

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

**Complaint no.:** 1794 of 2025  
**Date of filing complaint:** 01.04.2025  
**Date of first hearing** 14.08.2025  
**Date of decision:** 12.02.2026

Mr. Lucky Suneja

**R/o:** - House No. 182/4, Marla Model Town, Gurugram,  
Haryana- 122001

**Complainant**

Versus

Signature Global (India) Private Limited

**Registered office:** - 1302, 13<sup>th</sup> Floor, Tower-A, Signature  
Tower, South City- 1, Gurugram Haryana- 122001

**Respondent**

**CORAM:**

Shri Phool Singh Saini

**Member**

**APPEARANCE:**

Shri Kanish Bangia (Advocate)

Complainant

Shri Venket Rao (Advocate)

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. No. | Particulars                    | Details  |
|--------|--------------------------------|--|
| 1.     | Name of the project            | "The Millennia, Sector 37 D Gurugram   |
| 2.     | Nature of project              | Affordable group housing   |
| 3.     | RERA Registered/Not registered | Registered<br>03 of 2017 dated 20.06.2017  |
| 4.     | Allotment letter               | 01.11.2017<br>(Page no. 48 of reply)   |
| 5.     | Unit no.                       | 7-707, tower - 7, 7 <sup>th</sup> floor<br>[Page no. 39 of complaint]  |
|        | Area admeasuring               | 596.125 Sq. ft. (carpet area)<br>79.653 Sq. ft. (balcony area)<br>(Page no. 39 of complaint)   |
| 6.     | Date of flat buyer agreement   | 30.11.2017 (BBA Registration date)<br>(Page no. 36 of complaint)   |
| 7.     | Possession clause              | <b>5. Possession</b><br><i>5.1 Within 60 (sixty) days from the date of issuance of Occupancy Certificate, the Developer shall offer the possession of the Said Flat to the Allotee(s). Subject to Force Majeure circumstances, receipt of Occupancy Certificate and Allotee(s) having timely complied with all its obligations, formalities or documentation, as prescribed by Developer in terms of the Agreement and not being in default under any part hereof including but not limited to the timely payment of installments as per the Payment Plan, stamp duty and registration charges, the Developer shall offer possession of the Said Flat to the Allotee(s) within a period of 4 (four) years from the date of approval of building plans or grant of environment clearance, (hereinafter referred to as the "Commencement Date"), whichever is later.</i><br>(Page no. 47 of the complaint) |



|     |                                      |  |
|-----|--------------------------------------|--|
| 8.  | Date of building plan approval       | 08.06.2017<br>(taken from another case CR/5675/2022 decided on 21.09.2023 of the same project)                             |
| 9.  | Date of environmental clearance      | 21.08.2017<br>(taken from another case CR/5675/2022 decided on 21.09.2023 of the same project)                             |
| 10. | Due date of possession               | 21.02.2022<br>(Calculated from the date of grant of EC being later including grace period of 6 months in lieu of Covid-19) |
| 11. | Total sale consideration             | Rs.26,42,525/-<br>(As per customer ledger dated 18.08.2025 at page 142 of reply)   |
| 12. | Total amount paid by the complainant | <b>Rs.26,42,525/-</b><br>(As alleged by the complainant at page 18 of the complaint)                                       |
| 13. | Occupation certificate               | 25.01.2023<br>(Page no. 90 to 92 of reply)   |
| 14. | Offer of possession                  | 28.03.2023<br>(Page no. 93 to 98 of reply)   |
| 15. | Conveyance deed                      | 03.07.2023<br>(Page no. 99 to 138 of reply)  |
| 16. | Possession letter                    | 03.07.2023<br>(Page no. 139 of reply)  |

**B. Facts of the complaint:**

3. The complainant has made the following submissions: -

- That in the year 2018, the real estate project "The Millenia" situated at the revenue estate of Village Gadauli Kalan, Sector 37D, in sub-tehsil Kadipur & District Gurugram, Haryana came to the knowledge of the complainant, through the authorized marketing representatives of the respondent, making tall claims, assurances, and warranties in regard to the project being developed by it, lured by the claims, the complainant convinced to book a residential unit/flat in the project being developed by respondent.
- That the representatives of the respondent further represented those various sizes of the units are available in project keeping under



consideration the different financial capacity of the customers. It was further represented that since the project is primarily characterized under the affordable group housing scheme, 2013 of the Haryana Government, hence the complete and easy financial assistance are being offered by various NBFC's and banking companies as well.

- c) That the marketing official of the respondent has further offered to the complainant that site visit can be availed by the complainant and as the opposite party is famous for complying with the timeline with complete dedication thus complainant should not miss the life time opportunity as the booking was to be closed completely in few days. The Complainant was compelled to sign a blank application form under the assurance provided by the respondent's personnel.
- d) That relying upon the assurances and representations of the respondent, the complainant agreed to buy an apartment/unit in the aforesaid project in order to make his dream true of owing a unit in the aforesaid project. Thereby, the complainant booked a unit in the said project and paid an amount of Rs.1,21,217/- at the time of booking. That the respondent executed agreement for sale dated 28.11.2017 and registered with the sub-registrar on 30.11.2017 with the complainant for the unit bearing no. 7-707 7th floor, in tower- 7, for an area admeasuring 596.125 sq. ft. (carpet area) and 79.653 sq. ft. (balcony area).
- e) Despite making timely payments in response to every demand letter, the complainant was hopeful of receiving possession of their apartment by the delivery date specified in the clause 5.1 of the Agreement for sale, i.e., on or before 31.01.2022. However, during regular site visits, the complainant noticed significant delays, as the construction was not progressing according to the approved plan and timeline. Concerned by this, the complainant



- repeatedly brought the issue to the respondents' attention through personal visits, formal letters, and emails, requesting clarity on the delay.
- f) That the respondents, however, merely offered vague assurances that the apartment would be delivered as per the dates stipulated in the agreement, without addressing the evident lack of progress on the site. Despite these repeated promises, the respondents continuously failed and neglected to deliver possession of the apartment within the agreed-upon timeline, causing considerable distress and frustration for the complainant, who had acted in good faith based on the respondents' assurances. This delay not only impacted the complainant's plans for securing accommodation but also led to financial strain due to the prolonged waiting period.
- g) That the respondent company team assured the complainant that the issue would be addressed promptly. Relying on these assurances, the complainant has waited patiently for the respondent to review and resolve the matter. Despite this, the issue remains unresolved and no improvement can be seen, causing inconvenience and uncertainty for the complainant.
- h) That the complainant has repeatedly tried to bring the current matter to the attention of the respondent, conveying his concerns through various telephonic conversations and emails. However, the respondent paid no heed to the requests of the complainant and took no steps to rectify the situation. This disregard for the complainant repeated attempts to resolve the issue has exacerbated the situation, causing significant financial loss and distress.
- i) The complainant has paid a substantial sum of Rs.26,42,525/- being more than 100% of the total sale price i.e., Rs.24,24,330/-. That the respondent provided false and incorrect statements and assurances in respect of said unit and said project and the complainant have thereby lost their hard earned money facing humiliation and harassment, physical as well as mental in the hands of respondent and therefore the respondent are liable to

compensate the losses caused to the complainant due to the fraudulent and unfair trade practice on the part of respondent as per Section 12 of the 2016 and rules thereunder.

- j) That the respondent acted in a very deficient, unfair, wrongful, fraudulent manner. Respondent is therefore, liable to pay the damages and compensation for the monetary loss and harassment suffered by the complainant due to the aforesaid illegal and wrongful acts of respondent.
- k) That the respondent is guilty of deficiency in service, unfair trade practice, giving incorrect and false statement and assurance and making false commitments and promises while selling the said unit to the complainant within the purview of provisions of the Act 2016 and applicable rules. The complainant has suffered losses on account deficiency in service, unfair trade practice, giving incorrect and false statement and assurance.
- l) That the Haryana Government through its Town and Country Planning Department issued Gazette notification on 19th August 2013 No. PF 27/48921. The Governor of Haryana has been pleased to notify a comprehensive Affordable Housing Policy-2013' under the provisions of Section 9 A of The Haryana Development and Regulation of Urban Areas Act, 1975 and any other corresponding statute, governing development of group housing colonies. It is a special policy, for allotment of affordable houses. The object to launch this policy is mentioned as "to encourage the planning and completion of "Group Housing Projects" wherein apartments of 'pre-defined size' were made available at 'pre-defined rates' within a 'Targeted time-frame' as prescribed under the present policy to ensure increased supply of 'Affordable Housing' in the urban housing market, to the deserving beneficiaries".
- m) Although the Real Estate (Regulation and Development) Act, 2016 came into force w.e.f. 1st May, 2016. In this way, this Act came into force after aforesaid

notification, even then aforesaid notification was issued for specific object as described above. While, the Real Estate (Regulation and Development) Act, 2016 is a wider act, governing development and regulation of real estates no provision of affordable housing policy is contrary to the provisions of said act and no provision of it has been repealed by the legislature. Due to all this, despite having been launched prior to the Act, being specific policy, it is still enforceable.

- n) The definition of agreement for sale as mentioned above will cover both the pre-RERA as well as the post-RERA agreements. The claim of the complainant is based on the remedies provided under Section 18 of the Act, 2016. Meaning thereby the operation of the provisions of the Act, 2016 cannot be restricted only to the post RERA agreements.
- o) That the respondent is well aware that the project is over delayed and hence are liable to pay interest as per the provisions of the Act 2016 and the provisions of the Rules, 2017. According to Sections 18(1) and 19(7) of Act, 2016 read with Rule 15, the respondent is liable to pay the allottee interest for delaying the possession.
- p) That the respondent did not care to keep the complainant informed about the delay in possession despite multiple attempts made by the complainant to obtain such information and hence, the principle of equity does not favour the respondent. The respondent is required to offer the possession as required under law as the complainant have waited for a long time since the booking of the said unit.
- q) That the cause of action accrued in favour of the complainant and against the respondent on the date when the respondent advertised the said project, it again arose on diverse dates when the respondent accepted the booking amount after assuring the complainant that the construction will be completed by 29.01.2021, it also arose when the respondent inordinately



and unjustifiably and with no proper and reasonable legal explanation or recourse failed to provide the above said unit till date and further when the respondent has not paid the amount of interest for delayed possession of the unit in the project till date and the cause of action is still continuing and subsisting on day to day.

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

4. The complainant has sought following relief(s):
  - i. Direct the respondent to handover the physical possession of the apartment with amenities and specifications as provided in the agreement for sale in all completeness without any further delay and not to hold delivery of the possession for certain unwanted and illegitimate reasons and not to force to delivery an incomplete unit.
  - ii. Direct the respondent to pay interest on the total amount paid by the complainant at the prescribed rate of interest as per the Act, of 2016 from the due date of possession till date of actual physical possession is being denied to the complainant by the respondent in spite of the fact that the complainant has paid Rs.100% against the sale consideration of the unit of Rs.24,24,330/-.
  - iii. Direct the respondent not charge anything which is not part of the payment plan as agreed upon.
  - iv. Direct the respondent not to cancel of the allotment of the complainant of the said unit.
  - v. Direct the respondent to execute the conveyance deed without raising illegal demands from the complainant;
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.**



6. The respondent contested the complaint on the following grounds: -
- i. That the complainant herein in the year 2017, being in search of an apartment learned about the affordable housing project titled as '*The Millenia*' at Sector 37D, Gurugram being developed by the respondent in terms of the affordable housing policy, 2013. On 03.07.2017, the complainant vide application no. 4924 applied for allotment of a unit in the project of the respondent, whereas a retail unit was allotted vide allotment letter dated 01.11.2017, to the complainant bearing unit no. 7-707 in Tower/Block-7, having carpet area of 596.126 sq. ft. & balcony area of 79.653 sq. ft. on 7<sup>th</sup> floor, together with the two wheeler parking site and pro-rata share in the common areas.
  - ii. That on 30.11.2017, a flat buyer's agreement, was executed for the said unit having a sale price of Rs.24,24,330.5/- excluding all other charges, taxes etc. as mentioned and agreed by the complainant under the agreement. It is to note, that the said agreement was signed by the complainant voluntarily with free will and consent without any demur. That the complainant had applied for the unit only after the due diligence, verification had been done and after being fully satisfied with the project.
  - iii. That as per clause 4.4 of the agreement, the complainant herein had agreed and undertaken to pay balance sale consideration in terms of the payment schedule, in six equated six-monthly instalments spread over three years period, with no interest failing from the due date of payment as per the applicable interest for the period of delay. Further, as per clause 4.6 of the agreement, in case of any delay in making timely payment of amounts in terms of the payment plan or otherwise payable in the agreement the allottee was duty bound to pay interest for the applicable period of delay at applicable rate of interest as per the applicable law(s).





- iv. That as per clause 5.1 of the agreement, the possession of the apartment was proposed to be offered within an estimated period of 4 years from the date of the approval of building plans or grant of environment clearance, whichever is later. The said time period for offer of possession was subject to force majeure circumstances. As per clause 19 of the agreement the complainant has agreed and understood the force majeure circumstances and also the fact that respondent shall not be held responsible or liable for not performing obligations or undertaking provided therein and allottee shall not be liable for any compensation for such delay.
- v. That the committed date of possession fall at the time of Covid-19 when the entire nation was under lockdown and considering the same the Ministry of Finance (MOF) vide office Memorandum No. F.18/4/2020-PPD, dated 13.05.2020, had considered the period of covid-19 lockdown as force-majeure circumstance and had allowed the parties to the contract with an extension of 6 (six) months period for fulfilling the contractual obligations. Further, the Ministry of Housing and Urban Affairs vide office Memorandum no. O-17024/230/2018-Housing-UD/EFS-9056405, dated 13.05.2020, had considered the said covid-19 situation as force majeure for real estate projects and advised the regulatory authorities to extend the registration date, completion date, revised completion date and extended completion date automatically by 6 (six) months due to outbreak of covid 19.
- vi. Further, the Haryana Real Estate Regulatory Authority at Panchkula upon considering the obstructions/challenges faced by various real estate developers due to second wave of Covid-19, had allowed special extension of 3 months from 01.04.2021 to 30.06.2021, considering the same as force majeure event. Thus, the respondent is entitled for 3 months extension for completion of the project.

- vii. Subsequently, upon removal of the Covid-19 restrictions it took time for the workforce to commute back from their villages, which led to slow progress of the completion of project. Despite, facing shortage in workforce, materials and transportation, the respondent managed to continue with the construction work and completed the project. That the respondent also has to carry out the work of repair in the already constructed building and fixtures as the construction was left abandoned during the period of Covid-19 lockdown.
- viii. That in addition to the abovementioned circumstances, it is also pertinent to mention here that construction of real estate projects in Delhi NCR region was put on halt on various occasions by the various Courts, Authorities etc., to mitigate the adverse effects of the pollution. Due to such ban on construction, the promoter was constrained to halt the development work in compliance of various order which effected the timely completion of the project. The said delay was completely beyond the control of the respondent and thus, the respondent is entitled for extension for such period of delay.
- ix. That Hon'ble Supreme Court vide its order dated 04.11.2019 in the W.P. (Civil) No. 13029/1985 had directed that no demolition and construction activities to take place in Delhi and NCR region. On account of passing of aforesaid order, no construction activity could have been legally carried on by the respondent. Accordingly, construction activity had been completely stopped during this period between **04.11.2019 to 14.02.2020. (Days affected- 55 days).**
- x. Further, Commission for air quality management (NCR and Adjoining Areas) vide its order dated 16.11.2021 had directed to stop construction and demolition activities in NCR till 21st November, 2021. In compliance with the above-mentioned order, no construction activity could have been legally



carried on by the respondent. Accordingly, construction activity had been completely stopped during this period. **Period of Restriction/Prohibition: - 16.11.2021 to 21.11.2021. (Days Affected: - 6).**

- xi. That due to above unforeseen circumstances and causes beyond the control of the respondent, the development of the project got decelerated. Such delay was neither intentional nor deliberate. It is also submitted that the respondent was bound to adhere with the order and notifications of the Courts and the Government. Also, it is not out of the place to mention here that the Hon'ble Supreme Court in '*Supertech Ltd. vs. Rajni Goyal, Civil Appeal No. 6649-50 of 2018*', keeping in view the Bans imposed by NGT and other Government Authorities etc., allowed the Promoter for the grace period for completion of construction.
- xii. The details of force majeure circumstances and reasons beyond the control of the respondent are highlighted in the table below: -

| S. No. | AUTHORITIES/DATE OF ORDER   | TITLE   | DURATION OF BAN                             |
|--------|---|---|---|
| 1.     | Environment Pollution (Prevention and Control Authority) order dated 07.11.2017         |   | 90 days                                     |
| 2.     | Haryana State Pollution Control Board order dated 29.10.2018                            |   | 01.11.2018 - 10.11.2018<br><b>(10 days)</b> |
| 3.     | Directions vide Notification DPCC/PA to MS/2018/7919-7945 dated 24.12.2018              |   | <b>3 days</b>                               |
| 4.     | Commissioner, Municipal Corporation, Gurugram order dated 11.10.2019                    |   | 11.10.2019 - 31.12.2019<br><b>81 days</b>   |
| 5.     | Environment Pollution (Prevention and Control Authority) for NCR order dated 01.11.2019 |   | 01.11.2019 - 05.11.2019<br><b>5 days</b>    |
| 6.     | Supreme Court - 04.11.2019 - 14.02.2020   | M. C. Mehta Vs. UOI WPC 13029/1985                                | (55 days)                                   |
| 7.     | Covid-19 extension (First Wave)- HRERA, Gurugram / 26.05.2020                           | Order dated 26.05.2020  | 6 Months extension                          |
| 8.     | Covid-19 extension (Second Wave) HRERA, Panchkula / 02.08.2021                          | Extract of the Resolution passed in the meeting dated 02.08.2021, | 3 months extension                          |
| 9.     | Commission for Air Quality Management (NCR and Adjoining                                | Order dated 16.11.2021  | 16.11.2021 to 21.11.2021                    |





|                   |  |                           |
|-------------------|--|---------------------------|
| Areas)/16.11.2021 |  | (6 days)                  |
| <b>TOTAL</b>      |  | <b>1.4 yrs. (approx.)</b> |

- xiii. That the delay caused due to unforeseen circumstances as mentioned above, shall be considered and exempted while determination of the due date to offer possession. That the respondent had carried out its obligations in agreement with utmost diligence. The complaint is not maintainable as the complaint has been filed after taking the peaceful possession.
- xiv. Further, after the completion of the project and receiving the occupancy certificate, the possession was offered to the complainant vide offer of possession letter dated 28.03.2023. Thereafter, conveyance deed has been executed on 03.07.2023 and the possession has been taken over by the complainant vide possession letter dated 03.07.2023. Furthermore, in the possession certificate, the complainant has voluntarily waived off his right by himself being satisfied of all the terms and conditions of the agreement.
- xv. That the complainant herein had defaulted in making the payment at various instances as per the Affordable Housing Policy and the schedule of payment as agreed under the agreement. The majority of times, the payment from the complainant was received after the lapse of stipulated time period which led to levying of late payment charges on the complainant as per the policy. The same is evident from the statement of account wherein the payment entries show that at various occasions, the complainant had paid late payment charges due to default in making timely payments.
- xvi. That the complainant in the present complaint has raised an issue of delay in completion of the project by concealing the very fact that the project is delayed due to various reasons beyond the control of the respondent. Further, nowhere in the complaint, it has been disclosed that the committed date of possession as provided under the agreement, is subject to various force majeure circumstances and thus, the respondent is entitled for

extension of such time period effected due to the reasons disclosed in the preceding paras. Therefore, the contention of the complainant that the project is delayed is false and frivolous as the occupation certificate has been obtained and possession has been handed over to the complainant.

xvii. That the project in question has already been completed, occupation certificate was obtained on 25.01.2023, the possession was offered on 28.03.2023, conveyance deed was executed on 03.07.2023 and possession certificate dated 03.07.2023 was issued. Therefore, the project was completed. Moreover, the delay so caused was due to reasons beyond control and therefore, the respondent shall not be liable for the period wherein construction/development activity affected due to force majeure circumstances or order/direction of the court or State.

7. All other averments made in the complaint were denied in toto.
8. Copies of all the relevant documents have been filed and placed on record. Their authenticity is not in dispute. Hence, the complaint can be decided on the basis of those undisputed documents and oral as well as written submissions made by the parties.

#### **E. Jurisdiction of the Authority**

9. The Authority observes that it has territorial as well as subject matter jurisdiction to adjudicate the present complaint for the reasons given below.

##### **E. I Territorial jurisdiction**

10. 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 completed territorial jurisdiction to deal with the present complaint.

##### **E. II Subject matter jurisdiction**



11. 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."**

12. So, in view of the provisions of the Act quoted above, the authority has complete jurisdiction to decide the complaint regarding non-compliance of obligations by the promoter leaving aside compensation which is to be decided by the adjudicating officer if pursued by the complainants at a later stage.

**F. Findings on the objections raised by the respondent.**

**F.1 Objection regarding force majeure conditions.**

13. The respondent-promoter raised a contention that the construction of the project was delayed due to force majeure conditions such as various orders passed by the Haryana State Pollution Control Board from 01.11.2018 to 10.11.2018, lockdown due to outbreak of Covid-19 pandemic which further led to shortage of labor, orders passed by National Green Tribunal and other statutory Authorities.

14. The Authority, after careful consideration, finds that in the present case, the project falls under the Affordable Housing Policy, 2013, which contains specific stipulations regarding the completion of the project. As per Clause 1(iv) of the said Policy:

**"All such projects shall be required to be necessarily completed within 4 years from the approval of building plans or grant of environmental clearance, whichever is later. This date shall be referred to as the 'date of**



*commencement of project' for the purpose of this policy. The licenses shall not be renewed beyond the said 4-year period from the date of commencement of project."*

15. The respondent/promoter, having applied for the license under the Affordable Housing Policy, was fully aware of these terms and is bound by them. The Authority notes that the construction ban cited by the respondent, was of a short duration and is a recurring annual event, usually implemented by the National Green Tribunal (NGT) in November. These are known occurring events, and the respondent being a promoter, should have accounted for it during project planning. Hence, all the pleas advanced in this regard are devoid of merits. Further, the respondent has not demonstrated whether it extended any equivalent relief to the allottees during the period of the construction ban. If the respondent did not relax the payment schedules for the allottees, its plea for relief due to delays caused by the construction ban appears unjustified.
16. In accordance with the said policy the respondent was obligated to handover the possession of the allotted unit within a period of four years from the date of approval of building plan or from the date of grant of environment clearance, whichever is later. In the present case, the date of approval of the building plan is 08.06.2017 and environment clearance is 21.08.2017 as taken from the project details. The due date is calculated from the date of environment clearance being later, so, the due date of subject unit comes out to be 21.08.2021. Further *as per HARERA notification no. 9/3-2020 dated 26.05.2020, an extension of 6 months is granted for the projects having completion/due date on or after 25.03.2020*. The completion date of the aforesaid project in which the subject unit is being allotted to the complainant is 21.08.2021 i.e., after 25.03.2020. Therefore, an extension of 6 months is to be given over and above the due date for handing over possession *in view of notification no. 9/3-2020 dated 26.05.2020*, on account of force majeure conditions due to the outbreak of Covid-19 pandemic. So, in such a case the due date for handing over of possession comes out to 21.02.2022. Granting any other additional relaxation



would undermine the objectives of the said policy. Further no interest shall be charged from complainant-allottee for delay if any between 6 months Covid period from 01.03.2020 to 01.09.2020.

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

**G.I Direct the respondent to handover the physical possession of the apartment with amenities and specifications as provided in the agreement for sale in all completeness without any further delay and not to hold delivery of the possession for certain unwanted and illegitimate reasons and not to force to delivery an incomplete unit.**

**G.II Direct the respondent to pay interest on the total amount paid by the complainant at the prescribed rate of interest as per the Act, of 2016 from the due date of possession till date of actual physical possession is being denied to the complainant by the respondent in spite of the fact that the complainant has paid Rs.100% against the sale consideration of the unit of Rs.24,24,330/-.**

17. The above-mentioned reliefs 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.

18. 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."*

19. Clause 5.1 of the buyer's agreement (in short, the agreement) provides the time period for handing over possession and the same is reproduced below:

***"5.1 Within 60 (sixty) days from the date of issuance of Occupation Certificate, the Developer shall offer the possession of the Said Flat to the Allottee(s). Subject to force majeure circumstances, receipt of Occupation Certificate and Allottee(s) having timely complied with all its obligations, formalities or documentation, as prescribed by the Developer in terms of the Agreement and not being in default under any part hereof including but not limited to the timely payment of instalments as per the Payment Plan, stamp duty and registration charges, the Developer shall offer possession of the Said Flat to the***

*Allottee(s) within a period of 4 (four) years from the date of approval of building plans or grant of environment clearance, (hereinafter referred to as the "Commencement Date"), whichever is later."*

20. At the outset, it is relevant to comment on the preset possession clause of the agreement wherein the possession has been subjected to all kinds of terms and conditions of this agreement, and the complainant not being in default under any provisions of this agreement and compliance with all provisions, formalities and documentation as prescribed by the promoter. The drafting of this clause and incorporation of such conditions is not only vague and uncertain but so heavily loaded in favor of the promoter and against the allottees that even a single default by him in fulfilling formalities and documentations etc. as prescribed by the promoter may make the possession clause irrelevant for the purpose of allottees and the commitment time period for handing over possession loses its meaning. The incorporation of such clause in the buyer's agreement by the promoter is just to evade the liability towards timely delivery of subject unit and to deprive the allottees of their right accruing after delay in possession. This is just to comment as to how the builder has misused his dominant position and drafted such one-sided clause in the agreement and the allottees is left with no option but to sign on the dotted lines.
21. **Due date of handing over possession:** As per clause 5.1 of buyer's agreement, the respondent promoter has proposed to handover the possession of the subject unit within a period of four years from the date of approval of building plan or from the date of grant of environment clearance, whichever is later. As detailed hereinabove, the authority in view of notification no. 9/3-2020 dated 26.05.2020, on account of force majeure conditions due to outbreak of Covid-19 pandemic has allowed the grace period of 6 months to the promoter. Therefore, the due date of handing over possession comes out to be 21.02.2022.
22. **Admissibility of delay possession charges at prescribed rate of interest:** The complainant is seeking delay possession charges. As per proviso to Section 18

provides that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoters, interest for every month of delay, till the handing over of possession, at such rate as may be prescribed and it has been prescribed under Rule 15 of the Rules, *ibid*. 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.*

23. The legislature in its wisdom in the subordinate legislation under the provision of Rule 15 of the Rules, *ibid* 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.
24. 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., 12.02.2026 is 8.80%. Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., 10.80%.
25. 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;"*

26. Therefore, interest on the delay payments from the complainant shall be charged at the prescribed rate i.e., 10.80% by the respondent/promoter which is the same as is being granted to them in case of delayed possession charges.
27. 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 as per the agreement. By virtue of clause 5.1 of the buyer's agreement executed between the parties, the possession of the subject apartment was to be delivered within a period of four years from the date of approval of building plan or from the date of grant of environment clearance, whichever is later. As such the due date of handing over of possession comes out to be 21.02.2022 including grace period of 6 months on account of COVID-19. However, no interest shall be charged from the complainants in case of delayed payment during this 6-month COVID-19 period from 25.03.2020 to 25.09.2020.
28. Section 19(10) of the Act obligates the allottee to take possession of the subject unit within 2 months from the date of receipt of occupation certificate. In the present complaint, the occupation certificate was granted by the competent authority on 25.01.2023. The respondent has offered the possession of the subject unit(s) to the respective complainant after obtaining occupation certificate from competent authority. Therefore, in the interest of natural justice, the complainant should be given 2 months' time from the date of offer of possession. This 2 months' reasonable time is being given to the complainant keeping in mind that even after intimation of possession practically they have to arrange a lot of logistics and requisite documents including but not limited to inspection of the completely finished unit but this is subject to the fact that the unit being handed over at the time of taking possession is in habitable condition.



It is further clarified that the delay possession charges shall be payable from the due date of possession i.e., 21.02.2022 till the expiry of 2 months from the date of offer of possession, (28.03.2023) plus two months i.e., up to 28.05.2023 or actual handing over of possession, whichever is earlier.

29. Accordingly, it is the failure of the promoter to fulfil its obligations and responsibilities as per the apartment 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 proviso to section 18(1) of the Act on the part of the respondent is established. As such, the allottees shall be paid, by the promoter, interest for every month of delay from due date of possession i.e., 21.02.2022 till offer of possession (28.03.2023) plus two months i.e., up to 28.05.2023 or actual handing over of possession, whichever is earlier, at the prescribed rate i.e., 10.80% p.a. as per proviso to Section 18(1) of the Act read with Rule 15 of the Rules, *ibid*.

**G.III Direct the respondent not charge anything which is not part of the payment plan as agreed upon.**

**G. IV Direct the respondent not to cancel of the allotment of the complainant of the said unit.**

**G. V Direct the respondent to execute the conveyance deed without raising illegal demands from the complainant.**

30. On the basis of documents available on record and submissions made by both the parties, the Authority observes that the possession has been taken over by the complainant vide possession letter dated 03.07.2023 and the conveyance deed has already been executed on 03.07.2023 on the same day. In view of the same, the above-mentioned relief sought by the complainant becomes redundant and hence no direction for the same for the same.

#### **H. Directions of the authority**

31. 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 delayed possession charges at the prescribed rate of interest i.e., 10.80% p.a. for every month of delay on the amount paid by the complainant to the respondent from the due date of possession 21.02.2022 till offer of possession 28.03.2023 plus two months i.e., up to 28.05.2023 or actual handing over of possession, whichever is earlier, as per proviso to Section 18(1) of the Act read with Rule 15 of the Rules, *ibid*. The respondent is directed to pay arrears of interest accrued so far within 90 days from the date of order of this order as per Rule 16(2) of the Rules, *ibid*.
  - II. 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. Further no interest shall be charged from complainant-allottee for delay if any between 6 months Covid period from 01.03.2020 to 01.09.2020.
  - III. The respondent shall not charge anything from the complainant which is not the part of the buyer's agreement and the provisions of Affordable Group Housing Policy of 2013.
32. Complaint as well as applications, if any, stand disposed off accordingly.
  33. File be consigned to registry.

**Dated: 12.02.2026**

  
**Phool Singh Saini**  
**(Member)**  
Haryana Real Estate  
Regulatory Authority,  
Gurugram