BEFORE THE HARYANA REAL ESTATE REGULATORY AUTHORITY, GURUGRAM

Complaint no.:	**521 of 2026**
Date of complaint:	**06.02.2026**
Date of order:	**14.08.2026**

Ritu Bhalla
Resident of: W1-103, Lifestyle Homes, Vatika Next, Sector-83, Gurugram, Haryana – 122004. **Complainant**

Versus

M/s GLS Infracon Private Limited
Regd. Office At: - 707, 7th Floor, JMD Pacific Square, Sector-15, Part-II, Gurugram – 122001. **Respondent**

CORAM:

Shir Arun Kumar **Chairman**

APPEARANCE:

Shri Kundan Sheoran (Advocate) and Ms Dishu Gehlot **Complainant**

Shri Harshit Batra (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 there under or to the allottees as per the agreement for sale executed *inter se.*

A. Project and unit 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 and location of the project	"Avenue 81", at Sector 81, Gurugram
2.	Nature	Affordable Group Housing Colony
3.	Project area	5.6625 acres
4.	DTCP License	34 of 2020 dated 30.10.2020 Valid up to 29.10.2025
5.	Name of licensee	M/s GLS Infracon Private Limited
6.	RERA registered/ not registered	**Registered** 10 of 2021 dated 01.03.2021 Valid up to 31.12.2025
7.	Unit no.	E-406, 4th floor, Tower - E (As per BBA on page 27 of complaint)
8.	Unit area admeasuring	629.7527 sq. ft. (carpet area) (As per AL at page 27 of complaint)
9.	Allotment Letter	06.07.2021 (As per page no. 27 - 30 of complaint)
10.	Date of execution of agreement for sale	11.07.2022 (As per page no. 34 - 60 of complaint)
11.	Tripartite agreement ***[Between complainant, respondent & Canara Bank for loan amounting to Rs.11,00,000/-]***	04.08.2022 (As per page no. 68 - 74 of complaint)
12.	Possession Clause	**7.1 Schedule for possession of the said apartment for residential use: -** ***The promoter agrees and understands that timely delivery of possession of the Apartment for residential use within 4 (four) years from the date of approval of the building plans or the date of grant of environmental clearances, whichever is later,*** *to the allottee(s)*

		and the common areas to the association of allottee(s) or the competent authority, as the case may be, as provided under Rule 2(1)(f) of Rules, is the essence of the agreement ... **[Emphasis supplied]** (As per page no. 44 of complaint)
13.	Date of sanction of building plans	**08.02.2021** (As mentioned in A2H available on HARERA, GGM official website)
		04.05.2023 [Revised building plan] (As per page no. 64 – 69 of reply)
14.	Date of receipt of environment clearance	**26.04.2021** (As per the copy of environment clearance submitted by the promoter at the time of registration of the said project.)
		09.04.2023 [Revised environment clearance] (As mentioned in para 21 of reply at page 7 of reply)
15.	Due date of possession	**26.04.2025** [Note: Due date of possession is calculated 4 years from the date of the receipt of environment clearance, being later)
16.	Total sale consideration	Rs.25,94,705/- (As mentioned in clause 1.2 of AFS at page no. 39 of complaint)
17.	Amount paid by the complainant	Rs.25,94,705/- (As mentioned in customer ledger dated 01.01.2025 at page no. 75 – 76 of complaint)
18.	Occupation certificate	Not yet obtained
19.	Offer of possession	Not offered
20.	Legal notice sent by complainant *w.r.t handing over of possession as well as payment of DPC*	11.11.2025 (As per page no. 86 – 96 of complaint)

B. Facts of the complaint:

3. The complainant has made the following submissions in the complaint:

I. That the respondent is a private limited company is well known builder in the vicinity and undertaking various group housing projects in and around Gurugram and NCR.

II. That the respondent flouted a project namely "GLS Avenue 81" at Sector-81, Gurugram, Haryana. In due course of their needs and requirements, complainant applied in Affordable vide application booking no. FAA81/05972/21 with a booking amount of Rs.1,29,735/- to the respondent in June, 2021 being developed & constructed by the respondent.

III. That after one month, the result of affordable was announced through media and in that announcement, complainant got the result in her favour that complainant has get an apartment/ unit no. E-406, 4th Floor in the above said project namely "Avenue 81" at Revenue estate of Nawada, Fatehpur, Sector-81, Gurugram, Haryana. The total sale consideration of the apartment was Rs.25,94,705/- including GST.

IV. That the respondent duly allotted an allotment letter dated 06.07.2021 in favour of the complainant and thereafter, on 17.08.2021, the respondent raised a demand of an amount of Rs.5,20,224/- including GST from the complainant and the complainant duly paid the same to the respondent as per the asking of the respondent.

V. That on dated 22.12.2021, the respondent again demanded an amount of Rs.3,24,338/- including GST from the complainant and the same was again paid by the complainant to the respondent. Receipt regarding the same is delivered on 09.02.2022.

VI. That on dated 23.05.2022, the respondent again demanded an amount of Rs.3,24,338/- including GST from the complainant and the same was again paid by the complainant to the respondent.

VII. That on dated 11.07.2022, the complainant and the respondent entered into an agreement to sell regarding the above said unit. The agreement to was duly executed by the authorized signatory/ representative of the respondent in favour of the complainant.

VIII. That on dated 04.08.2022, the respondent again demanded an amount of Rs.3,24,338/- including GST from the complainant. Out of the total amount of Rs.3,24,338/-, an amount of Rs.2,00,000/- was paid by the complainant to the respondent through cheque bearing no. 817418 dated 04.08.2022, drawn on State Bank of India while the remaining amount of Rs.1,24,338/- was paid to the respondent through loan account of the complainant on dated 25.01.2023.

IX. That on dated 14.09.2022, the respondent again demanded an amount of Rs.3,24,338/- including GST from the complainant and the same was again paid by the complainant to the respondent.

X. That on dated 25.11.2022, the respondent again demanded an amount of Rs.3,24,338/- including GST from the complainant and the same was again paid by the complainant to the respondent.

XI. That in this way, the complainant had paid a total sum of Rs.25,94,705/- to the respondent. At the time of paying the aforesaid payment to the respondent, the officials of the respondent duly assured the complainant that the complainant would get her aforesaid unit in the month of March, 2024. That believing upon the promises and representations of the officials of the respondent, the complainant waited sufficiently.

XII. After passing the huge time, the complainant enquired about her unit from the respondent through various phone calls and emails.

XIII. That every time in reply, the respondent replied to the complainant that as and when the respondent will get the occupation certificate, the respondent will handover the physical possession of the above said unit to the complainant. The complainant was regularly in touch with the officials of the respondent regarding her above said unit but every time, the officials of the respondent repeated the same reply as told earlier.

XIV. That the complainant demanded the account statement to the officials of the respondent but the officials of the respondent neither replied any satisfactory answer nor provided the account statement to the complainant.

XV. That the respondent miserably failed to honour the terms and conditions of the agreement for sell dated 11.07.2022 as agreed and admitted by the respondent.

XVI. The respondent neither gave any satisfactory reply to the complainant nor delivered the physical possession of the unit to the complainant till date. While the respondent is legally bound to handover the physical possession of the unit of the complainant within a time period of 4 years after the approval/ sanction of building plan as per the clause 7.1 of agreement for sell which had already been approved/ sanctioned by DCP in the year 2020 vide license no.34 of 2020 but the respondent intentionally and knowingly did not handover the physical possession of the unit to the complainant till date. The respondent is legally bound to hand-over the same, otherwise, the respondent will be liable and under legal obligation to be pay an interest for the delayed possession of the unit to the complainant.

XVII. That when the complainant did not get any satisfactory reply from the end of the respondent, then, the complainant personally visited to the project of the respondent and enquired about her unit from the officials of the respondent who were present at the site. The officials of the respondent told the complainant that the construction work of the unit of the complainant is going on and it will take a time of 1½ years approx.

XVIII. That it is pertinent to mention here that the complainant has already been taken loan amount of Rs.11,00,000/- from the Canara bank and is living on a rented accommodation.

XIX. In this way, the complainant is not only paying the EMIs of the loan account but she is also forced to pay the monthly rent for the rented accommodation.

XX. That the respondent intentionally and will fully did not want to handover the physical possession of the unit to the complainant as agreed by the respondent in an unlawful and illegal manner. Due to above said act and conduct of the respondent the complainant has to suffer a huge economic loss, mental pain, agony. The respondent knowingly, intentionally with ulterior motives and malafide intentions did not want to handover the possession of the unit of the complainant till today which is categorical, default and deficiency in service on your part and attempted to cause loss to the complainant which was being caused due to will ful default on the part of the respondent. The respondent is legally bound to entertain the just and legal claim of the complainant in every aspect.

XXI. That when nothing came fruitful and the officials of the respondent did not pay any heed to the just and genuine requests of the complainant, then, the complainant through his counsel, sent a legal notice dated 11.11.2025 posted on 13.11.2025 to the above said address of the respondent

whereby the respondent handover the physical possession of the complainant above said unit at the existing place with same price and same constructed area at the similar location as desired by the complainant in their project "GLS Avenue 81" at sector-81, Gurugram along with 24% of Delayed Possession Charges and also compensated the complainant with Rs.10,00,000/- on account of mental & physical harassment along with the charges of this legal notice within a time period of 15 days from the receipt of the legal notice. After sending the legal notice the respondent delivered the calculation sheet which shows that the complainant has pay full and final payment of Rs.25,94,705/- till 29.07.2025.

XXII. That despite receiving of legal notice dated 11.11.2025 posted on 13.11.2025, the officials of the respondent neither handover the physical possession of his unit till date. The complainant visited to the office of the respondent numerous times but despite that the respondent did not take any action to resolve the matter till today and lingering the matter on one pretext or the other. The complainant again visited to the office of the respondent in order for the redressal of his grievance but the requests of the complainant fell on the deaf ears of the officials of the respondent and they did not handover the physical possession of his flat.

XXIII. That the respondent intentionally and wilfully wanted to usurp the hard-earned money of the complainant in an unlawful and illegal manner. Due to the above said act and conduct the complainant have to suffer a huge economic loss, mental pain, agony. The respondent knowingly, intentionally with ulterior motives and malafide intentions not handing over the physical possession of the flat/ unit to the complainant till today which is categorical, default and deficiency in service on the part of the respondent and attempted to cause loss to the complainant which was

being caused due to willful default on the part of the respondents. The respondent is legally bound to entertain the just and legal claim of the complainant in every aspect.

XXIV. That, by not delivering the possession of the aforesaid unit, the respondent has violated the terms and conditions of the buyer's agreement and promises made at the time of booking of said unit and the complainant has faced mental and financial agony and pain, hence, the respondent are liable to handover the physical possession of his unit along with interest as defined and provided by the Proviso 11 (4) (b), Section 17 and 19 (10) of RERA Act, 2016.

XXV. That the complainant had persuaded and requested the respondent to handover the unit to him but the respondent neither handed over the physical possession of the unit to the complainant nor paid any amount to him and denied the just and genuine request of the complainant.

XXVI. The cause of action accrued in favour of the complainant and against the respondent, when complainant had booked the said unit and it further arose when respondent did not handover the unit to the complainant. Thereafter when the complainant through his counsel served a legal notice upon the respondent but the respondent neither comply with the directions of the legal notice nor replied the same. The cause of action is continuing and is still subsisting on day-to-day basis.

C. Relief sought by the complainant: -

4. The complainant has sought following relief(s):

I. To direct the respondent to handover the possession of his flat/ unit in same project as agreed terms and agreed rates at the time of booking along with delayed possession charges as per the provisions of the RERA Act;

II. To direct the respondent to pay compensation of Rs.10,00,000/- on account of harassment, mental pain and agony and legal expenses of Rs.1,00,000/- to the complainant with interest as per the prevailing provisions of RERA Act.

5. On the date of hearing, the Authority explained to the respondent/ promoter about the contravention as alleged to have been committed in relation to Section 11 (4) (a) of the Act, 2016, to plead guilty or not to be plead guilty.

D. Reply by respondent:

6. The respondent has contested the present complaint on the following grounds:

I. That at the very outset, it is submitted that the instant complaint is untenable both in facts and in law and is liable to be rejected on this ground alone. The present complaint is based on an erroneous interpretation of the provisions of the Act as well as an incorrect understanding of the terms and conditions of the apartment buyer's agreement dated 11.07.2026, as shall be evident from the submissions made in the following paras of the present reply. The respondent craves leave of this Authority to refer and rely upon the terms and conditions set out in the apartment buyer's agreement in detail at the time of hearing of the present complaint, so as to bring out mutual obligations and responsibilities of the Respondent as well as the complainant.

II. That the complainant is in default of her obligations under the agreement, the RERA Act, 2016 as well as the Affordable Housing Policy, 2013, and as such has disentitled herself from claiming any relief thereunder.

III. That the respondent had obtained license no. 10 of 2021 from the Director, Town and Country Planning Department, Haryana for the development of

an affordable housing project on the Project land under the Affordable Housing Policy 2013, issued by the Government of Haryana, vide Town and Country Planning Department's Notification.

IV. That the complainant being interested in purchasing a residential apartment in project being developed by the respondent, known under the name and style of "Avenue 81" situated at, Revenue estates of Nawada, Fatehpur, Sector 81, Gurugram, Haryana approached the respondent after conducting her own due diligence, seeking allotment of an apartment by submitting an application form bearing no. FAA81/05972/21 dated 30.03.2021 herein referred to as "application".

V. That based on the term of the application form the respondent allotted, apartment bearing no. E-406 tentatively admeasuring carpet area of 629.7527 sq. ft. to the complainant vide allotment letter dated 06.07.2021.

VI. That the complainant even failed to come forward to execute the Buyer's agreement timely, and the respondent was constrained to issue reminder letter dated 18.11.2021 requesting the allottee to come forward to execute the buyer's agreement.

VII. Thereafter, the parties mutually entered into an apartment buyer's agreement on 11.07.2022. That the agreement was consciously and voluntarily executed and the terms and conditions of the same are binding on the parties. That the complainant opted for a time-linked payment plan as per the Affordable Housing Policy for remittance of the sales consideration of the unit i.e. Rs.25,94,705/- and other charges.

VIII. The complainant was well aware of the time-linked payment plan, as detailed in Schedule-A of the allotment letter dated 06.07.2021. That the payment plan is as per the Affordable Housing Policy, and the complainant has unequivocally agreed to make payments for the allotted unit in

accordance with the terms set forth in the payment plan. That the allotment letter and apartment buyer agreement constitutes a binding obligation to fulfil the payment schedule as stipulated, and the complainant's adherence to these terms is essential for the completion of the transaction in accordance with the agreed-upon plan.

IX. That being a contractual relationship, reciprocal promises are bound to be maintained. That it is respectfully submitted that the rights and obligations of allottee as well as the respondent are completely and entirely determined by the covenants incorporated in the agreement which continues to be binding upon the parties thereto with full force and effect.

X. That timely payment of instalments was the obligation of the complainant and the complainant cannot shift the burden of continuous defaults in payment on the respondent. That it was the obligation of the complainant to ensure that timely payment of instalments is made irrespective of the loan facility taken by the complainant and in case of default the respondent had the right to cancel the allotment.

XI. That the complainant herein obtained loan from Canara Bank and in furtherance of the same, Tripartite Agreement was executed between the complainant, respondent herein and Canara Bank on 04.08.2022.

XII. That the complainant had defaulted/delayed in making the timely payment of outstanding dues, raised in demands as per the construction-linked payment plan duly opted by the complainant, upon which repeated reminders were also served to the complainant. That the bona fide of the respondent is also essential to be highlighted at this instance, who had served demand letters followed by numerous reminders to the complainant to ensure that the payments are made in a timely fashion.

XIII. That despite several reminders sent by the Respondent, the complainant failed to fulfil its obligations and remit timely payments of outstanding dues. The complainant is a habitual defaulter who has been in default of payments at various instances since the very beginning. That the complainant willingly and voluntarily stopped making the payments even after receipt of multiple reminders and notices from the respondent.

XIV. That a similar obligation to make the payment against the Unit and the payment of interest in case of default is also as per the Real Estate (Regulation and Development) Act, 2016, under Sections 19(6) and 19(7).

XV. The above-mentioned provisions note the mandatory obligation of the complainant to timely make the due payments against the unit, which under no circumstance whatsoever, can be escaped. As is widely known and understood that the continuous flow of funds is pertinent to the real estate industry, it is submitted that upon the failure of the complainant in making due payments as per the schedule agreed upon, it has a cascading effect on the operations and the cost for the proper execution of the project increases exponentially and further causes enormous business losses to the respondent. That upon delay being caused by the complainant on payment of different instalments, she was served with various reminders as noted in the table above.

XVI. That by not making the due payments, not only has the complainant violated the agreement but also the Real Estate (Regulation and Development) Act, 2016, and the Affordable Housing Policy, 2013, under which, the complainant was obligated to make full payment and despite repeated reminders and various opportunities, miserably failed to do. Accordingly, the complainant stood in fundamental breach of the agreement and the Act.

XVII. That moreover, the Hon'ble National Consumer Disputes Redressal Commission in the case of *Manas Developers* vs. *Madhur Arjun Bhabal*, bearing Revision Petition No. 1563 of 2011 decided on 09.03.2015, held that in cases where the complainants have failed to pay the amounts in accordance with the agreement and are defaulters then the respondent cannot be held liable for delayed possession since the respondent is not obligated to give possession without getting the entire payment with interest. It is further held that defaulters should not be rewarded for their own wrongs.

XVIII. That, in terms of the builder buyer agreement executed between the parties, the respondent is contractually obligated to hand over possession of the subject unit within a period of four (4) years from the later of the date of approval of the building plan or the grant of the environmental clearance.

XIX. It is submitted that the final building plan effective today was approved on 04.05.2023, whereas the final environmental clearance effective today was granted on 09.04.2023. Since the latter date governs the computation of the possession timeline under the agreement, the contractual due date for handing over possession falls on 04.05.2027.

XX. Accordingly, as on the date of filing of the present complaint, the contractual period for delivery of possession has not yet expired. The respondent is, therefore, not in breach of any contractual or statutory obligation, and no cause of action has accrued in favour of the complainant. Consequently, the present complaint is premature, misconceived, and not maintainable in law, and is liable to be dismissed on this ground alone.

XXI. That in such circumstances, Section 18 cannot be noted to be applicable and the present complaint which amounts to misuse of the process of law

and should not be entertained. The complainant cannot use the Act as a tool to shy away from its obligations. In similar cases, where the due date had not passed, the Authority noted the same to be pre-mature and dismissed the same.

XXII. That as per Section 31 of the RERA Act, 2016, an aggrieved party may file a complaint with the Authority or the adjudicating officer for any violation or contravention of the Act or its rules and regulations against any promoter, allottee, or real estate agent. However, in the present case, there is no evidence to suggest that the respondent has committed any breach of the Act or violated any of its provisions. The complainant has not alleged any contravention by the builder, nor have they claimed that the builder's actions constitute a violation of the Act. Given that the respondent has not violated any provisions or committed any breach, it is unjust to hold the respondent liable for an act that they have not committed. The respondent should not be held accountable for actions that are not attributable to them, and no liability should be imposed for non-existent violations or contraventions.

XXIII. The Real Estate Regulatory Authority (RERA) is a quasi-judicial statutory body, vested with the responsibility to operate strictly within the confines of the statutory framework. Its powers and functions are governed by the provisions of the relevant legislation, and it is required to act in accordance with the law. Any action or decision taken by RERA must be based on the statutory limits prescribed, ensuring that it adheres to the principles of fairness and legality, without exceeding its prescribed authority or jurisdiction.

7. All other averments made in the complaint are denied in toto.

8. 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 submission 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 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.*

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 complainant at a later stage.

F. Findings on the reliefs sought by the complainant:

F.I Direct the respondent to handover the possession of his flat/ unit in same project as agreed terms and agreed rates at the time of booking along with delayed possession charges as per the provisions of the RERA Act;

13. In the present complaint, vide allotment letter dated 06.07.2021, the complainant was allotted unit no. E-406, 4th floor, Tower - E, in the project "Avenue 81" being developed by the respondent herein, for a total sale consideration of Rs.25,94,705/- under the Affordable Group Housing Policy 2013. Thereafter, an agreement for sale was executed interse parties on 11.07.2022 and as per clause 7.1 of the agreement for sale as well as per Affordable Housing Policy, 2013, the possession of the unit was to be offered with 4 years from approval of building plans (08.02.2021) or from the date of environment clearance (26.04.2021). Therefore, the due date of possession is being calculated from the date of environmental clearance, being later. Therefore, the due date of possession comes out to be 26.04.2025. Further on 04.08.2022, a tripartite agreement was executed between the complainant, respondent & Canara Bank for a loan sanctioned amounting to Rs.11,00,000/- against the said unit. The complainant has paid a sum of Rs.25,94,705/- till date.

14. 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."*

15. As per clause 7.1 of agreement to sale dated 11.07.2022 as well as 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:

> ***7.1 Schedule for possession of the said apartment for residential use: -***
> ***The promoter agrees and understands that timely delivery of possession of the Apartment for residential use within 4 (four) years from the date of approval of the building plans or the date of grant of environmental clearances, whichever is later,*** *to the allottee(s) and the common areas to the association of allottee(s) or the competent authority, as the case may be, as provided under Rule 2(1)(f) of Rules, is the essence of the agreement ...*
>
> ***[Emphasis supplied]***
>
> ***Also***
>
> ***Clause 1 (iv) of the Affordable Housing Policy, 2013***
> *"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."*

16. **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 environment clearance and building plan approval in respect of the said project on 26.04.2021 and 08.02.2021 respectively. Therefore, the due date of possession is being calculated from the date of environmental clearance,

being later. Therefore, the due date of possession comes out to be 26.04.2025.

17. **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.*

18. 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.

19. 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., 14.08.2026 is **8.80%.** Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., **10.80%.**

20. 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;"*

21. 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 the complainant in case of delayed possession charges.

22. 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. By virtue of clause 7.1 of agreement to sale dated 11.07.2022 and as per clause 1(iv) of the Affordable Housing Policy, 2013, the respondent/promoter shall be necessarily required to complete the construction of the project within 4 years from the date of approval of building plans or grant of environmental clearance, whichever is later. Therefore, in view of the findings given above, the due date of handing over of possession was 26.04.2025. However, the respondent has failed to handover possession of the subject apartment to the complainant till the date of this order. Accordingly, it is the failure of the respondent/promoter to fulfil its obligations and responsibilities as per the agreement to hand over the possession within

the stipulated period. Further, the Authority observes that there is no document on record from which it can be ascertained as to whether the respondent has applied for occupation certificate or what is the status of construction of the project. Hence, this project is to be treated as on-going project and the provisions of the Act shall be applicable equally to the builder as well as allottees.

23. Accordingly, the non-compliance of the mandate contained in Section 11(4)(a) read with proviso to Section 18(1) of the Act on the part of the respondent is established. As such, the allottee shall be paid, by the promoter, interest for every month of delay from due date of possession i.e., 26.04.2025 till valid offer of possession plus 2 months after obtaining occupation certificate from the competent authority or actual handing over of possession whichever is earlier, as per Section 18(1) of the Act of 2016 read with Rule 15 of the Rules.

24. Further as per Section 11(4)(f) and Section 17(1) of the Act of 2016, the promoter is under an obligation to get the conveyance deed executed in favour of the complainant. Whereas as per Section 19(11) of the Act of 2016, the allottee is also obligated to participate towards registration of the conveyance deed of the unit in question. However, there is nothing on the record to show that the respondent has applied for occupation certificate or what is the status of the development of the above-mentioned project. In view of the above, the respondent is directed to handover possession of the flat/unit and execute conveyance deed in favour of the complainant in terms of Section 17(1) of the Act of 2016 on payment of stamp duty and registration charges as applicable, within three months after obtaining occupation certificate from the competent authority.

F.II Direct the respondent to pay compensation of Rs.10,00,000/- on account of harassment, mental pain and agony and legal expenses of Rs.1,00,000/- to the complainant with interest as per the prevailing provisions of RERA Act.

25. The complainant is seeking above mentioned relief w.r.t compensation and litigation costs. The Hon'ble Supreme Court of India in civil appeal nos. 6745-6749 of 2021 titled as ***M/s Newtech Promoters and Developers Pvt. Ltd. Vs. State of UP & Ors.*** (supra) has held that the adjudicating officer has exclusive jurisdiction to deal with the complaints in respect of compensation and litigation cost.

G. Directions of the Authority:

26. Hence, the Authority hereby passes this order and issue the following directions under Section 37 of the Act to ensure compliance of obligations casted upon the promoter as per the functions entrusted to the Authority under Section 34(f) of the Act:

i. The respondent/promoter is directed to pay interest to the complainant 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., 26.04.2025 till valid offer of possession plus 2 months after obtaining occupation certificate from the competent authority or actual handing over of possession, whichever is earlier, as per Section 18(1) of the Act of 2016 read with Rule 15 of the Rules.

ii. The arrears of such interest accrued from 26.04.2025 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 shall handover physical possession of the unit and execute conveyance deed in favour of the complainant in

terms of Section 17(1) of the Act of 2016 on payment of stamp duty and registration charges as applicable, within three months after obtaining occupation certificate from the competent authority.

iv. The complainant is directed to pay outstanding dues, if any, after adjustment of interest for the delayed period. 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.

v. The respondent/promoter shall not charge anything from the complainant which is not the part of the agreement for sale or provided under the Affordable Housing Policy, 2013.

27. Complaint as well as applications, if any, stand disposed off accordingly.

28. File be consigned to registry.

(Arun Kumar)
Chairman
Haryana Real Estate Regulatory Authority, Gurugram
Dated: 14.08.2026