Haryana Real Estate Regulatory Authority • Panchkula •

# HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

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| **Complaint no.:** | **659 of 2025** |
| **Date of filing:** | **30.04.2025** |
| **First date of Hearing:** | **14.10.2025** |
| **Date of decision:** | **01.09.2026** |

Mahavir Singh and Wazir Singh
#348,Sector-7, HUDA, Panipat .....COMPLAINANT(S)

Versus

1. Sunbreeze Builders and Developers Pvt. Ltd.
2nd Floor, C-9/15, Sector-7, Rohini New Delhi-110085
2. Ceremony Homes
SCO No 2 GF Eldeco Hi Street Panipat .....RESPONDENT(S)

Present: - Adv. Wazir Singh, counsel for the complainants through VC.
None for the Respondent no.1 and 2.

**ORDER: (DR. GEETA RATHEE SINGH–MEMBER)**

1. Present complaint has been filed by the complainants under Section 31 of the Real Estate (Regulation & Development) Act, 2016 (for short Act of 2016) read with Rule 28 of the Haryana Real Estate (Regulation &



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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 fulfill 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 complainants, 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. | Shubhangan,Sector-40,Panipat, Haryana |
| 2. | RERA Registered | HRERA-PKL-PNP-129-2019 |
| 3. | Details of allotted unit. | Unit no. 12, Upper Ground Floor, Plot no. 12, admeasuring 614.96 sq. ft. |
| 4. | Allotment letter | 15.07.2021 |
| 5. | Buyer Agreement | Not Executed |
| 6. | Offer of Possession | Not offered |
| 7. | Total Sale Consideration | ₹37,75,500/- |
| 8. | Amount paid by the complainants | ₹36,00,650/- |



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## B. FACTS OF THE PRESENT CASE AS STATED BY THE COMPLAINANTS IN THE COMPLAINT:

4. The respondent promoter undertook the development of an affordable residential plotted colony admeasuring 9.481 acres under the name and style of Project "SHUBHANGAN", situated at Sector-40, Panipat, District Panipat.

5. On 10.02.2021, the complainants applied for the allotment of a unit in the said project and paid an initial booking amount of ₹2,00,000/- via cheque. Consequently, the respondent no.1 allotted Unit No. 12 UG (Type S-4, measuring 132 Sq. Yards / 110 Sq. Mtrs.) vide allotment letter dated 15.07.2021 for a total basic sale consideration of ₹36,00,000/-, along with additional charges comprising ₹30,000/- towards IFMS and and ₹92,000/- towards External Development Charges (EDC).

6. In accordance with the development-linked payment plan, the complainants deposited a total sum of ₹33,85,000.02/- towards basic sale consideration plus ₹32,399.98/- towards GST (aggregating to over 94% of the sale consideration) by 17.01.2023. The balance sum of 5% (₹1,79,999.98/- plus 1% GST), along with IFMS of ₹30,000/-, fell due only upon a valid offer of possession.

7. Despite accepting substantial payment far exceeding 10% of the unit cost in clear violation of Section 13 of the Real Estate (Regulation and

Development) Act, 2016 (RERA), the respondent failed to execute the builder buyer agreement. Written representations dated 17.04.2023, 28.06.2023, and 01.07.2023, as well as personal visits to the respondent's local office, elicited no redressal. Further, the respondent demanded an unauthorized administrative charge of ₹3,000/- for executing the agreement, disregarding earlier directives of HRERA Panchkula requiring adherence to the Model Agreement for Sale under Rule 8 of the Haryana RERA Rules, 2017.

8. Within five months of booking, the respondent unilaterally escalated the demand towards EDC from ₹92,000/- to ₹1,45,000/- without providing any justification or cost breakdown, which the complainants challenged on the strength of the Haryana Government's notification/press release dated 02.03.2021 reducing EDC/IDC rates from ₹1.24 Crore to ₹43.72 Lakhs per acre for residential plotted colonies.

9. The respondent failed to obtain the statutory occupation certificate and did not deliver possession within a reasonable period of three years from booking (i.e., by 10.02.2024), invoking the principles enunciated by the Hon'ble Supreme Court in *Fortune Infrastructure v. Trevor D'Lima* Since the complainants does not intend to withdraw from the project, entitlement to delay interest under the proviso to Section 18(1) of the Act has been asserted.

10. Prior to approaching this Authority, the complainants served a legal notice dated 16.03.2025. In its reply dated 22.03.2025, the respondent took a contradictory defense by asserting on the one hand that a reminder message was sent on 02.03.2022 regarding non-signing of the agreement, while simultaneously stating that the non-execution of the BBA was only discovered during a subsequent internal audit.

11. Premised on the aforesaid facts, the complainants has approached this Authority seeking execution of the BBA without extraneous charges, monthly delay interest under Section 18(1) from 10.02.2024 until handing over of possession, rationalization of EDC to ₹92,000/-, and issuance of a valid offer of possession under Section 17 of the Act upon obtaining the requisite occupation certificate.

## C. RELIEFS SOUGHT-

12. That the complainants seek following relief and directions to the respondents:-

   i. to allow the present complaint in favour of the complainants and against the respondents and direct the respondents to hand over the symbolic and constructive possession of the subject unit, complete in all respects, along with the promised specifications and basic

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amenities, without any further delay, and thereafter lease out the said unit to the complainants;

ii. To direct the respondents to execute the B.B.A. in favour of the complainants(s) in respect of the subject unit, with effect from the date of booking, i.e. 10.02.2021;

iii. To direct the respondents to pay interest on the total amount paid by the complainants, at the prescribed rate of interest under the RERA, from the due date till the date of handing over of possession;

iv. To direct the respondents to pay assured returns till the subject unit is leased out;

v. To direct the respondent-company to revise the EDC demand from ₹1,45,000/- to ₹92,000/-, as initially communicated, and to refund the excess amount of ₹53,000/- allegedly collected from the complainants, along with interest;

vi. To restrain the respondents from raising any fresh demand under any head, as the complainants/co-applicant has already made payments in accordance with the payment plan;

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vii. To direct the respondents to lease out the subject unit in accordance with the allotment letter till the unit is handed over to the complainants(s);

viii. To direct the respondents not to compel the complainants to execute any indemnity-cum-undertaking as a pre-condition for execution of the conveyance deed;

ix. To direct the respondents not to levy any irrelevant charges, including labour cess, maintenance charges, electrification charges, etc.;

x. To take appropriate legal action and impose penal charges upon the respondents for alleged violations of the provisions of the Act;

xi. To direct the respondents to make compensation on account of causing huge mental stress and harassment and as such, the complainants on account of mental harassment caused for delay in possession of the unit quantified his claim as ₹1,00,000/- under this head.

xii. To direct the opposite part to pay ₹2,00,000/- under section-12 of Real Estate(Regulation and Development Act)

xiii. To direct the opposite party to reimburse litigation cost of ₹50,000/- to the complainants.

xiv. To issue any other or directions as this Hon'ble Authority deems fit in view of above narrated facts and circumstances of the case.

## D. REPLY SUBMITTED ON BEHALF OF RESPONDENT NO. 1

13. That the respondent promoter filed its written reply contesting the claims both on maintainability and merits. The respondent no.1 raised a preliminary objection that the complaint is frivolous, vexatious, and an abuse of the process of law filed with unclean hands by concealing material facts, rendering it liable to be dismissed *in limine* with costs. It was further contended that the complainants is not a *bona fide* allottee under Section 2(d) of the Real Estate (Regulation and Development) Act, 2016, as the booking was made purely with a speculative intent to earn financial gains and hedge against real estate market fluctuations rather than for residential self-use.

14. That following a physical site inspection, the complainants booked Unit No. UG-12 (Customer ID: SBF/20-21/012UG) in the project *"SHUBHANGAN"*, Sector-40, Panipat, by paying a part booking amount of ₹2,00,000/- vide cheque dated 10.02.2021 (against which Receipt No. R000123 dated 25.03.2021 was issued) against the total booking amount of ₹3,60,000/-. Pursuant thereto, the allotment letter dated 15.07.2021 along with the Construction Linked Payment Plan was duly issued.

15. The respondent averred that along with the allotment letter, the complainants was explicitly directed to coordinate with the respondent's officials to execute and register the Builder-Buyer Agreement (BBA) at the Office of the Sub-Registrar, Panipat, on any working Friday by giving 15 days' advance notice for booking the slot; however, the complainants failed to provide the requisite intimation. It was further submitted that despite issuance of reminder letters dated 27.11.2021 and 28.03.2023, along with a whatsapp communication dated 02.03.2022 requesting the complainants to address the non-signing of the agreement, the complainants remained non-compliant, thereby directly impeding the formal execution of the BBA.

16. The respondent further contended that timely payment was the essence of the contract and the complainants was chronically irregular in remitting milestone installments, which created financial bottlenecks and caused delays in the construction process for which the respondent cannot be fastened with liability.

17. Regarding the external development charges, the respondent maintained that the demand of ₹1,45,000/- was strictly in accordance with statutory regulations and the payment schedule appended to the allotment letter dated 15.07.2021. As such, the complainants's claim vide letter dated 01.07.2023 seeking reduction of EDC to ₹92,000/- and



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refund of ₹53,000/- with interest was denied as untenable and contrary to the agreed terms.

18. Resisting the claim for delay compensation and cloaked demands for assured returns, the respondent submitted that vide email dated 01.07.2023, the complainants was categorically informed that the timeline for delivery of possession would commence from the date of execution of the BBA and not from the date of booking. The respondent asserted that it derives no commercial benefit from delaying the project, as any delay entails cost escalations and reputational damage, and that the delay is solely attributable to the complainants's own default in executing the agreement and adhering to the payment schedule. On these grounds, the respondent prayed for the dismissal of the complaint.

## E. REPLY SUBMITTED ON BEHALF OF RESPONDENT NO. 2

19.Notice was successfully delivered to respondent no.2 on 07.05.2025. However neither any reply has been filed by the respondent no.2 nor did the respondent is represented by anyone. Accordingly defence of respondent no.2 was struck off vide order dated 07.04.2026 and is proceeded against ex-parte.

**E. REJOINDER DATED 25.03.2026 FILED BY COMPLAINAT**

The complainants, in their rejoinder, have reiterated the contents of the complaint and controverted the averments made by the respondent no.1 in their reply. The complainants have, inter alia, submitted as under:

20. That admittedly no builder buyer agreement was executed between the parties, despite the fact that the substantial amount towards the sale consideration had been received by the respondent. In the absence of an executed BBA, the respondent cannot impose unilateral terms upon the complainants or raise demands without any contractual or legal basis.
21. That the respondent have failed to deliver possession of the allotted unit within a reasonable period and the delay is attributable to the respondents. The complainants have asserted that they are entitled to interest for the delay in handing over possession under the provisions of the Real Estate (Regulation and Development) Act, 2016.
22. That in the absence of an executed BBA, the date of booking is the relevant date for determining the period of delay and the respondent cannot take advantage of the non-execution of the BBA or their own lapses. The complainants have accordingly claimed interest on the amounts deposited by them from the date of booking till the date of actual physical and lawful possession.

23. That the respondent have also raised illegal and arbitrary demands towards EDC and other charges, which, according to the complainants, have no valid contractual basis and are contrary to law. The complainants have, therefore, sought appropriate directions against the respondents in respect of such demands and have prayed that no amount be recovered from them except as permissible under law.
24. That the payments made by the complainants were bona fide and there was no deliberate default on their part. It has further been submitted that any alleged delay in payment, if at all, was attributable to the respondents' own lapses and unlawful demands, and the respondents cannot take advantage of their own wrong.
25. That the complainants are not seeking refund of the amount paid by them and are willing to continue with the project. They have sought lawful physical possession of the allotted unit along with interest for the delay in handing over possession.
26. That the conduct of the respondent, including non-execution of the BBA, receipt of substantial amounts, delay in handing over possession and raising of disputed demands, amounts to an unfair trade practice and is contrary to the provisions of the Act.
27. That the complainants have denied the contrary averments made by the respondents in their reply and have reiterated their prayer for interest on the amount deposited by them, handing over of lawful physical

possession of the allotted unit, obtaining the requisite Occupation Certificate and execution of the Conveyance Deed/Sale Deed in their favour, besides appropriate relief in respect of the disputed demands and compensation towards mental agony and litigation expenses.

## G. ARGUMENTS OF LEARNED COUNSEL FOR THE COMPLAINANTS AND RESPONDENT No.1

28. During oral arguments, both parties reiterated their arguments as were submitted in writing.

## H. ISSUES FOR ADJUDICATION

29. Whether the complainants are entitled to get possession of booked plot along with delay interest in terms of Section 18 of RERA, Act of 2016?
30. Whether the complainants are entitled to assured return or not?

## I. Findings on the objections raised by the respondent no. 1 -

### I.1 *Objection of respondent no.1 that complainants is not an "allottee"*

The respondent no.1 has contended that the complainants is not a *bona fide* allottee within the meaning of Section 2(d) of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as the "Act"), alleging that the unit was purchased purely for speculative/investment purposes rather than self-consumption.In this regard, this Authority observes that Section 31 of the Act entitles *"any aggrieved person"* to institute a complaint against a promoter for any violation or contravention of the provisions of the Act, Rules, or Regulations framed thereunder. The complainants herein is squarely an "aggrieved person" seeking statutory redressal under Section 31.

Section 2(d) of the Act defines an "allottee" as follows:

> *"allottee", in relation to a real estate project, means the person to whom a plot, apartment or building, as the case may be, has been allotted, sold (whether as freehold or leasehold) or otherwise transferred by the promoter, and includes the person who subsequently acquires the said allotment through sale, transfer or otherwise but does not include a person to whom such plot, apartment or building, as the case may be, is given on rent;*

A bare perusal of the statutory definition reveals that the Act recognizes only two primary contracting entities in a transaction of this nature—the "promoter" and the "allottee". Unlike certain other statutes, the RERA Act, 2016 does not define, contemplate, or carve out any separate category of an "investor," nor does it draw any distinction between an allottee acquiring a unit for self-use/residential consumption and one acquiring it for financial or investment purposes. Upon a careful perusal of the record, it is undisputed that Unit No. 12 UG (Type S-4, measuring 132 Sq. Yards / 110 Sq. Mtrs.) in the project *"SHUBHANGAN"*, Sector-40, Panipat was allotted to the complainants vide allotment letter dated 15.07.2021. Once an allotment is established on record, the purchaser indisputably assumes the statutory character of an "allottee" and is entitled to all protections and remedies provided under the



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Act.This position of law is well-settled. The Hon'ble Maharashtra Real Estate Appellate Tribunal, in its order dated 29.01.2019 passed in Appeal No. 0006000000010557 *(M/s Srushti Sangam Developers Ltd. v. Sarvapriya Leasing (P) Ltd. & Anr.)*, categorically held that the concept of an "investor" is completely alien to the RERA Act, 2016, and a promoter cannot deny statutory benefits to an allottee on the pretext of speculative investment. Furthermore, this Authority has consistently reaffirmed this principle, including in its order dated 13.11.2025 passed in Complaint No. 321 of 2025 (*Harpreet Singh Chona v. Vatika Ltd. & Ors.*).Consequently, the preliminary objection raised by the respondent no.1 that the complainants, being an alleged investor, is excluded from the purview of Section 2(d) of the Act is legally untenable and stands rejected.

## J. OBSERVATION & DECISION OF THE AUTHORITY

### a. Observation with regard to whether the complainants is entitled to possession along with delay interest.

31. Authority has gone through the rival contentions and the material available on record. In light of the background of the matter as captured in this order and the submissions made by both parties, the Authority observes that the complainants had booked a residential unit bearing Unit No. 12 UG (Type S-4, Upper Ground), measuring 132 Sq. Yards / 110 Sq. Mtrs., in the



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affordable residential plotted colony namely Project "SHUBHANGAN", Sector-40, Panipat, Haryana. An allotment letter dated 15.07.2021 was issued by the respondent no.1 in favour of the complainants for a total basic sale consideration of ₹36,00,000/-, along with additional charges towards IFMS of ₹30,000/- and EDC of ₹92,000/-, following an initial booking deposit of ₹2,00,000/- made on 10.02.2021. Against the said total consideration ₹36,00,000/- the complainants has allegedly deposited an aggregate amount of ₹33,85,000.02/- plus ₹32,399.98/-.

Complainants are aggrieved by the fact that despite receipt of more than 94% of the sale consideration, the respondent failed to execute the builder buyer agreement and deliver possession of the subject unit within a reasonable period of three years from the date of booking (i.e., by 10.02.2024).

32. Respondent no.1 in its reply rebutted the allegations made by complainants regarding failure to execute BBA despite accepting payment of more than 94% and averred along with the allotment letter dated 15.07.2021, complainants was explicitly directed to coordinate with the respondent's officials to execute and register the builder buyer agreement at the office of the Sub-Registrar, Panipat, on any working friday by giving 15 days' advance notice; however, the complainants failed to do the same. The respondent no. 1 further averred that despite issuance of demand reminders dated 27.11.2021

and 28.03.2023, as well a whatsapp communication dated 02.03.2022 requesting the complainants to address the non-signing of the agreement, the complainants remained non-compliant, thereby directly impeding the formal execution of the BBA. The respondent no. 1 contended that timely payment was the essence of the contract and the complainants were chronically irregular in remitting milestone installments, creating operational hindrances for which the promoter cannot be held responsible. Regarding the external development charges the respondent no. 1 maintained that the demand of ₹1,45,000/- was strictly in accordance with statutory regulations and the payment schedule appended to the allotment letter. The complainants were categorically informed vide email dated 01.07.2023 that the timeline for delivery of possession was to run from the date of execution of the BBA and not from the date of booking, and that any delay is solely attributable to the complainants's own default in executing the agreement and adhering to the payment schedule.

33. With regards to execution of the builder buyer agreement, the document on record before this Authority reveals that at the time of issuing of letter of allotment dated 15.07.2021, the respondent no. 1 had also issued a separate communication requiring the complainants to coordinate with the respondent no.1 for execution and registration of the builder buyer agreement. Thus, the requirement for execution of the agreement was communicated to the

complainants contemporaneously with the issuance of the letter of allotment. Thereafter, correspondences were exchanged between the parties from time to time in relation to execution of the agreement as well as payment of the construction-linked instalments. The respondent no. 1 has placed on record the whatsapp communication dated 02.03.2022 and the subsequent reminder dated 28.03.2023 calling upon the complainants to proceed with execution/registration of the builder buyer agreement. On the other hand, the complainants, vide their communications dated 17.04.2023, 28.06.2023 and 01.07.2023, raised certain objections regarding the terms proposed to be incorporated in the agreement, including the commencement of the possession period from the date of execution of the builder buyer agreement.

34. Thus, the material available on record demonstrates that complainants and respondent no. 1 had exchanged correspondence regarding execution of the builder buyer agreement at different points of time. However, despite such correspondence, the builder buyer agreement was ultimately not executed between the parties. Absence of an executed builder buyer agreement assumes significance for determining the period within which possession of the subject unit was required to be handed over. Since, no duly executed builder buyer agreement containing a specific date or period for handing over possession is available on record, the letter of allotment dated 15.07.2021 is the last signed document with regard to allotment of unit in question and its

terms and therefore its terms and conditions are binding upon both parties. As per the letter of allotment dated 15.07.2021, the following stipulations are contained in its footnotes:

> *"Possession date will be as per the terms of allotment or agreement to sell from the date of start of development work for the project subject to Force Majeure Conditions."*

In absence of an agreement of sell or any document to determine the date of start of development work, the due date for handing over possession will be reckoned as per terms of allotment letter. On perusal of allotment letter dated 15.07.2021, it is observed that there is no specific timeline provided for handing over possession. In absence of any specific timeline for handing over possession, Authority placed reliance upon the judgment of the Hon'ble Supreme Court of India in ***Fortune Infrastructure (now known as M/s Hicon Infrastructure) & Anr. v. Trevor D'Lima & Ors.*, (2018) 5 SCC 442**, wherein it has been held that where no specific period for delivery of possession is stipulated, a period of three years may be considered a reasonable period for completion of the project and handing over of possession. The reasonable period of three years shall be reckoned date of allotment, i.e., 15.07.2021, and expired on 14.07.2024. There is no document on record to show whether any offer of possession has been made to the complainants till that date.

Nevertheless, as observed above, the allotment letter provides that the possession shall be subject to force majeure conditions. In such a given scenario it becomes necessary to determine whether any force majeure condition occurred during the intervening time i.e., from 15.07.2021 uptil 14.07.2024 (deemed date of possession). In this regard it is observed that Ministry of Housing and Urban Affairs considered and declared Covid-19 as force majeure condition and issued an advisory for extension of registration of real estate projects on account of the Force Majeure event arising from the COVID-19 pandemic. Pursuant thereto, the Haryana Real Estate Regulatory Authority issued orders/resolutions dated 26.05.2020, vide which general extension of six months from 25.03.2020 to 24.09.2020 was granted on account of the COVID-19 pandemic, followed by a further resolution dated 02.08.2021, a general extension of three months i.e., from 01.04.2021 to 30.06.2021 on account of the second wave of COVID-19, treating the latter period as a zero period.

However, in the present case, the letter of allotment itself was issued on 15.07.2021, whereas the periods covered by the aforesaid COVID-19 extensions had already elapsed prior thereto. Since the reasonable period for completion of the project and handing over possession is being determined from the date of allotment, i.e. 15.07.2021, benefit of COVID-19 is not to been given to the respondent no.1 and and 14.07.2024 is to be considered as deemed date of handing over possession. The respondent no.1 were required to complete the project, obtain the requisite statutory approvals and make a valid offer of lawful possession of the subject unit to the complainants by the said date.

35. Furthermore, with regard to contention of the respondent no.1 that delay in project was caused as the complainants was irregular in making payments, it is observed that the respondent no.1, along with his reply, has placed on record a tabulated statement reflecting the dates of payments, receipt numbers and the corresponding receipts. As per the said receipts, the complainants has paid a total amount of ₹36,00,650/- against the total sale consideration of ₹37,75,500/-. Further, the respondent no.1 have also placed on record a statement dated 30.12.2022, which also reflects the payments made by the complainants from time to time. The material placed on record, including the aforesaid statement and receipts, does not establish that the complainants was in default of payment in a manner which caused or materially contributed to the respondent failure to complete the project and offer lawful possession within the aforesaid reasonable period. Accordingly, the contention of the respondent no.1 regarding irregularity in payment does not justify postponing the deemed date of possession determined hereinabove.

36. It is matter of record that the respondent no.1 have not obtained the requisite occupation certificate and thereafter made a valid offer of lawful

physical possession of the subject unit to the complainants till date. The respondent no.1 assertion that the construction has been completed or that an application for grant of occupation certificate has been submitted before the competent authority cannot, by itself, amount to a valid offer of lawful possession. The promoter is required to obtain the requisite statutory approval and thereafter make a valid offer of possession in accordance with law.

Since the complainants have expressed their intention to continue with the project and seek possession of the allotted unit, the matter falls within the proviso to Section 18(1) of the Act. Accordingly, the respondent no. 1 is liable to pay interest for every month of delay until handing over of possession. The complainants are, therefore, entitled to delay possession interest from 14.07.2024, i.e. the deemed date of possession determined by the Authority, till the date of valid offer of lawful possession and also further interest for every month of delay occurring thereafter till the handing over of possession of unit in question.

37. As per Section 18 of Act, interest shall be awarded at such rate as may be prescribed. 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*



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*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".*

38. The legislature in its wisdom in the subordinate legislation under the provisions 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.

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. 01.09.2026 is 8.80%. Accordingly, the prescribed rate of interest will be MCLR + 2% i.e. 10.80%.

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;*

39. Hence, Authority directs respondent no.1 to pay delay interest to the complainants for delay caused in delivery of possession at the rate prescribed in Rule 15 of Haryana Real Estate (Regulation and Development) Rules, 2017 i.e. at the rate of SBI highest marginal cost of lending rate (MCLR)+ 2%. The respondent no. 1 along with its reply, has placed on record receipts evidencing the payment made by the complainants towards consideration is ₹36,00,650/-. Accordingly, for the purpose of calculation of delay interest, aforesaid amount shall be taken into consideration. The calculation of delay interest payable as under :-

| Sr. No | Principal Amount (in ₹) | Deemed date of Possession | Interest Accrued till 01.09.2026 (in ₹) |
|---|---|---|---|
| 1. | ₹36,00,650/- | 14.07.2024 | ₹8,31,010/- |
| | **Monthly interest = ₹31,962/-** | | |

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b. **Observation with regard to whether the complainants is entitled to assured return or not**

40. With regard to the relief sought at sr. no. (iv), i.e. for assured returns, the Authority has examined the terms and conditions contained in the letter of allotment dated 15.07.2021. The said letter of allotment does not contain any stipulation providing for payment of assured returns to the complainants in respect of the subject unit. In the absence of an executed builder buyer agreement, the rights and obligations of the parties are being determined in accordance with the terms contained in the letter of allotment, no entitlement of the complainants towards assured returns is made out from the allotment documents placed on record. Further, no specific contractual stipulation or other legally enforceable basis has been placed on record establishing the entitlement of the complainants to assured returns. Accordingly, the said relief cannot be granted.

c. **Observation with regard to EDC/IDC**

41. With regard to claim relating to EDC/IDC, the Authority has perused the letter of allotment dated 15.07.2021 along with the schedule of payments forming part thereof. The schedule of payments specifically discloses an amount of ₹1,45,000/- towards EDC/IDC under the instalment payable on start of development work and also mentions the same amount under the head

"Additional Cost". Thus, the liability towards EDC/IDC was specifically disclosed to the complainants at the time of issuance of the letter of allotment itself. The said charges are also statutory charges relating to the development of the project and, as specifically provided in the allotment documents, are payable by the complainants. Further, the schedule of payments provides that any enhancement in EDC/IDC by the concerned authority shall be charged additionally on pro-rata basis.

In view of the aforesaid specific disclosure in the letter of allotment and the schedule of payments, the contention of the complainants that the respondent no. 1 subsequently enhanced the EDC/IDC from ₹92,000/- to ₹1,45,000/- is not borne out from the record. Consequently, the prayer of the complainants seeking refund of ₹53,000/- on account of alleged enhancement of EDC/IDC is not sustainable and is accordingly declined.

**d. <u>Observation with regard to other reliefs</u>**

42.With regard to relief (vii), i.e., seeking a direction to the respondents to lease out the subject unit in accordance with the terms of the allotment letter till the unit is handed over to the complainants, the Authority observes that the letter of allotment does not contain any stipulation obligating the respondents to provide the subject unit on lease or to pay any amount towards

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lease/rent till the handing over of possession. In the absence of any such stipulation in the allotment documents, the said relief cannot be granted.

43. Complainants are also seeking specific relief at sr. nos. (viii) to (x). However, said relief was never pressed upon by the complainants during the hearing. Hence, no observation is made in this regard.

44. With regard to the relief sought at sr. no. (ix), the Authority observes that the charges referred to by the complainants, including labour cess, maintenance charges, electrification charges, etc., are payable by the complainants in accordance with the terms of the allotment. However, the liability towards such charges shall arise at the stage when a valid offer of possession of the subject unit is made by the respondent no. 1. Accordingly, the respondent no. 1 shall be entitled to levy and recover such charges from the complainants at the time of making a valid offer of possession, in accordance with the terms of the allotment and applicable law.

45. With regard to relief under (xi), (xii), (xiii), complainants are seeking cost of litigation, compensation on account of huge mental stress and harassment. It is observed that Hon'ble Supreme Court of India in Civil Appeal Nos. 6745-6749 of 2021 titled as ***"M/s Newtech Promoters and Developers Pvt Ltd. V/s State of U.P. & ors." (supra,),*** has held that an allottee is entitled to claim compensation & litigation charges under Sections 12, 14, 18 and

Section 19 which is to be decided by the learned Adjudicating Officer as per section 71 and the quantum of compensation & litigation expense shall be adjudged by the learned Adjudicating Officer having due regard to the factors mentioned in Section 72. The adjudicating officer has exclusive jurisdiction to deal with the complaints in respect of compensation & legal expenses. Therefore, the complainants are free to approach the Adjudicating Officer for seeking the relief of litigation expenses.

46. Authority observes that complaints have arrayed 'Sunbreeze Builders and Developers Pvt. Ltd.' as respondent no. 1 i.e., 'Ceremony Homes' as respondent no. 2. However, upon perusal of record, it is observed that no document evidencing any agreement or transaction between complainants and respondent no.2 has been placed on record by complaints. The demand letters placed on record have been issued by the M/s Sunbreeze Builders and Developers Private Limited and the payments have also been made to said respondent. Further no specific relief is claimed against respondent no. 2. Accordingly , no relief is granted against respondent no. 2.

## K. DIRECTIONS OF THE AUTHORITY

47. Hence, the Authority hereby passes this order and issues following directions under Section 37 of the RERA Act,2016 to ensure the compliance

of obligations cast upon the promoter as per the function entrusted to the Authority under Section 34(f) of the Act of 2016

i. Respondent no. 1 is directed to make a legally valid possession of the unit within 30 days after obtaining Occupation Certificate from the concerned Authority. Complainants shall accept the same within next 30 days.

ii. Respondent no.1 is directed to pay upfront delay interest as calculated in para 39 of the order to the complainants towards delay already caused in handing over the possession within 90 days from the date of uploading of the order. Further,monthly interest of ₹31,962/- shall be payable by the respondent to the complainants uptill handing over of the possession after obtaining occupation certificate.

iii. Further respondent no.1 is directed to execute the Conveyance Deed as per Section 17 of the RERA Act,2016.

iv. Complainants will remain liable to pay balance consideration including stamp duty charges as per allotment letter, if any, to the respondents at the time of offer of possession.

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48. Hence, the complaint is accordingly **disposed of** in view of above terms. File be consigned to the record room after uploading of the order on the website of the Authority.

**DR. GEETA RATHEE SINGH**
**[MEMBER]**