BEFORE THE HARYANA REAL ESTATE REGULATORY AUTHORITY, GURUGRAM

Complaint no.	**:**	**3129 of 2025**
Date of complaint	**:**	**11.07.2025**
Date of order	**:**	**13.10.2026**

Grammy Communications Pvt. Ltd.
Having Regd. Office at: J-12/14, Ground Floor, Major Sudesh Kumar Marg, Rajouri Garden, New Delhi. **Complainant**

Versus

KS Propmart Private Limited,
Having Regd. Office at: A-22, Hill View Apartments, Vasant Vihar, New Delhi-110057. **Respondent**

CORAM:
Arun Kumar **Chairman**

APPEARANCE:

Harshit Goyal (Advocate)	Complainant
Jagdeep Yadav (Advocate)	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 as provided under the provision 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 the project, the amount 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 tabular form:

S. No.	Heads	Details
1.	Name and location of the project	"Park Street" formerly known as "85 Avenue" Sector -85, Gurugram
2.	Project area	2.85 acres
3.	Nature of project	Commercial
4.	RERA registered/not registered	**Registered Vide no.** 41 of 2019 dated 30.07.2017 **Valid/renewed up to**- 30.06.2023
5.	DTCP license no. & validity status	100 of 2013 dated 02.12.2013 **Valid/renewed up to**- 01.12.2019 **Licensee-** M/s K.S Propmart Pvt. Ltd.
6.	Date of Allotment	18.09.2021 (page no. 16 of complaint)
7.	Unit No.	G-44A, G045, G-45-A & G-45B (page no. 22 of complaint)
8.	Unit admeasuring area	836 sq. ft. (super area) (page no. 22 of complaint)
9.	MoU dated	27.05.2022 (page 19 of complaint)
10.	Agreement for sale	Not executed
11.	Possession clause	***6.17 Possession Date:*** *The possession date will be Dec 2023 subject to force majeure and with an additional grace of 6 months.*
12.	Due date of possession	30.06.2024 (as per possession clause + Grace period of 6 months is allowed being unqualified)
13.	Total sale consideration	Rs.1,15,92,812/- (page no. 16 of complaint)
14.	Amount paid by complainant	Rs.75,00,000/-

		(as per page 23 of complaint
15.	Occupation certificate	Not obtained
16.	Offer of possession	Not offered

B. Facts of the complaint:

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

I. That the respondent company issued allotment letter dated 18.09.2021 in respect of booked unit bearing Unit No G-44A, G-45, G-45A & G-45B on Ground Floor, Retail Block at real estate project in question namely 'Park Street' situated at Sector 85, Gurgaon.

II. That the memorandum of understanding agreement was duly executed between the complainant and the respondent company on 21.0.5022 in respect of booked unit. As per clause 6.17 of the MoU dated 27.05.2022, the respondent company was liable to deliver possession of the booked unit by December 2023.

III. That the respondent company has failed to complete construction and obtain Occupation Certificate in respect of booked unit till date.

IV. That the respondent company has failed to issue offer of possession letter along with occupation certificate in respect of booked unit in favour of complainant till date.

V. That the respondent company has failed to pay delayed possession charges for the period of delay in delivery of possession accrued from due date of possession of December 2023 till date.

VI. That the respondent company has failed to register and execute sale deed in respect of booked unit in favour of complainant till date.

VII. That the respondent company has failed to execute builder buyer agreement in respect of booked unit till date in-spite of receipt of more

than 70% of agreed sale consideration from complainants in violation of Section 13 of Real Estate Regulation and Development Act, 2016.

VIII. That the complainants had already issued reminder emails dated 09.08.2022, email dated 23.09.2022, email dated 07.02.2023, email 11.04.2023 and email dated 14.12.2024 in favour of respondent company asking for execution of builder buyer agreement in respect of booked unit. However, respondent company failed to comply with same.

IX. That as per clause 1.4 of MOU Agreement dated 27.05.2022, the respondent company had assured and provided benefit and waiver of Rs.4,24,528/- payable under category of GST payable by complainant.

X. That the respondent company has issued unlawful and illegal demand letter dated 13.02.2025 and unlawful demand letter dated 27.02.2025 in violation of agreed payment plan incorporated in Schedule 1 of MOU.

XI. That as per agreed payment plan incorporated in Schedule 1 of MOU, the complainants had already paid Rs.75,00,0000/- out of basic sale consideration of Rs.1,10,99,572/- as and when demanded by respondent on a timely basis.

XII. That as per agreed payment plan incorporated in Schedule 1 of MOU, remaining sale consideration was payable at the time of issuance of final offer of possession along with occupation certificate in respect of booked unit.

XIII. That the complainant had invested his hard-earned money in the booking of the unit in the project in question on the basis of false promises made by the respondent in order to allure the complainant. However, the respondent has failed to abide all the obligations of him

stated orally and under agreement duly executed between both the present parties. Therefore, the present complainant is forced to file present complaint before this authority under Section 31 of Real Estate Regulation and Development Act, 2016 read with Rule 28 of Haryana Real Estate (Regulation and Development) Rules, 2017 to seek redressal of the grievances against the respondent company.

C. Relief sought by the complainant:

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

   i. Direct the respondent to execute BBA and conveyance deed, handover possession of the unit and to pay delay possession charges.

   ii. Set aside demand letter dated 13.02.2025 and 27.02.2025 and provide GST waiver of Rs.4,24,528/- as per MoU.

5. On the date of hearing, the authority explained to the respondent/ promoters 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.

6. The respondent put in appearance through its counsel and marked attendance on 26.11.2025. However, despite specific direction for filing reply in the matter, no reply has been received from respondent with regard to the present complaint till date. It shows that the respondent is intentionally delaying the procedure of the court by avoiding filing of reply in the matter. In view of the above, vide proceedings dated 13.10.2026, the defence of the respondent was struck off.

7. Copies of all relevant documents have been filed and placed on record. Their authenticity is not in dispute. Hence, the complaint can be decided based on these undisputed documents and submissions made by complainant.

D. Jurisdiction of the authority

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

D. I Territorial jurisdiction

9. As per notification no. 1/92/2017-1TCP dated 14.12.2017 issued by the Town and Country Planning Department, the jurisdiction of Real Estate Regulatory Authority, Gurugram shall be entire Gurugram District for all purpose with offices situated in Gurugram. In the present case, the project in question is situated within the planning area of Gurugram District. Therefore, this authority has completed territorial jurisdiction to deal with the present complaint.

D. II Subject matter jurisdiction

10. 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.*

11. 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.

E. Findings on the relief sought by the complainant.

E.I Direct the respondent to execute BBA and conveyance deed, handover possession of the unit and to pay delay possession charges.

12. The complainant has submitted that despite receipt of an amount of Rs.75,00,000/- from it against sale consideration of Rs.1,15,92,812/-, the respondent has failed to enter into a registered buyer's agreement against the unit allotted to it till date. Thus, seeking the relief of execution of buyer's agreement against the booked unit in its favour. The Authority observes that despite receipt of considerable amount against the booked unit back in 2021 from the complainant, the respondent-promoter has failed to enter into a written agreement for sale against the unit in question and has failed to get the unit registered in its name till date. Hence, it is violation of the provisions of the Act, and shows its unlawful conduct. As per Section 13(1) of the Act, 2016, the promoter is obligated to not to accept more than 10% of the cost of the apartment, plot or building as the case may be, as an advance from a person without entering into a written agreement for sale with such person and register the said agreement for sale. Thus, in view of Section 13 of the Act of 2016, the respondent-promoter is directed to enter into a registered buyer's agreement with the complainant as per the 'agreement for sale' annexed with the Haryana Real Estate (Regulation and Development) Rules, 2017 within a period of 60 days from the date of this order.

13. 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."

14. Clause 6.17 of the MoU dated 27.05.2022 provides for handing over of possession and is reproduced below:

6.17 Possession Date: The possession date will be Dec 2023 subject to force majeure and with an additional grace of 6 months..."

15. **Due date of possession:** The respondent/promoter vide clause 6.17 of the MoU dated 27.05.2022, proposed to hand over the possession of the said unit by December, 2023, with an extension of six months on account of force majeure conditions. The said grace period of 6 months being unqualified, is allowed to the respondent. Thus, the due date of possession, including the grace period of 6 months comes out to be 30.06.2024.

16. **Admissibility of delay possession charges at prescribed rate of interest:** Proviso to section 18 provides that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of possession, at such rate as may be prescribed and it has been prescribed under rule 15 of the rules. Rule 15 has been reproduced as under:

Rule 15. Prescribed rate of interest- [Proviso to section 12, section 18 and sub-section (4) and subsection (7) of section 19]
(1) For the purpose of proviso to section 12; section 18; and sub-sections (4) and (7) of section 19, the "interest at the rate prescribed" shall be the State Bank of India highest marginal cost of lending rate +2%.:
Provided that in case the State Bank of India marginal cost of lending rate (MCLR) is not in use, it shall be replaced by such benchmark lending rates which the State Bank of India may fix from time to time for lending to the general public.

17. The legislature in its wisdom in the subordinate legislation under the provision of Rule 15 of the Rules, has determined the prescribed rate of

interest. The rate of interest so determined by the legislature, is reasonable and if the said rule is followed to award the interest, it will ensure uniform practice in all the cases.

18. Consequently, as per website of the State Bank of India i.e., https://sbi.co.in, the marginal cost of lending rate (in short, MCLR) as on date i.e., 13.10.2026 is **8.80%.** Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., **10.80%.**

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

> *"(za) "interest" means the rates of interest payable by the promoter or the allottee, as the case may be.*
> *Explanation. —For the purpose of this clause—*
> *(i) the rate of interest chargeable from the allottee by the promoter, in case of default, shall be equal to the rate of interest which the promoter shall be liable to pay the allottee, in case of default;*
> *(ii) the interest payable by the promoter to the allottee shall be from the date the promoter received the amount or any part thereof till the date the amount or part thereof and interest thereon is refunded, and the interest payable by the allottee to the promoter shall be from the date the allottee defaults in payment to the promoter till the date it is paid;"*

20. Therefore, interest on the 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 complainant in case of delay possession charges.

21. 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. The authority observes that the due date of handing over of possession was 30.06.2024.

However, the respondent has failed to offer possession of the subject unit 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. Moreover, 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/completion 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 promoter as well as allottees.

22. 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., 30.06.2024 till valid offer of possession plus 2 months after obtaining occupation/completion 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.

23. 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 allottee. 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/completion certificate or what is the status of the development of the above-mentioned project. In view of the above, the respondent is liable to handover possession of the unit to the

complainants in terms of the MoU dated 27.12.2019 and execute conveyance deed in its favour as per Section 17(1) of the Act of 2016 on payment of stamp duty and registration charges as applicable, within three months after obtaining occupation/completion certificate from the competent authority.

E. II. Set aside demand letter dated 13.02.2025 and 27.02.2025 and provide GST waiver of Rs.4,24,528/- as per MoU.

24. The complainant has submitted that vide Clause 1.4 of the MoU dated 27.05.2022, the respondent had assured and provided benefit and waiver of Rs.4,24,528/- payable under category of GST payable by complainant. However, the respondent has issued unlawful and illegal demand letters dated 13.02.2025, 27.02.2025 in violation of agreed payment plan incorporated in Schedule 1 of MoU. Relevant clause pertaining to the same is reproduced as under for ready reference:

> *1.4 "Aggregating to Rs.75,00,000/- (Rupees Seventy Five Lakh Only) which includes Net G.S.T. [after GST benefit provided of Rs. 4,24,528/- (Rupees Four Lakh Twenty Four Thousand Five Hundred and Twenty Eight Only)] of Rs. Rs.4,24,528/- (Rupees Four Lakh Twenty Four Thousand Five Hundred and Twenty Eight Only)]. Hence, Net B.S.P paid by the Allottee to the Developer is Rs.70,75,472/- (Rupees Seventy Lakh Seventy Five Thousand Four Hundred and Seventy Two Only).*
> *The Allottee shall pay the other applicable charges to Developer as per the attached Schedule 1."*

25. The Authority observes that as per Clause 4.1 of the MoU, it has been specifically agreed between the parties that *"all taxes, whether service tax/G.S.T, property, statutory or municipal, rates, levies, duty, charges etc whether leviable now or in future applicable on sales consideration, shall be the sole responsibility of the allottee"*. Further, in the instant case, the due date of possession is 30.06.2024 i.e., after date of coming into force of GST. Thus, the respondent is entitled for charging GST from the

complainant at the applicable rate. Accordingly, the above relief sought by the complainant is declined. However, the complainant is well within its right to obtain bifurcation/justification from the respondent regarding the amount so charged from it under the head of GST and would also be entitled to proof of such payments to the concerned departments.

F. Directions of the authority

26. Hence, the Authority hereby passes this order and issues the following directions under Section 37 of the act to ensure compliance of obligations cast upon the promoter as per the function entrusted to the authority under Section 34(f):

i. The respondent/promoter is directed to enter into a registered buyer's agreement with the complainants as per the 'agreement for sale' annexed with the Haryana Real Estate (Regulation and Development) Rules, 2017 within a period of 60 days from the date of this order.

ii. 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., 30.06.2024 till valid offer of possession plus two months after obtaining occupation/completion 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.

iii. The arrears of such interest accrued from the due date of possession i.e., 30.6.2024 till the date of order by the authority shall be paid by the promoter to the allottee 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 before 10th of the subsequent month as per rule 16(2) of the rules.

iv. The respondent/promoter shall handover possession of the unit to the complainant in terms of the MoU dated 27.05.2022 and execute conveyance deed in its favour as per Section 17(1) of the Act of 2016.

v. The respondent shall not charge anything from the complainant which is not the part of the MoU dated 27.05.2022.

vi. The rate of interest chargeable from the allottee by the promoter, in case of default shall be charged at the prescribed rate i.e., 10.80% by the respondent/promoter which is the same rate of interest which the promoter shall be liable to pay the allottee, in case of default i.e., the delay possession charges as per Section 2(za) of the Act.

27. The complaint stands disposed of.

28. File be consigned to registry.

(Arun Kumar)
Chairman
Haryana Real Estate Regulatory Authority, Gurugram
Dated: 13.10.2026