HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

Complaint No:	**1165 of 2025**
Date of Filing:	**04.08.2025**
Date of First Hearing:	**12.12.2025**
Date of Decision:	**16.10.2026**

Varun Punani S/o Om Parkash Punani
R/o House No.604, IC-2, Essel Tower,
MG Road, Gurgaon, Haryana-122001.

....COMPLAINANT(S)

VERSUS

TDI Infrastructure Ltd.
Upper Ground Floor, Vandana Building, 11,
Tolstoy Marg, Connaught Place, New Delhi-110001.

....RESPONDENT(S)

CORAM: **Sh. Chander Shekhar** **Member**

Hearing: 5th

Present: - Mr. Gaurav Gupta, Advocate, for the Complainant through VC.
Mr. Shubhnit Hans, Advocate with Ms. Samriti, Advocate, for the Respondent.

ORDER:

The present complaint was filed by the complainant under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (for short Act of 2016) read with Rule 28 of the Haryana Real Estate (Regulation

and Development) Rules, 2017, for violation or contravention of the provisions of the Act of 2016, or the Rules and Regulations made thereunder, wherein it is inter-alia prescribed that the promoter shall be responsible to fulfil all the obligations, responsibilities and functions towards the allottee as per the terms agreed between them.

A. UNIT AND PROJECT RELATED DETAILS:

2. The particulars of the project, the details of 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 table:

S.No.	Particulars	Details
1.	Name of the project	TDI City, Kundli , Sonipat
2.	RERA registered/not registered	Un-registered.
3.	Plot No.	L-81
4.	Plot Area	250 sq. yds. (209.03 sq. mts.)
5.	Date of Booking by Original Allottee	10.12.2005
6.	Date of Endorsement in favour of Complainant	16.03.2006
7.	Date of Allotment Letter	10.12.2005
8.	Date of Builder Buyer Agreement	Not Executed
9.	Due Date of Offer of Possession	Not Available
10.	Possession Clause	Not Available
11.	Total Sale Consideration	₹21,35,000/-

12.	Amount Paid by the Complainant	₹22,34,375/-
13.	Offer of Possession	NA

B. FACTS OF THE COMPLAINT:

3. Brief facts of the case are that the complainant has filed the present complaint against the respondent in respect of Plot No. L-81, measuring 250 sq. yds., situated in TDI City, Kundli, Sonepat, Haryana. The respondent launched a scheme for allotment of residential plots of different sizes in its proposed township at Kundli, Sonepat, in the year 2005. Relying upon the representations of the respondent regarding development of the project after obtaining the necessary approvals, Sh. Bankey Bihari Bansal initially booked a plot measuring 250 sq. yds. by paying ₹3,87,500/- to the respondent on 19.08.2005. The amount was shown as advance against the future project, with an assurance that it would be adjusted towards the booking of a plot at the time of allotment.

4. Thereafter, the respondent issued an Allotment Letter dated 10.12.2005, whereby Plot No. L-81, measuring 250 sq. yds., was allotted at the rate of ₹7,750/- per sq. yd., for a total sale consideration of ₹21,35,000/-. Out of this amount, ₹19,37,500/- was towards the cost of the plot and ₹1,97,500/- towards EDC. According to the complainant, no other amount was payable towards the plot. In March 2006, due to personal reasons, the

original allottee transferred his rights in respect of Plot No. L-81 in favour of the present complainant. For recording the transfer in its records, the respondent received ₹4,86,250/- from the complainant vide receipt dated 13.03.2006. The plot was thereafter transferred in the complainant's name on 16.03.2006. The allotment letter was also re-issued in the name of the complainant, thereby recognising him as the allottee in respect of the said plot.

5. At the time of transfer, the complainant stated that the respondent assured him that possession of the plot would be handed over within three years from the date of booking. Accordingly, the complainant treated 20.08.2008 as the deemed date of possession. Thereafter, the complainant made payments to the respondent from time to time as demanded. According to the complainant, a total amount of ₹22,34,375/- was paid to the respondent by 10.07.2009. The complainant stated that this amount was more than the total sale consideration and an amount of ₹99,375/- was paid in excess. It is also stated that the entire payment had been made even though the Plot Buyer Agreement had not been executed. Despite receiving the entire sale consideration and the additional amount, the respondent did not provide any satisfactory update regarding the development of the project. According to the complainant, the respondent also did not execute the Builder Buyer Agreement or make any offer of possession of the plot. The complainant, therefore, claimed that the

respondent failed to perform its contractual obligations within the assured period.

6. The complainant thereafter contacted the respondent and sent several emails dated 23.03.2012, 12.08.2013, 26.08.2013, 03.10.2013, 03.08.2014 and 15.07.2015, as well as a letter dated 22.07.2015, requesting execution of the Builder Buyer Agreement and delivery of possession of the plot. Despite these communications, the respondent did not take the necessary steps to hand over the possession. The complainant further stated that where no specific date for possession has been provided, three years may be treated as a reasonable period for delivery of possession. On this basis, the complainant has treated 20.08.2008 as the deemed date of possession and contended that the respondent was required to hand over actual physical possession by that date. He stated that he has approached the respondent on several occasions, including visits to its office, but was repeatedly informed that possession would be handed over shortly and the conveyance deed would thereafter be executed.

7. The complainant claimed that due to the delay in handing over possession, he is entitled to interest on the amounts deposited by him, in accordance with Section 18 of the Real Estate (Regulation and Development) Act, 2016 and the applicable HRERA Rules, from the deemed date of possession until actual delivery of possession. He has also claimed refund or adjustment of the excess amount of ₹99,375/-, along with

applicable interest. The complainant has further stated that if the respondent is unable to hand over possession of Plot No. L-81, the respondent should provide him with a similar plot measuring 250 sq. yds. at the same rate and on the same terms on which Plot No. L-81 was originally allotted to him. The complainant stated that he does not wish to withdraw from the project and is still willing to continue with the allotment and take possession of the plot. He has therefore approached the Authority seeking appropriate reliefs for delivery of possession and compensation/interest for the delay.

C. RELIEF SOUGHT:

8. The complainant in his complaint has sought the following reliefs:

i. To direct the respondent to hand over the possession of the originally booked residential plot immediately to the complainant;

ii. To direct the respondent to hand over the possession of the alternative residential plot having similar size and location immediately to the complainant, if possession of originally booked residential plot cannot be given;

iii. To direct the respondent to pay delayed interest to the complainant as per Rule 15 of Haryana Real Estate (Regulation and Development) Rules, 2017;

iv. To direct the respondent to adjust/refund the excess amount of ₹99,375/- along with interest;

v. To pass such other orders as this RERA Authority may deem fit in the facts and circumstances of the case.

D. REPLY SUBMITTED ON BEHALF OF RESPONDENT:

9. On receipt of notice of the complaint, the respondent filed a reply on 12.03.2026 in which the respondent has denied the allegations and averments made in the complaint, except those which are specifically admitted or are matters of record. The respondent has also stated that the complaint is not maintainable and no cause of action arises against the respondent. The respondent stated that the complainant voluntarily invested in the project, namely "TDI City, Kundli, Sonipat, Haryana", on account of the reputation and goodwill of the respondent company. The respondent has further stated that it has obtained Part Completion Certificates in respect of substantial portions of the township. According to the respondent, Part Completion Certificates were issued on 23.01.2008 for 109.5 acres, on 18.11.2013 for 415 acres and on 22.09.2017 for 573.394 acres, covering different parts of the residential plotted colony.

10. The respondent has raised a preliminary objection regarding the applicability of the Real Estate (Regulation and Development) Act, 2016. It is stated that the project was commenced before the enactment of RERA. Therefore, the provisions of the Act cannot be applied retrospectively. According to the respondent, applying the provisions of RE(RD) Act to the project retrospectively would cause undue hardship and would adversely

affect the construction and development of the project. On this basis, the respondent has contended that the present complaint is not maintainable under the provisions of RE(RD) Act.

11. With regard to the Builder Buyer Agreement, the respondent has stated that the agreement could not be executed because the land on which the complainant's originally allotted unit was situated had become subject to a dispute. In order to resolve the issue and facilitate execution of the agreement, the respondent claimed that it offered an alternate unit to the complainant. But the complainant did not come forward to accept the alternate unit or to execute the Builder Buyer Agreement in respect thereof. The respondent has further stated that due to circumstances beyond its control, including the disputed status of the land, it could not complete the originally allotted unit within the expected period. In this regard, the respondent issued a letter dated 06.06.2018 to the complainant and offered alternative options. The respondent stated that the complainant was offered either an alternate ready-to-possession unit in the same project, with registration of the sale deed after completion of the necessary formalities, or adjustment of the entire amount deposited by him towards a unit in any other project of the respondent. Despite receiving the letter dated 06.06.2018, the complainant neither responded to the offer nor approached the respondent for acceptance of the alternate unit. The respondent has therefore contended that the complainant himself failed to avail the opportunity offered by the

respondent and cannot now allege that the respondent failed to take steps for resolving the issue.

12. The respondent has also raised an objection regarding limitation. It has stated that the complainant made his last payment in the year 2009 and thereafter did not take any legal action for a considerable period. According to the respondent, the complaint has been filed after more than 17 years from the last payment and is therefore barred by limitation and suffered from delay and laches. The respondent has accordingly contended that the complaint is liable to be dismissed on this ground. In reply to the complainant's claim regarding payment of the entire sale consideration and an alleged excess payment of ₹99,375/-, the respondent has disputed the amount claimed by the complainant. It has stated that the amount payable and the amount actually received are to be determined from the respondent's Statement of Account. The respondent has specifically denied having received any excess amount of ₹99,375/- and has relied upon its final Statement of Account dated 09.03.2026.

13. The respondent has also denied that it had assured the complainant that possession would be handed over within three years from the date of booking or that 20.08.2008 was the agreed date of possession. It has stated that no such assurance is supported by any document and that no specific date for possession was agreed between the parties. The respondent has further relied upon the fact that no Builder Buyer Agreement was

executed. The respondent has also denied the complainant's claim for interest under Section 18 of the RE(RD) Act, compensation for delay, refund or adjustment of ₹99,375/-, or possession of the originally allotted Plot No. L-81. The respondent has stated that as per its records, no excess amount is payable to the complainant and the alternate unit had already been offered to him. It has stated that its offer of an alternate unit was made with the intention of resolving the dispute and providing a solution to the complainant. According to the respondent, the present situation arose because the complainant did not respond to the alternate offer.

14. Lastly, the respondent has contended that the complaint is not maintainable, is barred by limitation and is not supported by any enforceable contractual commitment regarding the alleged date of possession.

15. The respondent also submitted that the area in which the complainant's plot is situated is presently under dispute with local farmers, due to which the respondent is unable to hand over the possession of the said plot. It is further stated that there is no likelihood of possession being offered in the foreseeable future.

E. WRITTEN SUBMISSIONS FILED BY THE RESPONDENT:

16. Learned counsel for the respondent has filed written submissions on 24.09.2026, wherein stating that the present complaint is not maintainable as the project was commenced before the enactment of the RE(RD) Act and is not registered under the Act. Therefore, the Authority has

no jurisdiction to adjudicate the dispute. In support of this contention, a reliance has been placed on the judgment passed by Hon'ble High Court of Madras in M/s Devinarayan Housing and Property Developments Private Ltd. and Anr. vs Manu Karan and Anr. in CMSA no.23 and 24 of 2020 decided on 20.09.2023. The respondent has further contended that the complaint has been filed after an unexplained delay of more than 13 years from the last payment made in year 2009, without any communication or assertion of rights by the complainant during the intervening period and is therefore liable to be dismissed on the ground of delay and laches. In support of this contention, a reliance has been placed on the judgment passed by Hon'ble Appellate Tribunal in Janak Mehta and Anr. vs M/s Parsvnath Developers Ltd. in Appeal no.552 of 2026 decided on 31.08.2026. It has also been stated that the respondent is no longer continuing with the development of the project and, consequently, is not in a position to offer or hand over possession of the unit to the complainant. Relying upon the judgments cited in its written submissions, the respondent has submitted that the complainant cannot be kept waiting indefinitely for possession. On these grounds, the respondent has prayed for dismissal of the complaint.

F. ARGUMENTS OF LEARNED COUNSEL FOR THE COMPLAINANT AND RESPONDENT:

17. During oral arguments, learned counsel for the complainant as well the respondent has reiterated arguments as were submitted in the complaint, reply and written submissions.

G. ISSUES FOR ADJUDICATION

18. Whether the complainant is entitled to get possession of booked plot alongwith delay interest in terms of Section 18 of RE(RD) Act, 2016?

H. OBSERVATIONS AND DECISION OF THE AUTHORITY

19. The Authority has gone through the rival contentions. In the light of the background of the matter as captured in this order and also the arguments submitted by both parties, the Authority observes as follows:

(i) The first objection raised by the respondent is that the present complaint is not maintainable as the project was commenced prior to the enactment of the RE(RD) Act, 2016 and the project is not registered under the Act. The contention, however, cannot be accepted merely on the ground that the project was launched before the commencement of the Act. The Hon'ble Supreme Court in ***M/s Newtech Promoters and Developers Pvt. Ltd. v. State of U.P. & Ors.*, (2021) 18 SCC 1**, has examined the applicability of the Act to projects which commenced prior to the enactment of the Act and held that the Act operates retroactively in respect of ongoing projects. The Court specifically held that all ongoing projects which

commenced prior to the Act and in respect of which a completion certificate had not been issued were brought within the ambit of the Act. The Supreme Court further clarified that projects which had already been completed or in respect of which a completion certificate had been granted prior to the commencement of the Act were outside its purview. Thus, the relevant consideration is not merely the date on which the project was launched, but whether the project was an ongoing project and whether a completion certificate had been issued before the Act came into force. In the present case, the respondent has not placed on record any material showing that the project in question had obtained a valid completion certificate prior to 01.05.2017, i.e. the date on which Section 3 of the Act came into force. On the contrary, from the stand taken by the respondent itself, the development of the project was not complete and the respondent has now stated that it is no longer continuing with the development of the project. Therefore, the mere fact that the project was launched before 2016 does not take it outside the scope of the Act. The Supreme Court in *Newtech Promoters* has made it clear that the Act was specifically intended to bring ongoing projects within its regulatory framework so as to protect the interests of allottees

whose projects had remained incomplete. The reliance placed by the respondent on the judgment of the Hon'ble Madras High Court in *M/s Devinarayan Housing and Property Developments Pvt. Ltd. & Anr. v. Manu Karan & Anr.*, C.M.S.A. Nos.23 and 24 of 2020, decided on 20.09.2023, also requires consideration in the factual context of the present case. In *Devinarayan*, the High Court was dealing with a project which was held to fall within the exemption contemplated under Section 3(2)(a) of the Act and, on that factual basis, held that the project was not required to be registered and that the grievances relating to such an unregistered project could not be adjudicated under the Act. The said decision, therefore, cannot be applied mechanically to every project merely because the project was launched before 2016 or remained unregistered. The position applicable in Haryana is also reflected in the judgment of the Haryana Real Estate Appellate Tribunal in ***Shalimar Estates Pvt. Ltd. v. Rakesh Kumar Garg*, Appeal No.499 of 2022, decided on 21.04.2023, along with Appeal No.501 of 2022**. In that case also, the promoter contended that the project was unregistered and, therefore, outside the jurisdiction of the Authority. The Tribunal examined *Newtech Promoters* and held that an ongoing project commenced prior to the Act, in respect of

which a completion certificate had not been obtained before 01.05.2017, falls within the purview of the Act. The Tribunal further held that merely because such an ongoing project was not registered, the promoter could not claim immunity from the operation of the Act. It was specifically observed that the promoter was required to establish on record that the project had been completed or that a completion certificate had been issued prior to 01.05.2017. The distinction between an Occupancy Certificate and a Completion Certificate is also material. In *Shalimar Estates*, the Haryana Real Estate Appellate Tribunal observed that an Occupancy Certificate permitting occupation of a building cannot, by itself, be treated as a Completion Certificate unless it satisfies the requirements of Section 2(q) of the Act. The Tribunal held that, in the absence of evidence showing completion of the project or issuance of a completion certificate before 01.05.2017, the project remained within the jurisdiction of the Authority. Thus, in the present case also, the respondent must establish, by cogent documentary evidence, that the project had obtained a completion certificate before 01.05.2017. Mere assertion that the project was launched prior to the enactment of the Act or that the project is presently unregistered is not sufficient.

(ii) The respondent has also objected that the complaint is grossly barred by the limitation. The respondent has contended that the last payment was made in the year 2009 and the complaint has been filed after more than 13 years without any communication or assertion of rights by the complainant. This objection also cannot be examined solely with reference to the date of the last payment. The grievance of the complainant is essentially regarding the failure of the respondent to perform its continuing obligation to hand over possession of the allotted plot. Where possession has not been delivered, the breach does not necessarily come to an end on the date of the last payment. The question of delay and laches has therefore to be examined with reference to the entire conduct of the parties and the subsisting obligation of the promoter. The complainant has specifically pleaded that he had addressed communications to the respondent from time to time seeking execution of the necessary agreement and delivery of possession. Therefore, the submission of the respondent that there was no communication or assertion of rights by the complainant during the intervening period is a matter which has to be tested from the documents placed on record. If the communications relied upon by the complainant are found to be genuine and form part of the

record, the plea that the complainant remained completely silent for the entire period cannot be accepted as a matter of fact. More importantly, where the promoter has failed to hand over possession, the cause of action arising from such failure may continue so long as the obligation remains unfulfilled. The Hon'ble Supreme Court in ***Kolkata West International City Pvt. Ltd. v. Devasis Rudra*, (2019) 18 SCC 613**, while dealing with prolonged failure to deliver possession, held that it would be unreasonable to construe the contractual relationship as requiring a buyer to wait indefinitely for possession. The Court recognised that a buyer can be expected to wait for a reasonable period, but prolonged failure to deliver possession gives rise to a continuing grievance. The reliance placed by the respondent upon ***Janak Mehta & Anr. v. M/s Parsvnath Developers Ltd.*, Appeal No.552 of 2026, decided on 31.08.2026**, has also been considered. However, the applicability of any decision concerning delay and laches depends upon the factual circumstances of that particular case, including the nature of the relief claimed, the conduct of the allottee, subsequent correspondence between the parties and whether the promoter's obligation remained subsisting. The mere fact that the last payment was made in the year 2009 cannot, by itself, determine

the issue when the complainant's case is that possession was never delivered. The complete facts and ratio of the said judgment therefore have to be examined before applying it to the present case. Further, the Authority places reliance upon the judgement of Apex court in "***Civil Appeal No. 4367 of 2004 titled as M.P Steel Corporation v/s Commissioner of Central Excise***" where it has been held that Indian Limitation Act deals with applicability to courts and not tribunals. Further, the RE(RD) Act is a special enactment with particular aim and object covering certain issues and violations relating to the housing sector. Provisions of the Limitation Act, 1963, would not be applicable to the proceedings under the RE(RD) Act, 2016, as the Authority set up under that Act being quasi-judicial and not a Court. The respondent/promoter has till date failed to fulfil its obligations because of which the cause of action is re-occurring.

(iii) The respondent has submitted that it is no longer continuing with the development of the project and is, therefore, not in a position to offer possession to the complainant. This submission, in fact, requires the Authority to examine the respondent's present ability and legal obligation to perform its commitment rather than treating the same as a ground for

dismissal of the complaint. A promoter cannot ordinarily rely upon its own inability to complete the project as a ground to defeat the allottee's statutory remedies. The consequences of prolonged failure to deliver possession have to be considered in accordance with Section 18 of the Act and the relief sought by the allottee. The Hon'ble Supreme Court in ***Fortune Infrastructure (Now known as Hicon Infrastructure) v. Trevor D'Lima*, (2018) 5 SCC 442**, and ***Kolkata West International City Pvt. Ltd. v. Devasis Rudra*, (2019) 18 SCC 613**, has recognised that an allottee cannot be compelled to wait indefinitely for possession where the delay has become unreasonable. The principle is that the allottee must have an effective remedy where possession is not delivered within a reasonable period.

(iv) Regarding receiving of Part Completion Certificates for the project measuring approximately 927 acres approx. on 23.01.2008, 18.11.2013 and 22.09.2017, it is observed that mere issuance of a part completion/completion certificate cannot be treated as conclusive proof that the project has been developed in accordance with the promises and obligations undertaken by the promoter. If the allottees still have genuine grievances regarding incomplete development works, lack of promised

amenities or non-fulfilment of obligations by the promoter, such grievances can very well be examined by this Authority notwithstanding the issuance of such Part Completion Certificate. The actual status of development is always subject to verification by the Authority to determine whether the promoter has discharged all its obligations. Therefore, the objection raised by respondent on the basis of part completion certificate is not sustainable and the Authority continues to have jurisdiction to adjudicate upon the grievances of the allottee regarding non-performance or deficiency in development works.

(v) It is further observed that the respondent has admitted that the possession of the originally allotted plot could not be offered to the complainant and the area in which the plot is situated is presently under dispute with local farmers, due to which there is no likelihood of possession being handed over in the foreseeable future. The plea of the respondent that the complainant is a subsequent allottee does not absolve the respondent/promoter of its obligation to provide a developed and legally marketable plot or to offer an effective remedy in accordance with law. Further, the contention regarding non-execution of the Builder Buyer Agreement cannot be

accepted to defeat the rights of the complainant when the respondent has admittedly accepted consideration and allotted the plot to the present complainant. Execution of the Builder Buyer Agreement is primarily the responsibility of the promoter/respondent and the respondent cannot take advantage of its own omission or failure to execute the agreement so as to deny the complainant the reliefs otherwise available under law. It is further observed that although the respondent has relied upon the offer letter dated 06.06.2018, no postal receipt, courier receipt, tracking report, or any other proof of dispatch and delivery has been placed on record to establish that the said offer was ever communicated to the complainant. The offer of an alternative plot made in the year 2018 also does not cure the continuing failure of the respondent to deliver possession of the originally allotted plot. Moreover, the respondent has not placed on record any material to show that a specific alternative plot, along with its particulars such as plot number, location, size, and status of development, was actually offered to the complainant for consideration and acceptance. In the absence of any definite and concrete alternative allotment, the alleged offer cannot be treated as a valid substitute for the respondent's obligation to hand over possession of the allotted plot. Since the

respondent itself acknowledges its inability to hand over possession due to ongoing disputes affecting the land, the cause of action continues to subsist. The respondent's inability to offer possession of the allotted plot for an indefinite period amounts to deficiency in service and failure to fulfil its obligations towards the complainant.

20. In the present case, the complainant has consistently sought possession and has specifically expressed his willingness to continue with the allotment. Therefore, the case falls within the second part of Section 18(1) of the Act. The respondent is consequently liable to hand over possession of the allotted plot, subject to compliance with the statutory requirements and obtaining the requisite approvals from the competent authority along with delay interest.

21. As regards the date from which the complainant is entitled to delayed possession interest, the complainant has pleaded that the possession was to be delivered within three years and has treated 20.08.2008 as the due date of possession. The respondent has denied having given any definite assurance regarding delivery of possession within three years. However, even in the absence of a formally executed Builder Buyer Agreement, the respondent cannot retain the entire consideration for an indefinite period without performing its corresponding obligation. The reasonable period for

performance has to be determined from the allotment/receipts/representations made by the promoter and the surrounding circumstances of the case. It is observed that the complainant has allotted plot on 10.12.2005 (copy of allotment letter annexed). However, no specific clause, term or condition contained in the allotment letter or any other contemporaneous document has been placed on record by the complainant to substantiate the said commitment regarding the stipulated date of possession. In the absence of any documentary evidence evidencing an agreed possession timeline, the alleged assurance cannot be accepted as a contractually binding commitment solely on the basis of oral assertions. The Authority observes that the booking for the plot in question was made in favour of the original allottee on 19.08.2005 as observed from the copy of receipt and the same was transferred to the complainant on 16.03.2006 and the allotment was made on 10.12.2005. But Builder Buyer Agreement has not been executed till date and there is no clause pertaining to the deemed date of possession in the allotment letter/booking form. In absence of a specific clause for the deemed date of possession, it cannot rightly be ascertained as to when the possession of said plot was due to be given to the complainant. In ***Appeal No. 273 of 2019 titled as TDI Infrastructure Ltd Vs Manju Arya***, Hon'ble Appellate Tribunal has referred to the observation of Hon'ble Apex Court in "***2018 STPL 4215 SC titled as M/s Fortune Infrastructure (now known as M/s Hicon Infrastructure) & Anr.***"' in

which it has been observed that period of three years is reasonable time for completion of construction work and delivery of possession. In the present complaint, the plot was allotted to the complainant on 10.12.2005 by the respondent. Accordingly, taking a period of three years from the date of booking, as a reasonable time to complete development works in the project and to handover possession to the complainant, the deemed date of possession comes to 10.12.2008. In the present situation, the respondent failed to honour its contractual obligations without any reasonable justification.

22. The Authority observes that the respondent has severely misused its dominant position. Allotment of the plot was made on 10.12.2005, due date of possession as explained above is 10.12.2008. The respondent has offered alternate possession in the year 2018 i.e. after delay of almost 10 years and that too without obtaining occupation certificate/completion certificate. Hence, the said offer was not valid in the eyes of law. Even today, the respondent is not able to offer valid possession to the complainant and has not even specified the valid reason/ground for not offering the possession of the booked plot. The complainant however is interested in getting the possession of the booked plot and does not wish to withdraw from the project. In these circumstances, the provisions of Section 18 of the Act, 2016, clearly come into play by virtue of which while

exercising the option of taking possession of the plot the allottee can also demand delay interest along with monthly interest and the respondent is liable to pay the same for the entire period of delay caused at the rates prescribed. For ready reference, the provisions of Section 18 is reproduced below:

Section 18 - Return of amount and compensation

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

(a) *in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or (b) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason, he shall be liable on demand to the allottees, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act:*

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.

(2) The promoter shall compensate the allottees in case of any loss caused to him due to defective title of the land, on which the project is being developed or has been developed, in the manner as provided under this Act, and the claim for compensation under this subsection shall not be barred by limitation provided under any law for the time being in force.

(3) If the promoter fails to discharge any other obligations imposed on him under this Act or the rules or regulations made thereunder or in accordance with the terms and conditions of the agreement for sale, he shall be liable to pay such compensation to the allottees, in the manner as provided under this Act."

23. So, the Authority hereby concludes that the complainant is entitled for the delay interest from the deemed date of possession i.e. 10.12.2008 to the date on which a valid offer is to be sent to the complainant after obtaining occupation certificate/completion certificate.

24. The definition of term 'interest' is defined under Section 2(za) of the Act which is as under:

> *(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;*

25. Rule 15 of HRERA Rules, 2017, provides for prescribed rate of interest which is 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".

26. Consequently, as per the website of the State Bank of India, i.e., https://sbi.co.in, the highest marginal cost of lending rate (in short MCLR) as on date i.e. 16.10.2026 is 8.95%. Accordingly, the prescribed rate of interest will be MCLR + 2% i.e., 10.95%.

27. Authority has got calculated the interest on total paid amount from the deemed date of possession till the date of this order at the rate of 10.95% and said amount works out as per detail given in the table below:

Sr. No.	Principal Amount	From Deemed date of possession or date of payment whichever is later	Interest Accrued till 16.10.2026
1.	₹20,16,250/-	10.12.2008	₹39,43,785/-
2.	₹2,18,125/-	10.07.2009	₹4,12,780/-
	Total Delayed Interest		**₹43,56,565/-**
	Monthly interest		**₹20,780/-**

28. The complainant is also seeking legal expenses. In this regard, it is observed that the Hon'ble Supreme Court of India, in ***Civil Appeal Nos. 6745–6749 of 2021, titled M/s Newtech Promoters and Developers Pvt. Ltd. v. State of Uttar Pradesh & Ors. (supra)***, has held that an allottee is entitled

to claim compensation and litigation expenses under Sections 12, 14, 18 and 19 of the RE(RD) Act, 2016. Such claims are required to be adjudicated by the Adjudicating Officer under Section 71 and the quantum of compensation and also the litigation expenses shall be determined by the Adjudicating Officer, having due regard to the factors specified under Section 72 of the Act. The Adjudicating Officer has exclusive jurisdiction to entertain and decide complaints relating to compensation and litigation expenses. Therefore, the complainant is advised to approach the learned Adjudicating Officer for seeking relief towards compensation and litigation expenses.

J. DIRECTIONS OF THE AUTHORITY

29. Hence, the Authority hereby passes this order and issues following directions under Section 37 of the Act to ensure compliance of obligation cast upon the respondent/promoter as per the function entrusted to the Authority under Section 34(f) of the Act of 2016:

(i) Respondent is directed to pay upfront delay interest of ₹43,56,565/- to the complainant towards delay already caused in handing over the possession till the date of order and further monthly interest of ₹20,780/- till the date of valid offer of possession after receipt of Occupation/Completion Certificate.

(ii) The complainant will remain liable to pay balance consideration amount, if any, to the respondent at the time when

valid possession is offered to the complainant as per the agreed terms and conditions.

(iii) The rate of interest chargeable from the allottees/complainant by the respondent/promoter, in case of default shall be charged at the prescribed rate, i.e., 10.95% by the respondent/promoter which is the same rate of interest which the respondent/promoter shall be liable to pay to the allottee.

(iv) A period of 90 days is given to the respondent to comply with the directions given in this order as provided in Rule 16 of Haryana Real Estate (Regulation & Development) Rules, 2017, failing which legal consequences would follow.

(v) The respondent shall not charge anything from the complainant which is not part of the agreed terms and conditions.

30. **Disposed of**. File be consigned to the record room after uploading of the order on the website of the Authority.

(CHANDER SHEKHAR)
MEMBER

16.10.2026
Narinder Kaur
(Law Associate)