

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

**Complaint no. :** 6534 of 2024  
**Date of complaint :** 24.01.2025  
**Date of decision :** 27.01.2026

Harish Chandna  
Lakshmi Dogra  
**R/o:** - S-8/5490, Friends Colony,  
Behind MDK School, Pathankot

**Complainants**

Versus

M/s Pyramid Propmoto Private Limited  
**Regd. Office at:** Unit No. 131, First Floor,  
Vatika Towers, Sector-54, Gurugram-122003.

**Respondent**

**CORAM:**

Shri Arun Kumar  
Shri Phool Singh Saini

**Chairman  
Member**

**APPEARANCE:**

Ashish Yadav (Advocate)  
Shivani Dang (Advocate)

Complainants  
Respondent

**ORDER**

1. The present complaint has been filed by the complainants/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 there under or to the allottees as per the agreement for sale executed *inter se*.

**A. Unit and project related details**

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

S.N.	Particulars	Details
1.	Name and location of the project	"The Balcony", Sec-93, Gurgaon
2.	Nature of the project	Affordable Group Housing Colony
3.	DTCP license no.	1 of 2019 dated 04.01.2019 valid up to 02.01.2026 (area 5 acre)
4.	RERA Registered/ not registered	28 of 2019 dated 13.05.2019 valid up to 03.01.2024
5.	Unit no.	F – 1302, 13 <sup>th</sup> floor (As per page no. 27 of the complaint)
6.	Unit area admeasuring	606.826 sq. ft. (Carpet area) (page 27 of the complaint)
7.	Date of allotment	10.09.2019 (page 27 of complaint)
8.	Date of building plan approval	12.04.2019 (Taken from the similar complaint of the same project )
9.	Environmental clearance dated	03.05.2019 (Taken from the similar complaint of the same project)
10.	Execution of BBA	19.12.2019 (page 30 of complaint)
11.	Possession clause as per Affordable Housing Policy ,2013	<b>1(IV) of the Affordable Housing Policy, 2013</b> <i>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 years</i>

		<i>period from the date of commencement of project.</i>
12.	Due date of possession	03.11.2023 [Calculated as 4 years from the date of grant of environmental clearance i.e., 03.05.2019 as per policy of 2013 + 6 months as per HARERA notification no. 9/3-2020 dated 26.05.2020 for the projects having completion date on or after 25.03.2020]
13.	Total sale consideration	Rs.24,73,428/- (as per BBA on page 37 of complaint)
14.	Amount paid by the complainant	Rs.24,98,162/- (as per SOA dated 22.01.2026 on page 134 of reply)
15.	Occupation certificate	20.09.2024 (As per page no. 127-129 of reply)
16.	Offer of possession	01.10.2024 (Page 130-131 of reply)

### **B. Facts of the complaint**

3. The complainants vide complaint have made the following submissions:
  1. That the complainants are allottees of an independent residential flat in the project of the respondent, namely, "The Balcony" situated at Sector-93, Gurugram address. The respondent was supposed to deliver possession of a flat bearing unit number f-1302 on floor number 13 in block/ tower f, having a carpet area of 606.826 sq. ft. and balcony area of 92.247 sq. ft. together with one-two- wheeler open parking site and the pro rata share in the common areas , latest by 23.01.2023 as per the terms of builder buyers' agreement dated 19.12.2019. However, the respondent has failed to complete the project and hand over the possession of the unit within the promised period and pay fair, adequate and justified compensation for a delay of almost 2 years, which is continuing.

- II. That in the agreement, the respondent was granted a license to develop an affordable group housing colony vide license number 01 of 2019 from the Director General Town and Country Planning, Government of Haryana, and Chandigarh (DGTCP) and for approval of building plans of the Project vide memo number ZP- 1281/AD(RA)/ 2019/9749 dated 12.04.2019. Preliminarily building plan for the project was approved on 23.01.2019 and project was launched on 22.05.2019.
- III. That the complainants applied for allotment of a flat in the project vide application number 1786 dated 20.07.2019 together with the required affidavit. Pursuant to the application, the draw of lots was held on 09.09.2019 in the presence of officials of DGTCP/ DC, Gurugram, and the above-mentioned unit was allotted to the complainants.
- IV. That the complainants were assured that the respondent has obtained all the requisite sanctions and approvals from the competent authorities for starting construction at the project site and the construction at the project site shall start soon and the possession will be delivered within 4 years' time from date of approval of building plan i.e. 23.01.2023. The complainants were impressed by the highlights of the project and representations as made on the website of the respondent and invested a huge amount of hard-earned money in the project; the complainants are now aggrieved as none of the promises made by the respondent have been fulfilled. Those false representations and promises were made only to lure innocent buyers such as the complainants into investing with their hard-earned money for their dream house.
- V. That at the time of submission of the application, an amount of Rs. 25,000/- was given to the respondent as earnest money. The complainants, at the time of execution of the agreement, paid an

advance amount of Rs. 1,23,671/-to the respondent, which has been acknowledged by the latter. That immediately thereafter, the respondent started raising one demand after another from the complainants.

- VI. That the complainants were under the impression that having received the application money, the respondent shall allot a residential floor to the complainants anytime soon, but contrary to the same, the respondent continued to raise demands and collect money, even though no allotment of residential floor was made to the complainants.
- VII. That it is unambiguous that the possession of the floor has been due ever since. While the complainants have abided by their end of the bargain and made timely payments of installments, the respondent has miserably failed to complete the construction and development of the project to date.
- VIII. That from 31.12.2019 to 1.11.2022; the complainants made payments to the respondent on several occasions as per demand of the latter; which roughly amounts to Rs. 23,74,490/-. The respondent has collected almost the entire sale consideration from the complainants without even reaching the relevant milestones. To date, the complainants have already made the payment to the tune of Rs. 25,38,162 /- .
- IX. That while the complainants made all the payments on time, the respondent has miserably delayed the construction and development of the project. The respondent had time and again extended the probable date for the completion of the project misleading the complainants.
- X. That the respondent via email has been asking for an additional payment of Rs. 2,00,000/- (approximately). The complainants on the

other hand had already made the payment of almost the entire sale consideration and therefore had no other option than to place reliance on the words of the respondent. The possession of the residential floor has been due since 23.01.2023 but to date, the same has not been delivered and there is no sign of completion of the same shortly. The respondent has demanded for advance electricity consumption charges and interest free security deposit of Rs. 31,000/- along with maintenance of Rs. 34,646 for time period of month November 2024 to October 2025; whereas possession has not been provided by the same, which showcases gross deficiency in services and has indulged in unfair practices. The complainants had made the booking of the residential floor for her personal residential needs and requires immediate possession of the same along with the prescribe rate of interest on the already paid amount as delayed penalty as per the Act.

- XI. That the occupancy certificate was granted to the respondent by Directorate of Town and Country Planning, Haryana vide Memo Number ZP-1281-Vol-II/JD (RA)/2024/30051 on 20.09.2024. The complainants are thus seeking the payment of the prescribed rate of interest from the promised date of possession i.e. 23.01.2023 until the actual delivery of the unit.
- XII. That given the above-mentioned facts and circumstances, it is only appropriate that this Hon'ble Authority may direct the respondent to pay the complainant prescribed rate of interest as per the RERA Act on the amount already paid for the floor, from the promised date of delivery of the flat i.e. 23.01.2023 till the actual delivery of the flat to the complainants.
- XIII. That according to the relief claimed by the complainants, this Hon'ble Forum has got jurisdiction to try the present complaint. The

complainants reserve their right to seek Rs. 5,00,000/- compensation towards harassment, mental agony and Rs. 5,00,000/- as litigation costs incurred by them, from the respondent for which they shall make separate application before the Adjudicating Officer, if required.

XIV. That no other complaint, suit is pending or decided between the same parties on the same cause of action.

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

4. The complainants have sought following relief(s).

- I. Direct the respondent to deliver immediate possession of the unit.
- II. Direct the respondent to pay the prescribed rate of interest on the amount paid by the complainants.

III. Direct the respondent from charging any amount from the complainants which do not form part of the agreement dated 19.12.2019 and/or is illegal and arbitrary including but not limited to enhanced charges, cost escalation charges, delay penalty charges, GST charges, VAT charges, Club membership charges, etc. whatsoever; and/or to direct the respondent to refund/adjust any such charges which they have already received from the complainants; and further set aside illegal documents/terms which are also prejudicial to the interest of the complainants executed only under coercion and undue influence.

IV. Direct the respondent to pay Rs. 5,00,000/- as litigation expenses and Rs. 5,00,000/- on account of mental agony and harassment caused to the complainants.

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 no.1 contested the complaint vide its reply and written submissions dated 22.05.2025 on following grounds: -
- i. That the complaint is bad for mis-description of the respondent. There is no such company by the name of M/s Pyramid Propmoto Pvt. Ltd. and the present complaint is liable to be dismissed on this ground alone. However, for the sake of abundant caution, the present reply is being filed on behalf of M/s Pyramid Propmoto LLP.
  - ii. That pursuant to the application of the complainants, the builder conducted draw of lots on 09.09.2019 in the presence of officials of DGTCP/DC, Gurugram and allotted to the complainants flat number f-02, in block/ tower f, floor 13, having a carpet area of 606.826 sq. ft. and balcony area of 92.247 sq. ft. together with one two- wheeler open parking site vide allotment letter dated 10.09.2019 for basic cost of Rs. 24,73,428/-. The total cost of the unit is Rs. 24,98,162/-, which includes GST @1% amounting to Rs. 24,734/- on the basic cost.
  - iii. That builder buyer's agreement bearing vasika no. 5615 dated 19.12.2019 was executed between the complainants and the builder. As per the payment plan stipulated in the builder buyer's agreement and in accordance with the Affordable Housing Policy, 2013, the complainants were required to pay 5% of the total cost of the unit at the time of application. Upon allotment of the unit, an amount equivalent to 20% of the total cost of the unit became payable, while the remaining 75% of the total cost was to be paid in 6(six) equated half-yearly instalments @ 12.5% each, spread over a period of 3(three) years. Accordingly, the demands were duly raised from the complainants in consonance with the said payment plan.

- iv. That at the time of booking, the complainants paid an amount of Rs. 1,23,671/- at the time of booking. The builder raised the next payment demand due on allotment vide demand dated 10.09.2019 for a sum of Rs. 4,99,632/-. However, when the complainants failed to pay the amount due on allotment, the builder sent cancellation letter dated 16.12.2019. The complainants belatedly paid a sum of Rs. 4,99,632/- on 31.12.2019.
- v. That after passage of 6 months, the builder raised a demand of Rs. 3,12,270/- vide letter dated 27.02.2020. When the complainants did not make payment in respect of the said demand, the builder was constrained to send reminder dated 02.06.2020. The next payment demand was raised by the builder after 12 months vide demand dated 22.08.2020 for a sum of Rs. 3,12,270/-. When the complainants did not pay the amount in respect of the said payment demand as well as their previous outstanding dues, the builder was constrained to send reminder dated 15.10.2020, pre-cancellation dated 28.10.2020 and cancellation dated 07.12.2020. The complainants then paid Rs. 3,12,270/- in respect of the said two payment demands belatedly on 05.01.2021.
- vi. That after passage of 24 months, the builder raised payment demand vide its letter dated 09.08.2021 for a sum of Rs. 3,12,270/-. However, when the complainants did not make the payment, the builder was constrained to issue reminder dated 13.09.2021 and pre-cancellation dated 13.10.2021. The complainants then made a payment of Rs. 3,12,270/- belatedly on 21.10.2021.
- vii. That after expiry of 30 months, the builder raised a demand for Rs. 3,12,270/- vide demand dated 09.02.2022. However, when the complainants did not make the payment of their dues in a timely

- manner, the builder was constrained to send reminder dated 15.03.2022 and pre-cancellation dated 08.04.2022. The complainants then belatedly paid Rs. 3,12,270/- on 27.05.2022.
- viii. That after 36 months, the builder raised demand for Rs. 3,12,270/- vide demand dated 09.08.2022. However, when the complainants did not make payment in respect of the said demand, the builder was constrained to issue reminder dated 13.09.2022, pre-cancellation dated 30.09.2022 and cancellation dated 04.11.2022. The complainants made belated payment of Rs. 3,12,270/- on 17.11.2022. Since there had been considerable delay in making payment of the installments timely by the complainants, interest outstanding till then was Rs. 96,711/- which was not paid by the complainants to the builder despite reminder 1 dated 13.07.2023 and reminder 2 dated 28.07.2023. After considerable delay, the complainants paid a sum of Rs. 40,000/- only on 11.08.2023 towards the outstanding interest due till then.
- ix. That the possession of the unit was supposed to be offered to the complainants in accordance with the agreed terms and conditions of the builder buyer's agreement. As per Clause 5.2 of the builder buyer's agreement, subject to force majeure circumstances, receipt of occupancy certificate and allottee(s) having timely complied with all its obligations, formalities and documentation, as prescribed by the developer in terms of the agreement and not being in default, the developer was to offer possession of the said flat to the allottee(s) within a period of 4 years from the date of approval of building plan or grant of environment clearance, whichever is later. The said period was subject to force majeure, court orders, Government

Policy/guidelines/decisions affecting the regular development of the project.

- x. That from the aforesaid terms of the builder buyer's agreement, it is evident that time for offering possession to the complainants was to be computed from the date of approval of building plans or grant of environmental clearance, whichever is later. It is pertinent to mention here that the building plans were approved on 12.04.2019 while the environment clearance was obtained by the respondent on 03.05.2019. Thus, the date of commencement which has to be considered for calculating the due date of possession is the date of environment clearance i.e. 03.05.2019 since it is the latter date.
- xi. That thus the time period for offering the possession, according to agreed terms and conditions without taking into account force majeure events would have expired on 03.11.2023. As per the terms and conditions of the builder buyer's agreement, the said period was subject to the occurrence of force majeure conditions, court orders etc. which are beyond the control of the builder. Although the project of the respondent is complete in all respects but the implementation of the project in question was adversely affected due to the following force majeure events and conditions which were beyond the control of the respondent: -
  - i. Covid-19:- The outbreak of the deadly Covid-19 virus resulted in implementation of the project being badly affected. The outbreak resulted in not only disruption of the supply chain of the necessary materials but also in shortage of the labour at the construction sites as several labourers had migrated to their respective hometowns. The Covid-19 outbreak has been classified as 'pandemic' is an Act of God and the same was beyond the reasonable apprehension of the

respondent. The outbreak lasted almost two years and adversely affected the smooth implementation of the project during that time. The time period for implementation of the project by the builder lost on account of Covid-19 pandemic is required to be added to the time frame mentioned above. The builder cannot be held responsible for the circumstances which were beyond its control. It is pertinent to mention herein that even this Hon'ble Authority had vide its order no. 9/3-2020 HARERA/GGM(Admin) dated 26.05.2020 had extended the registration and completion date automatically by 6 months due to the outbreak of Covid-19. This Hon'ble Authority had agreed vide the said order that due to the force majeure condition, the regular development work of the real estate projects have been getting affected. Moreover, the outbreak of Covid-19 and its various waves had adversely affected the functioning of various Govt. as well as private Offices and has caused delay in completion of the project in which unit of the complainant is situated. The Hon'ble Apex Court has also taken into consideration the situation due to various waves of Covid-19 and has granted relief in terms of extension of limitation w.e.f. 15.03.2020 to 28.02.2022 to file various documents before various courts/authorities. Accordingly, this period w.e.f. 15.03.2020 to 28.02.2022 should be counted under Force Majeure while calculating the due date of possession as per the builder buyer's agreement.

- ii. Ban on Construction and imposition of GRAP-III: Due to rise in pollution levels in Delhi NCR, the construction was hampered due to various Court orders, Government guidelines as well as imposition of GRAP-III due to which the construction could not be carried out by the builder.



- xii. That it is pertinent to place on record that the Hon'ble Punjab and Haryana High Court at Chandigarh, vide judgment dated 24.12.2025 passed in RERA-APPL-92-2025 (O&M) titled 'M/s Signature Global (India) Limited Vs. Praveen Kumar Gupta' and other 18 connected appeals, has categorically held that all prohibitory orders arising out of NGT directions, GRAP restrictions, environmental bans, and governmental embargoes on construction activities constitute Force Majeure events, and where such contingencies are expressly provided for in the agreement, the corresponding period is mandatorily liable to be excluded while computing the delay. The Hon'ble High Court, accordingly, remanded the appeals to the Hon'ble H-REAT for fresh adjudication strictly in consonance with the aforesaid legal position.. The present case is squarely covered under the ratio laid down in the aforesaid judgment and due to the aforesaid period of Covid-19, ban on construction and imposition of GRAP, the development of the said project was adversely affected for 86 days, which period is liable to be unequivocally treated as Force Majeure and excluded from the computation of delay, both under the contractual framework and as per settled judicial principles.
- xiii. That despite the above mentioned force majeure conditions, it is pertinent to mention here that after completion of the development work of the entire project including the unit in question, the builder applied for obtaining occupation certificate from DTCP. Moreover, after completion of the entire development work by the builder, the builder has already received occupation certificate for the project in question on 20.09.2024.
- xiv. That as per the terms and conditions of the builder buyer's agreement, after obtaining the occupation certificate, the builder has already

offered the possession of the unit in question to the complainant vide offer of possession dated 01.10.2024 along with statement of account. Instead of complying with the aforesaid demand, the complainant has filed the present absolutely baseless, false and frivolous complaint before this Hon'ble Authority. The other allottees who have paid the requisite charges and complied with the documentation formalities have already been handed over possession of their respective units. As many as 700 allottees have already obtained possession of their respective units.

- A. That despite offer of possession dated 01.10.2024, when the complainants did not come forward to pay the requisite charges and complete the documentation formalities with respect to the possession, the builder was constrained to send reminder letter dated 16.01.2025 which were also communicated to the complainant through email dated 16.01.2025.
- xv. That the complainants have failed to make payment of an amount of Rs. 1,40,420/- and an interest amount of Rs. 56,711/-, which still remain pending. The unit of the complainants is ready for handover of possession, the complainants did not come forward to clear the remaining dues. The complainants were also asked to come forward to comply with documentation formalities before taking offer the physical possession of the unit in question. However, the complainants did not come forward to complete the requisite formalities and the builder was constrained to send email dated 13.10.2025, reminding the complainants to come forward to comply with the documentation formalities and to take over the possession of the unit in question.
- xvi. That thus, it is clear that the builder has already completed all its obligations in terms of the allotment as well as the Builder Buyer's



Agreement. However, the complainants have miserably failed to comply with his contractual obligations and a direction is required to be given by this Hon'ble Authority in this behalf to the complainants to fulfill their contractual obligations. The complainants instead of coming forward to perform their obligations under the builder buyer's agreement have filed the instant false and baseless complaint with a view to pressurize, blackmail and harass the builder. Such mala fide tactics of the complainants cannot be allowed to succeed and the present complaint being an abuse of the process of law and is liable to be dismissed.

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 these undisputed documents and submissions made by the parties.

**E. Jurisdiction of the authority**

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

**E.I Territorial jurisdiction**

8. As per notification no. 1/92/2017-1TCP dated 14.12.2017 issued by Town and Country Planning Department, Haryana the jurisdiction of Haryana Real Estate Regulatory Authority, Gurugram shall be entire Gurugram district for all purposes. 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**



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.

**F. Objections raised by the respondent: -**

**F.I Objections regarding force majeure.**

11. The respondent has further submitted that the time period for implementation of the project by the builder lost on account of Covid-19 pandemic is required to be added to the time frame mentioned above. The builder cannot be held responsible for the circumstances which were beyond its control and due to rise in pollution levels in Delhi NCR, the construction was hampered due to various Court orders, Government guidelines as well as imposition of GRAP-III due to which the construction could not be carried out by the builder. However, all the pleas advanced in this regard are devoid of merits. As per clause 1(iv) of the Affordable Housing Policy, 2013 it is prescribed that *"All such projects shall be required to be necessarily completed within 4 years from the date of 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 respondent has obtained environment clearance and building plan approval in respect of the said project on 03.05.2019 and 12.04.2019 respectively. Therefore, the due date of possession is being calculated from the date of environmental clearance, being later. Further, an extension of 6 months is granted to the respondent in view of notification no. 9/3-2020 dated 26.05.2020, on account of outbreak of Covid-19 pandemic. Therefore, the due date of possession comes out to be 03.11.2023.

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

**G. I Direct the respondent to deliver immediate possession of the unit.**

**G.II Direct the respondent to pay the prescribed rate of interest on the amount paid by the complainants.**

12. The above-mentioned reliefs sought by the complainants are being taken together as the findings in one relief will definitely affect the result of the other relief and the same being interconnected.
13. In the present complaint, the complainants intend 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."*

14. Clause 1(iv) of the Affordable Housing Policy, 2013 provides for completion of all such projects licensed under it and the same is reproduced as under for ready reference:

***1 (iv)***

*"All such projects shall be required to be necessarily completed within 4 years from the date of 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 the policy."*

15. **Due date of handing over of possession:** As per clause 1(iv) of the Affordable Housing Policy, 2013 it is prescribed that *“All such projects shall be required to be necessarily completed within 4 years from the date of 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 respondent has obtained building plan approval and environment clearance in respect of the said project on 12.04.2019 and 03.05.2019 respectively. Therefore, the due date of possession is being calculated from the date of environmental clearance, being later. Further, an extension of 6 months is granted to the respondent in view of notification no. 9/3-2020 dated 26.05.2020, on account of outbreak of Covid-19 pandemic. Therefore, the due date of possession comes out to be 03.11.2023.

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. 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;"*

20. Therefore, interest on the delayed 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 her in case of delay possession charges.
21. 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 provisions of the Act. By virtue of clause 1(iv) of the Affordable Housing Policy, 2013, the possession of the subject apartment was to be delivered by 03.11.2023. As per the DTCP website, the occupation certificate for the tower in question has

been granted to the respondent/promoter on 20.09.2024. However, the possession of the subject apartment was offered to the complainants on 01.10.2024.

22. Keeping in view of the factual as well as legal circumstances of the case, the Authority is of view that the allottee shall be paid, by the promoter, interest for every month of delay from due date of possession i.e 03.11.2023 till valid offer of possession plus 2 months or actual handing over of possession whichever is earlier, as per section 18(1) of the Act of 2016 read with rule 15 of the rules.
23. The occupation certificate for the tower in question has already been obtained by the respondent on 20.09.2024. The possession was offered to the complainants on 01.10.2024. Therefore, as per Section 19(10) the allottee shall take the physical possession of the unit.
24. 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. This 2 months' of reasonable time is being given to the complainant keeping in mind that even after intimation of possession practically he has 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 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 till valid offer of possession plus two months or actual handing over of possession whichever is earlier. The respondent/promoter is directed to handover physical possession of the unit to the complainant and to get the conveyance deed of the allotted unit executed in their favour in terms of Section 17(1) of the Act of 2016 on payment of stamp duty and registration charges as applicable within three months.



**G.III Direct the respondent from charging any amount from the complainants which do not form part of the agreement dated 19.12.2019 and/or is illegal and arbitrary including but not limited to enhanced charges, cost escalation charges, delay penalty charges, GST charges, VAT charges, Club membership charges, etc. whatsoever; and/or to direct the respondent to refund/adjust any such charges which they have already received from the complainants; and further set aside illegal documents/terms which are also prejudicial to the interest of the complainants executed only under coercion and undue influence.**

25. As per the provisions of the Act, 2016, a promoter is bound to adhere strictly to the terms and conditions agreed upon with the allottee. Any additional charges, which are not mentioned in the builder buyer agreement cannot be unilaterally imposed upon the allottee. Therefore, respondent-promoter is directed not to charge anything which is not part of buyer agreement or provided under the Affordable Housing Policy, 2013.

**G.IV. Direct the respondent to pay Rs. 5,00,000/- as litigation expenses and Rs. 5,00,000/- on account of mental agony and harassment caused to the complainants.**

26. The complainants are 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. (supra)*, has held that an allottee is entitled to claim compensation & litigation charges under sections 12,14,18 and section 19 which is to be decided by the adjudicating officer as per section 71 and the quantum of compensation & litigation expense shall be adjudged by the adjudicating officer having due regard to the factors mentioned in section 72.

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


27. 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/promoter is directed to pay interest to the complainant(s) against the paid-up amount at the prescribed rate of 10.80% p.a. for every month of delay from the due date of possession i.e 03.11.2023 till valid offer of possession plus 2 months or actual handing over of possession, whichever is earlier, as per section 18(1) of the Act of 2016 read with rule 15 of the rules.
- ii. The arrears of such interest accrued from the due date till the date of order by the authority shall be paid by the promoter to the allottee(s) 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(s) before 10th of the subsequent month as per rule 16(2) of the rules.
- iii. The respondent/promoter is directed to handover physical possession of the unit to the complainant and to get the conveyance deed of the allotted unit executed in their favour in terms of Section 17(1) of the Act of 2016 on payment of stamp duty and registration charges as applicable within three months from the date of this order.
- iv. The complainant(s) are directed to pay outstanding dues, if any, after adjustment of interest for the delayed period.
- v. The respondent/promoter shall not charge anything from the complainant(s) which is not the part of the apartment buyer's agreement or provided under the Affordable Housing Policy, 2013.



- vi. The rate of interest chargeable from the allottee(s) 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(s), in case of default i.e., the delayed possession charges as per section 2(za) of the Act.
28. Complaint as well as applications if any stands disposed of.
29. File be consigned to registry.

  
**(Phool Singh Saini)**  
**Member**

  
**(Arun Kumar)**  
**Chairman**

**Haryana Real Estate Regulatory Authority, Gurugram**

**Dated: 27.01.2026**