BEFORE THE HARYANA REAL ESTATE REGULATORY AUTHORITY, GURUGRAM

Complaint no.: 4321-2025
Date of filing: 26.08.2025
Date of decision: 11.08.2026

Nikita Banerjee Bhagat & Himanshu Bhagat
Both are R/o:- H-803, tower H, MACEO Apartments, Sector 91, IMT Road, Gurugram-122505

Complainants

Versus

Sternal Buildcon Private Limited
Registered office: Ground floor, tower A, Signature Tower, South City 1, Gurugram (HR)-122001

Respondent

CORAM:
Shri Arun Kumar

Chairman

APPEARANCE:
Mr. Chaitanya Singhal (Advocate)
Mr. Venket Rao (Advocate)

Complainants
Respondent

ORDER

1. The present complaint has been filed by the complainant/allottees under section 31 of the Real Estate (Regulation and Development) Act, 2016 (in short, the Act) read with rule 28 of the Haryana Real Estate (Regulation and Development) Rules, 2017 (in short, the Rules) for violation of section 11(4)(a) of the Act wherein it is *inter alia* prescribed that the promoter shall be responsible for all obligations, responsibilities and functions 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 complainants, date of proposed handing over the possession, delay period, if any, have been detailed in the following tabular form:

Sr. No.	Particulars	Details
1.	Name and location of the project	Signature global city 81, Gurugram, Haryana.
2.	Project area	11.9778 acres
3.	Nature of the project	Affordable Plotted colony with commercial space
4.	RERA registered/ not registered and validity status	Registered 45 of 2021 dated 27.07.2021 valid up to 30.06.2023 further extended up to 28.06.2025
5.	DTCP License no.	7 of 2021 dated 05.03.2021 valid up to 04.03.2026
6.	Provisional allotment letter	07.12.2021 (page 19 of complaint)
6.	Agreement for sale	18.01.2022 (Page 21 of complaint)
7.	Payment plan	Time linked payment plan
8.	Plot no.	81-L08-A-1F, block A, 1st floor, Plot no. A 8 (Page 32 of complaint)
9.	Area admeasuring	653.170 Sq.ft. (carpet area) (Page 32 of complaint)
10.	Possession Clause	**Clause 7** *Schedule for possession the promoter agrees and understand that timely delivery of possession is the essence of the agreement. The promoter assured to handover possession by 30th June 2023 for the plot nature of project and* ***28th February 2024*** *for floor nature of project unless there is delay due to "force majeure", court orders, Government policy/guidelines, decisions etc. affecting the regular development of the real estate project.....* ***(Emphasis supplied)*** (Page 43 of complaint)
11.	Due date of possession	28.02.2024
13.	Total sale consideration	Rs. 80,69,886/- (as per BBA, page 33 of complaint)

14.	Amount paid by the complainants	Rs. 81,08,385/- (page 217 of reply)
15.	Date of Occupation Certificate	05.09.2024 (as admitted by the respondent, page 10 of reply)
17.	Date of offer of possession	16.09.2024 (page 198 of reply)
18.	Reminder	03.10.2024, 19.10.2024, 09.05.2025 & 03.05.2025 (page 200-203 of reply)
19.	Pre-cancellation	05.11.2024 (page 204 of reply)
20.	Cancellation notice	22.11.2024 & 14.08.2025 (page 205-206 of reply)

B. Facts of the complaint:

3. The complainants have made the following submissions: -

a) That the complainants received welcome letter dated 07.12.2021 for independent floor bearing unit no. 81-L08-A-1F in block B having a carpet area of 653.17 sq.ft. on 1st floor upon the plot no. A8 admeasuring 117.248 sq.mtr. along with stilt/basement parking in project "Signature Global City 81", village Nakhdola, Sector 81, Gurugram, Haryana from the respondent. The unit in question was offered for a total sale consideration to the tune of Rs. 80,69,886/- including taxes.

b) That the agreement for sake inter-se the parties qua the unit in question was duly executed on 18.01.2022. As per the agreement, the possession of the unit in question was to be handed over to the complainants by 28.02.2024.

c) That thus, as per the assurances and even as per agreement to sale, the possession of the unit in question independent floor bearing unit no. 81-L08-A-1F in block A having a carpet area of 653.17 Sq.ft. on 1st floor upon the plot no. A8 admeasuring 117.248 sq.ft. along with stilt/basement parking in project "Signature Global City 81" of the respondent at village Nakhdola, Sector 81, Gurugram, Haryana was to be handed over by 28.02.2024.

d) That the complainants made payments of Rs. 76,75,526/- against the sale consideration of Rs. 80,69,886/-. The statement of account dated 10.07.2025 provided by the respondent also confirms the same. The payment plan opted was time linked payment plan.

e) That initially the respondent kept the complainant(s) in dark and regularly informed the complainants that the respondent will hand over the possession by 28.02.2024 for floor nature of the project as per agreement.

f) That the respondent has thus failed to deliver possession of the unit on or before the due date of possession as per agreement. There is delay in the construction as per assurances and plan of the respondent.

g) That even after receiving the payments on time from the complainants, the respondent did not give possession by the due date of possession i.e., 28.02.2024 for floor nature of the project.

h) That the complainants have been repeatedly and continuously expressing discontent and objecting to the malafide attitude of the respondent of the respondent towards its allottees. The complainants have been requesting to the respondent and has made numerous requests and efforts seeking redressal of his grievance.

i) That being highly aggrieved and frustrated by the entire circumstances and faced by the miserable attitude of the respondent, which needless to mention, has rendered the complainants completely shattered and heartbroken, the complainants are left with no other option but to approach the Authority, Gurugram.

C. Relief sought by the complainants:

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

I. Direct the respondent to pay delayed possession charges.

II. Direct the respondent to deliver the possession of the unit as far as possible with compensation.

III. Direct the respondent to pay the complainants litigation costs and litigation expenses of Rs.1,50,000/-.

IV. Directed the respondent to pay sum of Rs.5,50,000/- for causing mental, physical harassment, frustration & grievance to the complainants & miserable attitude of the respondent and deficiency in service.

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:

a) That the complainants in the year 2021, being in search of an independent floor, learned about the project titled ***'Signature Global City 81'*** at Sector 81, Gurugram being developed by the respondent. On 31.07.2023, the complainants applied for allotment of a unit in the project of the respondent vide application no. 00146. Pursuant to the application for allotment, an independent floor was allotted vide allotment letter dated 07.12.2021 to the complainants bearing unit no. 81-L08-A-1F in Block- A, on the 1st floor upon the plot no. A8 having carpet area of 653.170 sq.ft. along with the basement/stilt parking.

b) That on 18.01.2022, an agreement for sale, was executed for the said unit having a sale price of Rs. 80,69,886/-, excluding all other charges, taxes, etc. as mentioned and agreed by the complainants under the agreement. The said agreement was signed by the complainants voluntarily with free will and consent without any demur. The complainants had applied for the unit only

after the due diligence, verification was done, and post being fully satisfied with the project.

c) That as per the provision of clause 7.1 of the agreement, the possession of the unit was proposed to be offered by 28.02.2024 unless there is a delay or failure due to force majeure events. The respondent being entitled to the extension of the time for the delivery of possession in case of force majeure circumstances.

d) That further, commission for air quality management 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.

e) That further, certain bans were imposed by the commission for Air Quality Management in National Capital Region and adjoining areas through their Grap orders whereby the ban on construction was imposed in the Delhi and NCR.

f) 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.	Covid-19 extension (Second Wave) HARERA, Panchkula/ 02.08.2021	Extract of the Resolution passed in the meeting dated 02.08.2021	3 months extension
2.	Commission for Air Quality Management (NCR and Adjoining Areas) 16.11.2021	Order dated 16.11.2021	16.11.2021 to 21.11.2021 (6 days)
3.	Commission for Air Quality Management (NCR and Adjoining Areas) 29.10.2022	Order dated 29.10.2022	29.10.2022 to 14.11.2022 (17 days)
4.	Commission for Air Quality Management (NCR and Adjoining Areas) 04.12.2022	Order dated 04.12.2022	04.12.2022 to 07.12.2022 (4 days)

5.	Commission for Air Quality Management (NCR and Adjoining Areas) 30.12.2022	Order dated 30.12.2022	30.12.2022 to 04.01.2023 (6days)
6.	Commission for Air Quality Management (NCR and Adjoining Areas) 06.01.2023	Order dated 06.01.2023	06.01.2023 to 15.01.2023 (10days)
7.	Commission for Air Quality Management (NCR and Adjoining Areas) 02.11.2023	Order dated 02.11.2023	02.11.2023 to 28.11.2023 (27 days)
8.	Commission for Air Quality Management (NCR and Adjoining Areas) 22.12.2023	Order dated 22.12.2023	22.12.2023 to 01.01.2024 (11 days)
9.	Commission for Air Quality Management (NCR and Adjoining Areas) / 14.01.2024	Order dated 14.01.2024	14.01.2024 to 18.01.2024 (5 days)
TOTAL		**6 months (approx.)**	

g) That the delay was caused due to unforeseen circumstances as mentioned above, shall be considered and exempted while determining the due date to offer possession. The respondent had carried out its obligations in agreement with utmost diligence. Further, it is noteworthy to mention here that after the completion of the project and receiving the OC on 05.09.2024, the possession was offered to the complainants vide offer of possession letter dated 16.09.2024.

h) That the complainants defaulted in making the timely payments despite several demand and reminder letters sent to the complainants. Despite sending reminders to the complainants, they failed to clear the outstanding dues, resulting which a pre-cancellation notice dated 05.11.2024 being sent.

i) That after receiving no money, the respondent was constrained to issue cancellation notice dated 22.11.2024 and 14.08.2025, thereby cancelling the unit allotted to the complainants. Thereafter, the final settlement letter 16.12.224, 18.12.2024, 16.09.2025 and 04.10.2025 were sent to complainants finally cancelling the unit allotted to the complainants.

j) That the complainants 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 AFS, 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 complainants that the project is delayed is false and frivolous as the OC has been obtained and possession has been duly handed over to the complainants and has been cancelled due to the default of the complainants in clearing the dues.

k) That the project in question has already been completed, Occupation Certificate was obtained on 05.09.2024, the possession was offered on 16.09.2024, therefore, despite offering the possession, the complainants herself defaulted in taking over the possession.

l) That the entire case of the complainants is nothing but a web of lies, false and frivolous allegations made against the respondent. The Authority that the complainants are trying to hoodwink the Authority by placing untrue facts and attempting to hide the true colour of intention.

m) Hence, the present complaint under reply is liable to be dismissed with cost for wasting the precious time and resources of the Ld. Authority. That the present complaint is an utter abuse of the process of law and hence deserves to be dismissed.

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 complete 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. I 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 lockdown due to outbreak of Covid-19 pandemic which further led to shortage of labour and orders passed by National Green Tribunal (hereinafter, referred as NGT) and various court orders. But all the pleas advanced in this regard are devoid of merit. The passing of various orders passed by NGT during the month of November is an annual feature and the respondent should have taken the same into consideration before fixing the due date. Similarly, the various orders passed by other authorities cannot be taken as an excuse for delay.

14. Further, the Authority has examined the possession clause of the agreement and observed that the respondent-promoter proposed to hand over possession of the allotted unit by 28.02.2024. As per HARERA Notification No. 9/3-2020 dated 26.05.2020, an extension of six months was granted for projects having a completion/due date on or after 25.03.2020. The completion date of the aforesaid project, in which the subject unit has been allotted to the complainants, is 28.02.2024, i.e., after 25.03.2020. However, in the present case, the builder buyer agreement was executed in the year 2022, therefore, it is reasonable to assume that the respondent was aware of the prevailing circumstances and agreed to the stipulated timeframe for possession accordingly. Consequently, any extension of time for handing over possession on account of COVID-19 cannot be granted, and the due date for handing over possession remains unchanged, i.e., 28.02.2024.

G. Findings on the relief sought by the complainants.

G.I Direct the respondent to pay delayed possession charges.

15. The factual matrix of the case reveals that the complainants were allotted independent floor bearing no. 81-L08-A-1F, 1st floor, block A built upon a plot no. A-8 in the respondent's project at the sale consideration of Rs. 80,69,886/-. A buyer's agreement was executed between the parties on 18.01.2022. The

possession of the unit was to be offered on or before 28.02.2024. The complainants paid a sum of Rs. 81,08,385/- towards the subject unit. The respondent obtained Occupation Certificate on 05.09.2024 from the competent authorities and offered possession of the unit to the complainants on 16.09.2024. Subsequently, the respondent issued pre-cancellation letters dated 05.11.2024, raising a demand of Rs. 5,36,967/- and informing the complainants that failure to pay the demanded amount within 15 days would result in cancellation of the unit. Thereafter, a cancellation notice was issued on 22.11.2024 & 14.08.2025. On 16.12.2024, a final settlement letter was issued by the respondent, informing the complainants that the unit had been cancelled due to non-payment of the outstanding dues.

16. It is important to note that after issuance of the cancellation letter dated 22.11.2024 & 14.08.2025, the respondent accepted payment from the complainants as same is evident from the customer ledger placed on record at page no. 213-217 of the reply. By accepting the payment after cancellation, the respondent itself treated the allotment as continuing. Therefore, the respondent cannot now rely upon the earlier cancellation, which stands rendered ineffective by its subsequent conduct.

17. The complainants intend 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."*

18. **Admissibility of delay possession charges at prescribed rate of interest:** The complainants are seeking delay possession charges. 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.*

19. 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.

20. Consequently, as per website of the State Bank of India i.e., https://sbi.co.in, the marginal cost of lending rate (in short, MCLR) as on date i.e., 11.08.2026 is 8.80%. Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., 10.80%.

21. The definition of term 'interest' as defined under Section 2(za) of the Act provides that the rate of interest chargeable from the allottee by the promoter, in case of default, shall be equal to the rate of interest which the promoter shall be liable to pay the allottee, in case of default. The relevant section is reproduced below:

> ***"(za) "interest" means the rates of interest payable by the promoter or the allottee, as the case may be.***
> ***Explanation.*** *—For the purpose of this clause—*
> *(i) the rate of interest chargeable from the allottee by the promoter, in case of default, shall be equal to the rate of interest which the promoter shall be liable to pay the allottee, in case of default.*

(ii) the interest payable by the promoter to the allottee shall be from the date the promoter received the amount or any part thereof till the date the amount or part thereof and interest thereon is refunded, and the interest payable by the allottee to the promoter shall be from the date the allottee defaults in payment to the promoter till the date it is paid;"

22. Therefore, interest on the delay payments from the complainants shall be charged at the prescribed rate i.e., 10.80% by the respondent/promoter which is the same as is being granted to them in case of delayed possession charges.

23. On consideration of the documents available on record and submissions made by both 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 agreement dated 18.01.2022. By virtue of clause 7.1 of the agreement for sale, the possession of the subject apartment was to be delivered by 28.02.2024.

24. However, it is the failure of the promoter to fulfil its obligations and responsibilities as per the buyer's agreement to hand over the possession within the stipulated period. Accordingly, the non-compliance of the mandate contained in Section 11(4)(a) read with Section 18(1) of the Act on the part of the respondent is established. As such the complainants are entitled to delay possession charges at rate of the prescribed interest @ 10.80% p.a. w.e.f. 28.02.2024 till the date of offer of possession (16.09.2024) plus two months i.e., 16.11.2024 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.

G.II Direct the respondent to deliver the possession of the unit as far as possible with compensation.

25. 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 05.09.2024. The respondent offered the possession of the unit in

question to the complainants only on 16.09.2024. So, it can be said that the complainants came to know about the Occupation Certificate only upon the date of offer of possession. Therefore, in the interest of natural justice, the complainants should be given 2 months' time from the date of offer of possession. This 2 months of reasonable time is being given to the complainants 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.

G.III Direct the respondent to pay compensation.

26. The complainants are seeking above mentioned relief w.r.t. litigation cost. ***Hon'ble Supreme Court of India in case titled as M/s Newtech Promoters and Developers Pvt. Ltd. V/s State of Up & Ors. 2021-2022(1) RCR (C), 357*** 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. The adjudicating officer has exclusive jurisdiction to deal with the complaints in respect of compensation & legal expenses.

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 cancellation is hereby set-aside and held to be invalid. Further, the respondent is directed pay interest at the prescribed rate i.e., 10.80% per annum for every month of delay on the amount paid by the complainants itself from due date of possession i.e., 28.02.2024 till the date of offer of

possession (16.09.2024) plus two months i.e., 16.11.2024 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 allottees by the promoter, in case of default shall be charged at the prescribed rate i.e., 10.80% by the respondent/promoter which is the same rate of interest which the promoter shall be liable to pay the allottees, in case of default i.e., the delayed possession charges as per Section 2(za) of the Act.

III. The respondent is directed to get the conveyance deed of the allotted unit executed in favour of the complainants 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 respondent shall not charge anything from the complainants which is not the part of buyer's agreement.

28. Complaint stand disposed of.

29. File be consigned to registry.

(Arun Kumar)
Chairman
Haryana Real Estate Regulatory Authority, Gurugram
11.08.2026