreed payment schedule. The respondent, in good faith and in compliance with all applicable laws and the agreed terms, sent several demand letters to the complainant calling upon him to pay the outstanding amounts towards the sale consideration, statutory levies, development charges, and other applicable dues. The complainant deliberately and habitually defaulted in making the payments despite repeated requests and lawful demand, thus hampering the completion of the project.
- VI. That the respondent has always remained in compliance with its obligations under the Real Estate (Regulation and Development) Act, 2016 and has at regular intervals provided the complainant with construction status updates, photographs of the construction site, and detailed communications regarding the project's progress. Notably, the respondent sent construction updates on 10.08.2023, 24.01.2024, and 05.03.2024, along with other communications, thereby maintaining full

transparency with the complainant. The construction updates sent by the respondent are attached by the complainant in the complaint filed by him.

- VII. That the respondent has reached an advanced stage of completion of the said project and accordingly demanded the payment against the same vide demand letter dated 20.10.2023. However, the complainant failed to make the payment against the said demand. It is pertinent to mention here that the respondent was constrained to send numerous reminders through emails and telephonic communications to remind the complainant about the due instalment. However, despite issuance of the said reminders and emails, the complainant miserably failed to comply with his contractual obligations and make the payment towards the said instalment.
- VIII. That the said amount was not paid by the complainant despite the repeated reminders and requests rather the complainant in complete defiance of her obligations entirely ignored the respondent and no communication or response whatsoever was received by the respondent to its reminders and requests.
- IX. That the complainant was well aware of the terms of the booking application form and the obligation of making timely payments towards the said allotted unit. As per clause 17 of the booking application form, it was agreed upon by the complainant that in case of default on the part of the complainant in making the payments as per the agreed upon payment plan, the respondent would be well within its rights to terminate the allotment of the complainant. Moreover, the complainant was repeatedly invited by the respondent to visit the office for execution of the builder buyer agreement on multiple occasions. However, the complainant failed to appear or take any steps to execute the BBA

despite the Respondent's repeated invitations. This continued failure to complete the necessary formalities has been the sole reason for the delay in execution of the BBA.

- X. That the complainant is a habitual defaulter and has defaulted in making the payments towards the said allotted unit. The respondent had vide several reminders requested the complainant to remit the dues. However, despite the said reminders, no such dues were remitted by the complainant, and he still remains in default. The respondent thus, reserves its right to terminate the allotment of the said allotted unit and refund the amount paid by the complainant after deduction of 10% out of the sale consideration amount.
- XI. That it is pertinent to mention here that the respondent has completed a substantial part of the project and is about to complete the same in some time. However, since, the complainant himself has defaulted in making the timely payments to the respondent and has filed the present complaint without any cause of action and pre-maturely. The question of making payment towards the delayed possession charges does not even arise. Rather, the respondent should be given the liberty of terminating the said allotted unit and subsequently, refunding the amount paid by the complainant i.e., Rs.30,84,295/- after 10% deduction. As on date, the complainant is still bound to make the payment of Rs.7,74,757/- to the respondent and the same is evident from a perusal of the statement of account.
- XII. That the respondent has throughout acted in accordance with the terms of the allotment and no default whatsoever was committed by the respondent in adhering to the terms of the allotment and the provisions of law. Therefore, the respondent cannot be held accountable for the defaults of the complainant in complying with his obligations and

accordingly, the respondent prays before this hon'ble authority that the present complaint be dismissed with exemplary costs to be paid by the complainant to the respondent.

6. Copies of all the relevant documents have been filed and placed on the record. Their authenticity is not in dispute. Hence, the complaint can be decided on the basis of those undisputed documents and submission made by the complainants.

**E. Jurisdiction of the authority**

The Authority has complete territorial and subject matter jurisdiction to adjudicate the present complaint for the reasons given below.

**E.I Territorial jurisdiction**

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

**E.II Subject matter jurisdiction**

8. Section 11(4)(a) of the Act, 2016 provides that the promoter shall be responsible to the allottees as per agreement for sale. Section 11(4)(a) is reproduced as hereunder:

**Section 11.....(4) The promoter shall-**

*(a) be responsible for all obligations, responsibilities and functions under the provisions of this Act or the rules and regulations made thereunder or to the allottees as per the agreement for sale, or to the association of allottees, as the case may be, till the conveyance of all the apartments, plots or buildings, as the case may be, to the allottees, or the common areas to the association of allottees or the competent authority, as the case may be;*

**Section 34-Functions of the Authority:**

*34(f) of the Act provides to ensure compliance of the obligations cast upon the promoters, the allottees and the real estate agents under this Act and the rules and regulations made thereunder.*

9. 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.

**F. Objection raised by the respondent:**

**F.I The complaint is pre mature and should be dismissed**

10. The respondent in its reply has raised an objection the due date of handing over of possession is to be ascertained as 3 years from the date of booking in accordance with the Hon'ble Supreme Court's observation in the case titled Fortune Infrastructure and Ors. vs. Trevor D' Lima and Ors. (12.03.2018- SC); MANU /SC /0253 /2018 wherein the Hon'ble Apex Court has observed that in case there is no agreement or where no due date has been specified in the agreement, then a reasonable period of 3 years from the date of booking would be considered as an apt time in which the promoter was bound to handover the possession of a plot/unit/apartment. Since, the booking was made by the complainant on 09.04.2022, the due date of possession of the said unit was 09.04.2025. Since, the complainant has filed the present complaint prior to the lapse of the due date, the present complaint is pre-mature, and the complainant is not entitled to the reliefs.
11. The due date in the present complaint has been derived from the same project as Complaint No. 4272 of 2024, wherein the facts are similar. As per the possession clause the respondent/promoter has proposed to handover possession of the subject unit by the end of 2021 i.e. 31.12.2021 plus 6 months of grace period. The said grace period of 6 months is allowed to the respondent being unqualified. Thus, the due date of possession come out to be 01.06. 2022. Therefore, the objection raised by the respondent that the complaint is premature is hereby dismissed.

**F. Findings on the relief sought by the complainant.**

- F.I Direct the respondent to pay interest at the rate of 15% on Rs.30,84,295/- from due date of Possession (i.e 11.12.2022) to till the physical possession of said flat to complainant.**
- F.II Direct the respondent to provide the valid offer of possession, physical possession of shop and also direct the respondent to execute the conveyance deed.**
- F.III. Direct the respondent to execute the BBA for the unit booked by the complainant.**
- F.IV Direct the respondent to update the construction status of project to complainant.**
- F.V. Restrain the respondent from arbitrary cancellation of commercial unit.**
12. The above-sought relief(s) by the complainant is taken together being inter connected.
13. In the present complaint, the complainant intends to continue with the project and is seeking delay possession charges as provided under the proviso to section 18(1) of the Act. Sec. 18(1) proviso reads as under.

***"Section 18: - Return of amount and compensation***

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

.....

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

14. The due date is taken from the same project of a similar complaint no. 4272 of 2024. Clause 15.1 of the buyer's agreement in complaint no. 4272 of 2024 provides for handing over of possession and is reproduced below:

***"Clause 15.1 of BBA***

*15.1 The Company based upon its present plans and estimates, and subject to all exceptions, proposes to handover possession of the Commercial Unit by end of 2021 (Commitment period). Should the possession of the Commercial Unit not be given within the Commitment Period, the Allottee agrees to an extension of One Hundred and Eighty (180) days ("Grace period") after expiry of the Commitment Period..."*

15. The respondent/promoter has proposed to handover possession of the subject unit by the end of 2021 i.e. 31.12.2021 plus 6 months of grace period. The said grace period of 6 months is allowed to the respondent being unqualified. Thus, the due date of possession come out to be 01.06.2022.
16. **Admissibility of delay possession charges at prescribed rate of interest:** Proviso to Section 18 provides that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of possession, at such rate as may be prescribed and it has been prescribed under Rule 15 of the Rules. Rule 15 has been reproduced as under:
- Rule 15. Prescribed rate of interest- [Proviso to section 12, section 18 and sub-section (4) and subsection (7) of section 19]***
- (1) For the purpose of proviso to section 12; section 18; and sub-sections (4) and (7) of section 19, the "interest at the rate prescribed" shall be the State Bank of India highest marginal cost of lending rate +2%.: Provided that in case the State Bank of India marginal cost of lending rate (MCLR) is not in use, it shall be replaced by such benchmark lending rates which the State Bank of India may fix from time to time for lending to the general public.*
17. 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.
18. 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., 27.01.2026 is **8.80%**. Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., **10.80%**.
19. On consideration of documents available on record as well as submissions made by the parties, the Authority is satisfied that the respondent is in



contravention of the Section 11(4)(a) of the Act by not handing over possession by the due date as per the allotment letter. By virtue of clause 15.1 of the the possession of the subject unit was to be delivered by 01.06.2022. However, the respondent has failed to handover possession of the subject unit to the complainant till the date of this order. Accordingly, it is the failure of the respondent/promoter to fulfil its obligations and responsibilities as per the agreement to hand over the possession within the stipulated period. Moreover, the Authority observes that there is no document on record from which it can be ascertained as to whether the respondent has applied for occupation certificate or what is the status of construction of the project. Hence, this project is to be treated as on-going project and the provisions of the Act shall be applicable equally to the builder as well as allottees.

17. Accordingly, the non-compliance of the mandate contained in Section 11(4)(a) read with proviso to Section 18(1) of the Act on the part of the respondent is established. As such, the allottee shall be paid, by the promoter, interest at prescribed rate i.e. 10.80% p.a. on the amount paid, for every month of delay from due date of possession i.e., 01.06.2022 till valid offer of possession plus 2 months after obtaining occupation certificate from the competent authority or actual handing over of possession whichever is earlier, as per Section 18(1) of the Act of 2016 read with Rule 15 of the Rules.
18. Further, as per Section 11(4)(f) and Section 17(1) of the Act of 2016, the promoter is under an obligation to handover possession of the unit and to get the conveyance deed executed in favour of the allottee. Whereas as per Section 19(11) of the Act of 2016, the allottee is also obligated to participate towards registration of the conveyance deed of the unit in question. However, there is nothing on the record to show that the

respondent has applied for occupation certificate or what is the status of the development of the above-mentioned project. In view of the above, the respondent is directed to handover possession of the unit and 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 obtaining occupation certificate from the competent authority.

19. It is also evident from the record that the respondent has received substantial payment from the complainant without executing the Builder Buyer Agreement and in the absence of any agreed payment plan. Such actions are in violation of the principles of fair practice and legal obligations under the applicable housing regulations. Therefore, the respondent is directed to take necessary steps to execute the Builder Buyer Agreement forthwith, in accordance with law.
20. The respondent is also directed to update the status of the construction of the project to the complainant and not to cancel the unit of the complainant as before execution of the buyer's agreement the complainant has paid more than 10% of the sale consideration.

**F.VI. Direct the respondent to pay an amount of Rs. 55,000/- to the complainant as cost of the present litigation.**

21. The complainant is seeking above mentioned relief w.r.t compensation. *Hon'ble Supreme Court of India in civil appeal nos. 6745-6749 of 2021 titled as M/s Newtech Promoters and Developers Pvt. Ltd. V/s State of Up & Ors.* has held that an allottee is entitled to claim compensation and 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 and 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 and legal expenses. Therefore, the complainant is advised to approach the Adjudicating Officer for seeking the relief of litigation expenses.

**G. Directions of the authority**

24. 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 interest to the complainant against the paid-up amount at the prescribed rate i.e., 10.80% per annum for every month of delay from due date of possession i.e., 01.06.2022 till offer of possession plus two months after obtaining the occupation certificate or actual handing over of possession, whichever is earlier, as per provisions of Section 18(1) of the Act read with Rule 15 of the Rules and Section 19(10) of the Act.
- ii. The arrears of such interest accrued from 01.06.2022 till the date of order by the authority 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 promoter to the allottee before 10th of the subsequent month as per Rule 16(2) of the Rules.
- iii. The respondent is directed to supply a copy of the updated statement of account after adjusting delay possession charges within a period of 30 days to the complainant and take necessary steps to execute the Builder Buyer Agreement forthwith, in accordance with law.
- iv. The complainant is directed to pay outstanding dues, if any, after adjustment of delay possession charges within a period of 60 days from the date of receipt of updated statement of account.

- v. The respondent shall handover possession of the unit and 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 obtaining occupation certificate from the competent authority.
- vi. The rate of interest chargeable from the allottee by the promoter, in case of default shall be charged at the prescribed rate i.e., 10.80% by the respondent/promoter which is the same rate of interest which the promoter shall be liable to pay the allottee, in case of default i.e., the delayed possession charges as per section 2(za) of the Act.
- vii. A period of 90 days is given to the respondent/promoter to comply with the directions given in this order and failing which legal consequences would follow.
25. Complaint stands disposed of.
26. File be consigned to registry.



**(Phool Singh Saini)**  
Member



**(Arun Kumar)**  
Chairman

**HARYANA REAL ESTATE REGULATORY AUTHORITY**  
**HARERA**  
**GURUGRAM**  
Haryana Real Estate Regulatory Authority, Gurugram

Dated:27.01.2026