BEFORE THE HARYANA REAL ESTATE REGULATORY AUTHORITY, GURUGRAM

Complaint no: 2437 of 2025
Date of filing: 22.05.2025
Date of decision: 08.09.2026

Isha Sharma
R/o:-A-903, Ansals Heights, Sector 86, Gurugram, Haryana-122004 **Complainant**

Versus

Signature Global (India) Private Limited
Registered office: 101, GF, Tower A, Signature Towers, South City-1, Sector 29, Gurugram-122001 **Respondent**

CORAM:
Shri Arun Kumar **Chairman**

APPEARANCE:
Mr. Sanjeev Bhardwaj (Advocate) Complainant
Mr. Shivaditya Mukherjee (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 thereunder or to the allottee as per the agreement for sale executed *inter se*.

A. Unit and project related details

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

S. N	Particulars	Details
1.	Name of the project	Signature Global Proxima 1, Sector 89, Gurugram-Haryana
2.	Nature of the project	Affordable group housing
3.	HRERA Registered or not registered	Registered 77 of 2019 dated 31.12.2019 valid upto 31.12.2023
4.	Allotment letter	18.12.2020 (page 46 of complaint)
5.	Date of agreement for sale	26.02.2021 [Page 48 of complaint]
6.	Unit no.	807, tower 2 (page 52 of complaint)
7.	Unit area	Carpet area 588.586 Sq.ft. (page 6 of complaint)
9.	Possession clause	*Clause 5.1* *The developer shall offer possession of the said flat to the allottee within a period of 4 years from the date of approval of building plans or grant of environment clearance (hereinafter referred to as the "commencement date", whichever is later".* (Emphasis supplied) [Page 65 of complaint]
10.	Date of building plan approval	22.11.2019 (page 52 of complaint)
11.	Date of environment clearance	24.12.2029 (page 4 of reply)
12.	Due date of possession	24.12.2023 (due date is calculated from the date of environmental clearance) ***Note:** inadvertently mentioned as 22.11.2023, in proceeding dated 08.09.2026)*
13.	Total sale consideration	Rs. 23,97,931/- [As per customer ledger, page 99 of complaint]
14.	Amount paid by the complainant	Rs. 24,21,490/- [As per customer ledger, page 99 of complaint]

15.	Occupation certificate	25.03.2026
16.	Offer of possession	Not offered

B. Facts of the complaint:

3. The complainant has made the following submissions: -

a) That a residential apartment was booked in an upcoming project viz. Signature Global (India) Pvt. Ltd. Proxima-I, Sector 89 at Gurugram, Haryana on 29.10.2020 in the name of Isha Sharma under equal six months' time payment plan. The project was being developed by the respondent.

b) That under the qual six months' time payment plan, the complainant was required to make periodical payment of the consideration for the flat based on the stage of construction.

c) That on 18.12.2020, the respondent allotted an apartment measuring 588.586 sq.ft. and balcony area of 85.176 sq.ft. carpet area in favour of the complainant vide flat no. T2-807 for a sale consideration of Rs. 24,21,490/- including applicable GST and executed a flat buyer agreement on 26.02.2021 with the applicant.

d) That as per the flat buyer agreement, sale consideration of the flat was Rs. 24,21,490/-. The complainant has made the total payment of Rs. 24,21,490/- till date and there is no dispute as the same amount has been shown by the respondent in the customer ledger maintained by them.

e) That the payments were stipulated in the agreement on milestone basis. However, the respondent on various occasion raised demands for payment without completion of the milestone. As a result, the complainant paid the total consideration towards the flat, even before the completion of milestones as contemplated in the application.

f) That the complainant has duly honored the demands raised by the respondent. The construction at the site of the project has not been progressed since the last demand was raised by the respondent and

consequently the respondent has failed to offer the possession of the flat to the complainant till date.

g) That as per the terms of the flat buyer agreement, the respondent was required to handover the possession of the flat to the complainant within 42 months from the date of execution of the agreement with a further grace period of 6 months. Accordingly, after considering grace period also, physical possession of the flat must have been handed over on or before 10.02.2024. However, the project has not been constructed so far and also no occupancy certificate is received.

h) That the respondent has failed to abide by the terms stipulated in the agreement. The cause of action to file the present complaint is arise on the day respondent failed to give the possession on the given date as per flat buyer agreement and that still continuing as the respondent has not delivered the possession of the flat for occupancy till date. The complainant has diligently discharged all his obligations as per the application/agreement, whereas, the respondent has failed to perform its obligations.

i) That the respondent has failed to abide the Rules and Regulations of HARERA and other Authorities. The respondent has not even applied for registration in RERA so far.

j) That the agreement stipulated for 12% interest p.a. compounded quarterly for the delay in payment/instalments and therefore, in terms of Section 2(za) of the Act, 2016. The complainant is also entitled to the same rate of interest for delay period in handing over of physical possession of the flat. Whereas as per terms of the agreement, in case the respondent is unable to develop the project within the agreed period of 48 months, it is liable to pay a nominal compensation of Rs. 5/- per sq.ft. per month for the delayed period.

The aforesaid condition is unilateral and arbitrary and provisions of RERA should be read in the agreement.

k) That the complainant has visited office of the respondent many times to complaint about delay in the project. However, no plausible reply has been received from the respondent. Since the respondent is unable to develop the project and handover physical possession of the flat for occupancy, the complainant is entitled to get compensation on the entire amount Rs. 24,21,490/- paid by him along with interest as applicable in RERA Act and Regulation from the date of each payment.

C. Relief sought by the complainant:

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

I. Direct the respondent to pay interest for the delay in possession in service as per Section 18 of the Act.

II. Impose interest on the amount already paid by the complainant to the respondent at the rate of 12% from the due date of possession till the actual date of possession.

III. Direct the possession to cover all legal costs incurred by the complainant in pursuing this complaint.

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

D. Reply by the respondent.

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

a) That the complainant has not approached the Authority with clean hands and has suppressed relevant facts. It is submitted that the complaint under reply is devoid of merits and the same should be dismissed with cost at the very threshold. The correct facts are set out in the succeeding paras of the present reply.

b) That the complainant with an intention to book an unit approached the company in the year 2020 seeking allotment of an unit in the Affordable Housing Project

titled as *"Signature Proxima-I"*, and submitted a booking application number 50389 on 29.10.2020 applying for a unit in the project of the respondent post being impressed with the specifications of the project with a desire to secure the allotment of an apartment/unit in the aforesaid project. Prior to making the booking, the complainant conducted extensive and independent enquiries with regards to the project and it was only after she was fully satisfied about all aspects of the projects, she took an independent and informed decision, uninfluenced in any manner by the respondent, to book the unit in question. The complainant was well aware, that the project had been launched in 2019 after RERA Registration bearing no. 77 of 2019 dated 31.12.2019. She was aware that the due date of possession for the unit was governed by the Affordable Housing Policy and was thus the same for every allottee regardless of the date of execution of the flat buyer's agreement. The due date of possession was to be calculated from the date of receipt of environmental clearance i.e. 24.12.2019. The complainant had further agreed vide clause 33 of the booking application that the construction and development of the project and unit was subject to any event or circumstances beyond the control of company as defined in the said clause.

c) That pursuant to the application, in terms of the Affordable Housing Policy and subsequent amendments, a draw of lots was held on 17.12.2020 in the presence of officials of DTCP/DC, Gurugram, and a flat bearing no. 807 in block/tower 2, having a carpet area of 588.586 sq. ft. on the 8th floor and balcony area 85.176 sq. ft. together with the two-wheeler open parking site (*hereinafter referred to as the "Unit"*) was allotted to the allotee(s), in terms of policy, the application and on other terms and conditions of the flat buyer's agreement.

d) That on 26.02.2021, a flat buyer's agreement, was executed for the said unit having sale price of Rs.23,96,932/- excluding all other charges, etc. as mentioned

and agreed by the complainant under the FBA. The said FBA was signed by the complainant voluntarily with free will and consent without any demur.

e) That the rights and obligations of the parties are completely and entirely determined by the covenants incorporated in the FBA, which continues to be binding upon the parties thereto, with full force and effect.

f) That as per the provision of clause 4.4 of the FBA, the complainant herein had agreed and undertaken to pay a balance 75% of the total cost, in terms of the payment schedule, in six equated monthly instalments spread over three years period, with no interest falling from the due date of payment. Further, as per the clause 4.6 of the FBA, in case of any delay in making timely payment of amounts in terms of the payment plan or otherwise payable in the agreement the allottee was duty bound to pay interest for the applicable period of delay at applicable rate of interest as per the applicable law(s).

g) That as per the provision of clause 5.1 of the FBA, the possession of the unit was proposed to be offered within an estimated period of 4 years from the date of the approval of building plans or grant of environment clearance, whichever is later subject to force majeure circumstances and events.

h) That as per the provision of clause 5.1 of the FBA as well as Affordable Housing Policy, the possession of the apartment was proposed to be offered within a period of 4 years from the date of approval of building plans or environment clearance, whichever is later. The said time period for offer of possession was subject to force majeure circumstances. It is pertinent to mention here that the environment clearance for the project was granted on 24.12.2019 and accordingly the due date of possession would come out to be 24.12.2023. However, the said date is entitled to be extended due to various *force majeure* circumstances as set out in the FBA.

i) That as per provision of clause 19 of the FBA, the complainant had agreed and understood the force majeure circumstances and also the fact that respondent

shall not be held responsible or liable for not performing obligations or undertaking provided therein and allottee shall not be liable for any compensation for such delay.

j) That the complainant at the time of applying for the allotment of the unit had expressly agreed vide clause 33 of the booking application that the development of the project and construction of the unit was subject to event and circumstances beyond the control of the reasonable control of the respondent.

k) That as per Clause 19 of the FBA, the respondent is entitled for extension of the timeline affected due to *force majeure* circumstances. The respondent was gravely affected by the various construction bans and lockdown imposed by the union and state authorities due to the effects of Covid 19 upon the real estate sector. It may be noted that the committed date of possession fall at the time of Covid-19 when the entire nation was under lockdown and considering the same the Ministry of Finance (MOF) vide Office Memorandum No. F.18/4/2020-PPD, dated 13.05.2020, had considered the period of covid-19 lockdown as *force-majeure* circumstance and had allowed the parties to the contract with an extension of 6 (six) months period for fulfilling the contractual obligations. Further, the Ministry of Housing and Urban Affairs vide Office Memorandum no. O-17024/230/2018-Housing-UD/EFS-9056405, dated 13.05.2020, had considered the said covid-19 situation as *force majeure* for real estate projects and advised the Regulatory Authorities to extend the registration date, completion date, revised completion date and extended completion date automatically by 6 (six) months due to the outbreak of covid 19. Further, the Authority at Panchkula upon considering the obstructions/challenges faced by various Real Estate Developers due to second wave of Covid–19, had allowed special extension of 3 months from 01.04.2021 to 30.06.2021, considering the same as *force majeure* event. Thus, the respondent is also entitled for 3 months extension for completion of the project. In the interest of justice, the respondent

being a bona-fide may also be entitled to an extension for the inadvertent delay so caused in the construction of the project owing to the worldwide Covid-19 pandemic.

l) That construction of real estate projects in Delhi NCR region was put on halt on various occasions by the various Courts, Authorities, NGT etc. to mitigate the adverse effects of the pollution. Due to such ban on construction, the promoter was constrained to halt the development work in compliance of various order which effected the timely completion of the project. The said delay was completely beyond the control of the respondent and thus, the respondent is entitled for extension for such period of delay. Certain bans were imposed by the commission for air quality management in national capital region and adjoining areas through their grap orders whereby the ban on construction was imposed in the Delhi and NCR. The details of force majeure circumstances and reasons beyond the control of the Respondent are highlighted in the table below:

S.No	AUTHORITIES / DATE OF ORDER	TITLE	DURATION OF BAN
1.	Commissioner, Municipal Corporation, Gurugram		11th of October 2019 to 31st of December 2019. (10 days)
2.	Supreme Court – 04.11.2019 - 14.02.2020	M. C. Mehta Vs. UOI WPC 13029 / 1985	(55 days)
3.	Covid-19 extension (First Wave)- HRERA, Gurugram / 26.05.2020	Order dated 26.05.2020	6 Months extension
4.	Covid-19 extension (Second Wave) HRERA, Panchkula / 02.08.2021	Extract of the Resolution passed in the meeting dated 02.08.2021,	3 months extension
5.	Commission for Air Quality Management (NCR and Adjoining Areas) / 16.11.2021	Order dated 16.11.2021	16.11.2021 to 21.11.2021 (6 days)
6.	Commission for Air Quality Management (NCR and Adjoining Areas) /29.10.2022	Order dated 29.10.2022	29.10.2022 to 14.11.2022 (17 days)

7.	Commission for Air Quality Manage (NCR and Adjoining Areas) /04.12.2022	Order dated 04.12.2022	04.12.2022 to 07.12.2022 (4 days)
8.	Commission for Air Quality Management (NCR and Adjoining Areas) /30.12.2022	Order dated 30.12.2022	30.12.2022 to 04.01.2023 (6 days)
9.	Commission for Air Quality Management (NCR and Adjoining Areas) /06.01.2023	Order dated 06.01.2023	06.01.2023 to 15.01.2023 (10 days)
10.	Commission for Air Quality Management (NCR and Adjoining Areas) /02.11.2023	Order dated 02.11.2023	02.11.2023 to 28.11.2023 (27 days)
11.	Commission for Air Quality Management (NCR and Adjoining Areas) /22.12.2023	Order dated 22.12.2023	22.12.2023 to 01.01.2024 (11 days)
12.	Commission for Air Quality Management (NCR and Adjoining Areas) /14.01.2024	Order dated 14.01.2024	14.01.2024 to 18.01.2024 (5 days)
13.	Commission for Air Quality Management (NCR and Adjoining Areas) /14.11.2024	Order dated 14.11.2024	14.11.2024 to 05.12.2024 (22 days)
14.	Commission for Air Quality Management (NCR and Adjoining Areas) /16.12.2024	Order dated 16.12.2024	16.12.2024 to 27.12.2024 (12 days)
15.	Commission for Air Quality Management (NCR and Adjoining Areas) /03.01.2025	Order dated 03.01.2025	03.01.2025 to 05.01.2025 (3 days)
16.	Commission for Air Quality Management (NCR and Adjoining Areas) /09.01.2025	Order dated 09.01.2025	09.01.2025 to 12.01.2025 (4 days)
17.	Commission for Air Quality Management (NCR and Adjoining Areas) /15.01.2025	Order dated 15.01.2025	15.01.2025 to 17.01.2025 (3 days)
18.	Commission for Air Quality Management (NCR and Adjoining Areas) /29.01.2025	Order dated 29.01.2025	29.01.2025 to 03.02.2025 (6 days)
19.	Commission for Air Quality Management (NCR and Adjoining Areas) /11.11.2025	Order dated 11.11.2025	11.11.2025 to 26.11.2025 (16 days)
20.	Commission for Air Quality Management (NCR and Adjoining Areas) /13.12.2025	Order dated 13.12.2025	13.12.2025 to 24.12.2025 (9 days)
21.	Commission for Air Quality Management (NCR and Adjoining Areas) /16.01.2026	Order dated 16.01.2026	16.01.2026 to 22.01.2026 (8 days)
22.	Commission for Air Quality Management (NCR and Adjoining Areas) /17.01.2026	Order dated 17.01.2026	17.01.2026 to 20.01.2026 (3 days)

TOTAL	1 year 5 months (approx.)

m) That the delay caused due to unforeseen circumstances as mentioned above, shall be considered and exempted while determining the due date to offer possession. The respondent had carried out its obligations in agreement with utmost diligence. After considering the above delay, the date to offer possession has to be extended by approximately 1 year 5 months approximately.

n) that the Hon'ble High Court of Punjab and Haryana, Chandigarh in a recent judgement/order dated 24.12.2025 in RERA-APPL-92-2025 and other similar connected matters, has accepted the arguments and submissions advanced on behalf of the company/developer with respect to the impact of the second wave of COVID-19, granting the benefit of an additional period of three months, as well as the Orders passed by Hon'ble Supreme Court, Government Authorities, National Green Tribunal (NGT) wherein the construction in the National Capital area has been stayed/banned from time to time and has remanded the matters to the Hon'ble Haryana Real Estate Appellate Tribunal (HREAT) for fresh consideration in view of the *"force majure"* clause contained in the builder buyer agreement/agreement for sale as parties are governed by the Builder Buyer agreement/agreement for sale and the clauses therein.

o) That the Authority shall take into consideration the unit in question is governed by the Affordable Housing Policy including but not limited to the sale consideration, due date of handing over the possession, delay penalties, termination etc. and the due date for handing over the possession of the unit in question is governed as per the affordable housing policy and shall not from the date of execution of the FBA.

p) That the Authority shall consider granting the extension firstly for a period of 6 months on account of the Covid – 19 outbreak as the project was launched in the year 2019 and furthermore, the environmental clearance by virtue of which the due date for handing over possession is calculated in the instant case was also

granted on 20.12.02019 i.e. prior to the Covid – 19 outbreak and hence the appellant is entitled to grant of 6 months extension period on the account of Covid – 19 pandemic, as a period from 25.03.2020 till 24.09.2020 as force majeure period due to outbreak of Covid-19 and granted relief/ extension in compliance of the same vide office order dated 26.05.2020. Secondly the respondent is also entitled for the grant of extension of 3 months on account of second wave of Covid-19 pandemic as grant by the HARERA, Panchkula. In addition to the above, the respondent is also entitled to the benefit of the Supreme Court and NGT etc. orders banning and restricting construction in Delhi NCR and the due date of possession as per the terms of the buyer's agreement ought to be extended accordingly.

q) that the complainant herein had defaulted in making the payment at various instances as per the affordable housing policy and the schedule of payment as agreed under the agreement. The majority of times, the payment from the complainant was received after the lapse of stipulated time period which led to levying of late payment charges on the complainant as per the Policy. The same can be verified from the statement of account wherein the payment entries are showing that at various occasions, the complainant had paid late payment charges due to default in making timely payments.

r) That the respondent had sent several demand letters dated 20.05.2021, 19.11.2021, 06.09.2022, 15.11.2022, 20.12.2022, 27.12.2022, 26.05.2023 and 26.06.2023, however, the complainant failed to perform his obligation of paying the dues. The complainant has only paid Rs. 24,13,688/- against the total sale consideration of Rs. 24,21,490/-, and the complainant was also obligated to pay the late payment fees on several instances owing to the default on her part to pay the outstanding dues in accordance to the FBA. The respondent had also waived off the late payment fees of the complainant of Rs. 3,781.85/- out of

goodwill. Furthermore, the respondent had provided a credit note of Rs. 7,802/- which the complainant had failed to acknowledge.

s) That the complainant in the present complaint has raised an issue of delay in completion of the project without taking into consideration that the project is delayed due to various reasons beyond the control of the respondent. Further, nowhere in the complaint, it has been disclosed that the committed date of possession as provided under the agreement, is subject to various *force majeure* circumstances. Thus, the respondent is entitled for extension of such time period effected due to the reasons disclosed in the preceding paras. Therefore, the contention of the complainant that the project is delayed since December 2023 is *non est* in the eyes of law and shall not be considered while adjudicating the present complaint.

t) That the project in question is in advance stage of development and shall be completed shortly. As mentioned above, the delay so caused was due to reasons beyond control and therefore, the respondent shall not be liable for the period wherein construction/development activity affected due to force majeure circumstances or order/direction of the Court or State.

u) That there exists no cause of action as much as in favour of the complainant or against the respondent and the complaint under reply is liable to be dismissed as per the facts and averments as explained hereinabove. Hence, the present complaint under reply is liable to be dismissed with cost for wasting the precious time and resources of the Authority. The present complaint is an utter abuse of the process of law and hence deserves to be dismissed.

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

8. Copies of all the relevant documents have been filed and placed on record. Their authenticity is not in dispute. Hence, the complaint can be decided on the basis of those undisputed documents and oral as well as written submissions made by the parties.

E. Jurisdiction of the authority

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

E.I Territorial jurisdiction

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

E.II Subject matter jurisdiction

11. Section 11(4)(a) of the Act, 2016 provides that the promoter shall be responsible to the allottees as per agreement for sale. Section 11(4)(a) is reproduced as hereunder:

> *"Section 11.....*
> *(4) The promoter shall-*
> *(a) be responsible for all obligations, responsibilities and functions under the provisions of this Act or the rules and regulations made thereunder or to the allottees as per the agreement for sale, or to the association of allottees, as the case may be, till the conveyance of all the apartments, plots or buildings, as the case may be, to the allottees, or the common areas to the association of allottees or the competent authority, as the case may be;*
> ***Section 34-Functions of the Authority:***
> *34(f) of the Act provides to ensure compliance of the obligations cast upon the promoters, the allottees and the real estate agents under this Act and the rules and regulations made thereunder."*

12. So, in view of the provisions of the Act quoted above, the authority has complete jurisdiction to decide the complaint regarding non-compliance of obligations by the promoter leaving aside compensation which is to be decided by the adjudicating officer if pursued by the complainant at a later stage.

F. Findings on the objections raised by the respondent.

F. I Objection regarding force majeure conditions.

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

14. Further, the Authority has gone through the possession clause of the agreement and observed that the respondent-developer proposes to handover the possession of the allotted unit by 24.12.2023 *(inadvertently mentioned as 22.11.2023, in proceeding dated 08.09.2026)*. As per HARERA Notification No. 9/3-2020 dated 26.05.2020, an extension of six months was granted for projects having a completion/due date on or after 25.03.2020. The completion date of the aforesaid project, in which the subject unit has been allotted to the complainant, is 24.12.2023, i.e., after 25.03.2020. However, in the present case, the builder buyer agreement was executed in the year 2021, therefore, it is reasonable to assume that the respondent was aware of the prevailing circumstances and agreed to the stipulated timeframe for possession accordingly. Consequently, any extension of time for handing over possession on account of COVID-19 cannot be granted, and the due date for handing over possession remains unchanged, i.e., 24.12.2023 *(inadvertently mentioned as 22.11.2023, in proceeding dated 08.09.2026)*.

G. Findings on the relief sought by the complainant.

G.I Direct the respondent to pay interest for the delay in possession in service as per Section 18 of the Act.

G.II Impose interest on the amount already paid by the complainant to the respondent at the rate of 12% from the due date of possession till the actual date of possession.

15. Both the above-mentioned reliefs sought by the complainant are being taken together as the findings in one relief will definitely affect the result of other relief and the same being interconnected.

16. The factual matrix of the case reveals that the complainant was allotted unit no. 807, tower 2, in the respondent's project at a sale consideration of Rs. 23,97,931/- under the Affordable Group Housing Policy, 2013. A buyer's agreement was executed between the parties on 26.02.2021. As per the terms of the agreement, possession of the unit was to be offered within four years from the date of approval of the building plans (22.11.2019) or the date of receipt of environmental clearance (24.12.2019), whichever was later. Accordingly, the due date for offering possession of the unit is calculated as 24.12.2023, *(inadvertently mentioned as 22.11.2023, in proceeding dated 08.09.2026)* being the later date reckoned from the date of receipt of the environmental clearance. The complainant has paid a sum of Rs. 24,21,490/- towards the subject unit. The respondent obtained the Occupation Certificate from the competent authority on 25.03.2026. However, possession of the unit has not been offered to the complainant till date.

17. The complainant herein 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."*

18. **Admissibility of delay possession charges at prescribed rate of interest:** The complainant is seeking delay possession charges. Proviso to Section 18 provides that where an allottee does not intend to withdraw from the project, he shall be

paid, by the promoters, interest for every month of delay, till the handing over of possession, at such rate as may be prescribed and it has been prescribed under Rule 15 of the Rules, ibid. Rule 15 has been reproduced as under:

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

19. The legislature in its wisdom in the subordinate legislation under the provision of Rule 15 of the Rules, ibid has determined the prescribed rate of interest. The rate of interest so determined by the legislature, is reasonable and if the said rule is followed to award the interest, it will ensure uniform practice in all the cases.

20. Consequently, as per website of the State Bank of India i.e., https://sbi.co.in, the marginal cost of lending rate (in short, MCLR) as on date i.e.,08.09.2026 is 8.80%. Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., 10.80%.

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

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

from the date the allottee defaults in payment to the promoter till the date it is paid;"

22. Therefore, interest on the delay payments from the 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 them in case of delayed possession charges.

23. On consideration of the documents available on record and submissions made by both the parties, the Authority is satisfied that the respondent is in contravention of the Section 11(4)(a) of the Act by not handing over possession by the due date as per the agreement dated 26.02.2021. By virtue of clause 1(iv) of the Affordable Housing Policy, 2013, the possession of the subject apartment was to be delivered by 24.12.2023 *(inadvertently mentioned as 22.11.2023, in proceeding dated 08.09.2026).*

24. However, it is the failure of the promoter to fulfil its obligations and responsibilities as per the buyer's agreement to hand over the possession within the stipulated period. Accordingly, the non-compliance of the mandate contained in Section 11(4)(a) read with Section 18(1) of the Act on the part of the respondent is established. As such the complainant is entitled to delay possession charges at rate of the prescribed interest @ 10.80% p.a. w.e.f. 24.12.2023 till the date of offer of possession plus two months or actual handing over of possession, whichever is earlier as per proviso to Section 18(1) of the Act read with Rule 15 of the Rules, ibid.

25. The Authority further observes that the respondent-promoter has obtained Occupation Certificate of the said project from the competent authority on 25.03.2026. Further, Section 17(1) of the Act of 2016 obligates the respondent-promoter to handover the physical possession of the subject unit to the complainant complete in all respect as per specifications mentioned in BBA and thereafter, the complainant-allottee is obligated to take the possession within 2 months as per provisions of Section 19(10) of the Act, 2016.

26. In view of the above, the respondent is directed to handover the possession of allotted unit to the complainant complete in all respect as per specifications of buyer's agreement within a period of one month from date of this order after payment of outstanding dues, if any, as the occupation certificate for the project has already been obtained by it from the competent authority.

27. Further, the respondent promoter is contractually and legally obligated to execute the conveyance deed upon receipt of the occupation certificate/completion certificate from the competent authority. 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. In view of above, the respondent shall execute the conveyance deed of the allotted unit within a period of 3 months from date of this order, upon payment of outstanding dues and requisite stamp duty by the complainant as per norms of the state government as per Section 17 of the Act, failing which the complainant may approach the adjudicating officer for execution of order.

G.III Direct the possession to cover all legal costs incurred by the complainant in pursuing this complaint.

28. The complainant is seeking above mentioned relief w.r.t. litigation cost. ***Hon'ble Supreme Court of India in case titled as M/s Newtech Promoters and Developers Pvt. Ltd. V/s State of Up & Ors. 2021-2022(1) RCR (C), 357*** held that an allottee is entitled to claim litigation charges under sections 12,14,18 and section 19 which is to be decided by the adjudicating officer as per section 71 and the quantum of litigation expense shall be adjudged by the adjudicating officer having due regard to the factors mentioned in section 72. The adjudicating officer has exclusive jurisdiction to deal with the complaints in respect of legal expenses.

H. Directions of the authority

29. 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 is directed pay interest at the prescribed rate i.e., 10.80% per annum for every month of delay on the amount paid by the complainant itself from due date of possession i.e., 24.12.2023 *(inadvertently mentioned as 22.11.2023, in proceeding dated 08.09.2026)* till the date of offer of possession plus two months or actual handing over of possession, whichever is earlier as per proviso to Section 18(1) of the Act read with Rule 15 of the Rules, ibid.

II. The arrears of interest accrued so far shall be paid to the complainant within 90 days from the 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, ibid.

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

IV. The respondent is directed to handover the possession of the allotted unit to the complainant complete in all aspects as per specifications of buyer's agreement within one month from date of this order, as the occupation certificate in respect of the project has already been obtained by it from the competent authority.

V. The respondent shall execute the conveyance deed of the allotted unit within a period of 3 months from date of this order, upon payment of outstanding dues and requisite stamp duty by the complainant as per norms of the state government as per Section 17 of the Act, failing which

the complainant may approach the adjudicating officer for execution of order.

VI. The respondent shall not charge anything from the complainant which is not the part of buyer's agreement or provided under Affordable Housing Policy.

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

31. File be consigned to registry.

(Arun Kumar)
Chairman
Haryana Real Estate Regulatory Authority, Gurugram
08.09.2026

HARERA
GURUGRAM