BEFORE THE HARYANA REAL ESTATE REGULATORY AUTHORITY, GURUGRAM

Complaint no.	:	**5902 of 2025**
Date of filing	:	**13.11.2025**
Date of decision	:	**14.08.2026**

Promila Sharma And Pragya Sharma
R/o: - Plot No.82, PG Block, Dda Flats,
Janak Puri, New Delhi

Complainant

Versus

M/s Signature Global Homes Private Limited
Regd. Office at: - 1309,13th Floor, Dr. Gopal Das Bhawn Connaught Place, New Delhi

Respondent

CORAM:
Shri Arun Kumar

Chairman

APPEARANCE:
Shri Atul Kumar Singh (Advocate) **Counsel for Complainant**
Shri Venket Rao (Advocate) **Counsel for Respondent**

ORDER

1. The present complaint has been filed by the complainant/allottee under section 31 of the Real Estate (Regulation and Development) Act, 2016 (in short, the Act) read with rule 28 of the Haryana Real Estate (Regulation and Development) Rules, 2017 (in short, the Rules) for violation of section 11(4)(a) of the Act wherein it is *inter alia* prescribed that the promoter shall be responsible for all obligations, responsibilities and functions under the provisions of the Act or the Rules and regulations made there under or to the allottees as per the agreement for sale executed *inter se*.

A. 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	SIGNUM PLAZA-I, SECTOR-36
2.	Nature of the project	Commercial Building In Affordable Plotted Colony
3.	Project area	5 ACRES
4.	License no.	18 OF 2021dated 16.04.2021 valid till 15.04.2026
5.	RERA registered or not	62 of 2021 dated 11.10.2021 valid upto 31.10.2024
6.	Builder buyers' agreement dated	12.01.2022
7.	Allotment letter dated	13.11.2021
8.	Unit no.	F-12, 1st floor
9.	Area of the unit	101.87 sq. ft
10.	Possession clause	**7. POSSESION** *The Promoter assures that possession of the project shall be handed over in accordance with the agreed terms and conditions on or before 30th June 2023 in respect of plots, and on or before 28th February 2024 in respect of four-floor units. However, the aforesaid timelines shall be subject to any delay arising due to force majeure events, including but not limited to court orders,*

		governmental policies, decisions, or any other circumstances beyond the control of the Promoter.
11.	Due date of possession	30.06.2023 (As per the possession clause7.1)
12.	Total sale price	Rs. 23,27,514/- [As per SOA dated 29.05.2025 page 39 of the complaint]
13.	Paid up amount	Rs. 8,14,630/- [As per SOA dated 29.05.2025 page 39 of the complaint]
14.	Occupation certificated	Not received
15.	An email sent by the complainant to the respondent seeking refund	06.02.2025 and 03.03.2025
16.	Cancellation notice dated	14.07.2025

B. Facts of the complaint

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

i. That the respondent company is engaged in the business of real estate development and represented itself as one of its flagship companies, having its registered office at 13th Floor, Dr. Gopal Das Bhawan, 28 Barakhamba Road, Connaught Place, New Delhi – 110001.

ii. That the respondent company, through its representatives, approached the complainant and represented that its ongoing real estate projects, namely, "Signum Plaza I" and "Signature Global Park I", would cater to the commercial and residential requirements of the complainant and his family. It was further represented that both the projects were being

developed under common Licence No. 18 of 2021, issued by the competent authority. Relying upon the aforesaid representations, the complainant was persuaded by the representatives of the respondent to visit their office for a detailed presentation and discussion regarding the said projects.

iii. That the complainant was actively seeking a suitable commercial property for his personal use. Accordingly, upon repeated persuasion by the representatives of the respondent company, the complainant visited its corporate office situated at Unit No. 101, Ground Floor, Tower-A, Signature Tower, South City-I, Gurugram, Haryana – 122001, to obtain detailed information regarding the ongoing projects, namely, "Signum Plaza I" and "Signature Global Park I (Phase 1)", being developed under common Licence No. 18 of 2021.

iv. That, based upon the representations and assurances extended by the respondent, the complainant agreed to book a unit bearing No. FF-K12 in the respondent's project. Accordingly, a Builder Buyer Agreement (BBA) was executed between the parties on 12.01.2022. As per the agreement, the respondent was required to hand over possession of the unit by 30.06.2023. Pursuant to the said allotment, the complainant has paid a sum of Rs. 8,14,630/- against the total sale consideration of Rs. 22,16,679/-, in accordance with the payment schedule stipulated by the respondent.

v. That the complainant has already paid more than 36% of the total sale consideration, amounting to Rs. 8,14,630/-, to the respondent. However, despite receiving a substantial portion of the sale consideration, the respondent has failed to fulfil its obligations under the Builder Buyer

Agreement and has also failed to obtain the requisite statutory approvals and certificates, including the Occupation Certificate and Completion Certificate, necessary for lawful delivery of possession under the provisions of the Real Estate (Regulation and Development) Act, 2016.

vi. That the respondent failed to complete the project within the stipulated period as agreed between the parties. Aggrieved by the failure of the respondent to deliver possession of the booked unit, the complainant made several telephonic calls, sent reminders and letters, and also visited the respondent's office personally. However, the respondent failed to hand over possession of the unit. Moreover, instead of fulfilling its contractual and statutory obligations, the respondent issued a notice of cancellation to the complainant through email dated 14.07.2025, seeking unilateral cancellation of the allotted unit. The complainant alleges that such conduct reflects the respondent's unwillingness to honour its commitments and is contrary to the provisions of the Real Estate (Regulation and Development) Act, 2016.

vii. That, in order to ascertain the status of the project, the complainant personally visited the project site on 30.01.2025 and observed that the project was still incomplete and that no effective steps had been taken by the respondent towards handing over possession. Thereafter, the complainant sent an email dated 06.02.2025 seeking a refund of the amount paid. Subsequently, another email dated 03.03.2025 was sent reiterating the request for refund. In response, the respondent, vide its reply dated 20.03.2025, sought completion of certain formalities for processing the refund. Accordingly, the complainant, acting in good faith, complied with the requisite formalities and submitted the necessary

documents on 30.03.2025. However, despite the lapse of considerable time, the respondent has neither refunded the amount paid nor taken any effective steps towards processing the refund, thereby causing financial hardship and prejudice to the complainant.

viii. That the complainant alleges that the acts and omissions of the respondent have caused him considerable harassment, mental agony and financial hardship. The complainant submits that his hard-earned money and lifetime savings remain blocked with the respondent, while he has been deprived of the use and benefits of the allotted property. The respondent's failure to deliver possession and refund the amount paid has, therefore, caused substantial hardship to the complainant, warranting appropriate relief, including compensation for the harassment and mental agony suffered.

ix. That, in view of the aforesaid facts and circumstances, the complainant alleges that the respondent has failed to deliver possession of the allotted unit within the stipulated period, resulting in a delay of more than eight months beyond the agreed date of possession. Accordingly, the complainant has filed the present complaint seeking refund of the amount paid, along with interest at the rate of MCLR + 2% per annum, from the respective dates of payment till actual realisation.

C. Relief sought by the complainant:

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

i. Direct the respondent to refund the entire amount paid by the complainant, along with interest at the prescribed rate, from the respective dates of deposit till the date of actual realisation.

D. Reply by the respondent

5. The respondent has contested the complaint on the following grounds:

i. That the respondent has alleged that the complainant has concealed material facts and has not approached the Authority with clean hands. It is submitted that the complaint is devoid of merit and has been filed with the intention of making unlawful gains. Accordingly, the respondent has sought dismissal of the complaint with costs.

ii. That the complainant, in the year 2021, came to know about the respondent's project namely, "Signum Plaza I", situated at Signature Global Park I, Sector-36, Village Dhunela, Tehsil Sohna, Haryana, being developed under Licence No. 18 of 2021, allegedly granted by the DTCP, Haryana.

iii. That the complainant applied for allotment of a unit in the said project vide application form dated 21.10.2021. Pursuant thereto, the respondent provisionally allotted Unit No. FF-K12, situated on the first floor of Block Signum Plaza I, having a tentative carpet area of 101.87 sq. ft., vide provisional allotment letter dated 13.11.2021. Thereafter, a welcome letter was also issued by the respondent in respect of the said allotment.

iv. That an Agreement for Sale (AFS) was executed between the parties on 12.01.2022 for a total sale consideration of Rs. 23,27,514/-, exclusive of other applicable charges. The respondent has submitted that the complainant executed the agreement voluntarily, after understanding and accepting all its terms and conditions, without any protest or objection.

v. That the complainant had applied for the unit after conducting due diligence and verification and after being fully satisfied with the project.

That, as per Clause 7.1 of the Agreement for Sale, the possession of the unit was proposed to be offered by 28.02.2024, subject to delays or failure arising out of force majeure events, court orders, government policies, guidelines or other circumstances affecting the development of the project. The respondent has further pleaded that construction activities in the Delhi-NCR region were affected by restrictions imposed by the Commission for Air Quality Management (CAQM) through GRAP orders, whereby construction activities were prohibited during certain periods.

vi. That the respondent has contended that it carried out its contractual obligations with due diligence and that the complainant was aware of the project status and the circumstances affecting its development. It has further been alleged that the complainant, owing to financial constraints and inability to continue with the allotment, deliberately defaulted in making payments and sought to withdraw from the project without any justified reason.

vii. That the complainant defaulted in making payments on various occasions, contrary to the terms and payment schedule stipulated under the Agreement for Sale. That the respondent issued a demand letter dated 14.04.2025, calling upon the complainant to clear the outstanding dues in accordance with the agreed payment plan. However, the complainant allegedly failed to make the requisite payments.

viii. That, as per Clause 1.10 of the Agreement for Sale, the complainant was required to make payments in accordance with the stipulated payment schedule and, in the event of delay in payment, was liable to pay interest

at the rate prescribed under Rule 15 of the Haryana Real Estate (Regulation and Development) Rules, 2017.

ix. That the respondent further issued reminder letters dated 22.05.2025 and 11.06.2025, requesting the complainant to clear the outstanding dues. However, despite the issuance of the aforesaid reminders, the complainant allegedly failed to discharge the payment obligations within the stipulated time. That the respondent has disputed the amount claimed to have been paid by the complainant. It has been submitted that the complainant paid only Rs. 7,64,630/- against the total sale consideration of Rs. 23,27,514/-. The respondent has further contended that the complainant wrongly claimed payment of Rs. 8,14,629/-, without disclosing that an amount of Rs. 49,999/- was issued by the respondent as a credit note and did not represent any actual payment made by the complainant. It has also been submitted that out of the amount of Rs. 7,64,630/- received, a sum of Rs. 36,410/- was towards taxes and should not be treated as an amount paid towards the sale consideration.

x. That, owing to the alleged payment defaults, the respondent issued a pre-cancellation notice dated 26.06.2025, calling upon the complainant to clear the outstanding dues, failing which the respondent would be constrained to cancel the allotment. That despite the issuance of the demand letter, reminder letters and pre-cancellation notice, the complainant failed to clear the outstanding dues. Consequently, the respondent issued a cancellation notice dated 14.07.2025, granting the complainant a final opportunity of 15 days to make the outstanding payment, failing which the allotment would be cancelled.

xi. That, upon failure of the complainant to make the payment or respond to the aforesaid notice, the respondent cancelled the allotment and issued a final settlement letter dated 11.08.2025. The respondent has submitted that an amount of Rs. 3,32,539.87/- was forfeited towards earnest money. It was further stated that the complainant was requested to furnish certain documents for processing the refund of the balance amount after the aforesaid forfeiture. However, the complainant allegedly failed to submit the requisite documents and complete the refund formalities.

xii. That the respondent has contended that the payment plan formed an integral part of the Agreement for Sale and was duly accepted by the complainant voluntarily, without any coercion or undue influence. However, the complainant failed to honour the payment obligations arising therefrom. That, as reflected in the customer ledger, the complainant deliberately failed to make payments within the stipulated time as per the agreed payment schedule. The respondent has alleged that the complainant has raised the issue of delay in completion of the project while suppressing the fact that the complainant himself had defaulted in making timely payments.

xiii. That the respondent has further submitted that various charges were levied upon the complainant in accordance with the terms and conditions of the Agreement for Sale, particularly Clause 1.9 thereof. That, as per the aforesaid clause, the complainant had agreed to pay the applicable charges to the respondent, who was, in turn, responsible for depositing the same with the competent authorities. Accordingly, the respondent

has contended that the liability to pay such charges rested upon the complainant in terms of the agreement.

6. 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 these undisputed documents and submission made by the parties.

E. Jurisdiction of the Authority

7. The authority has complete territorial and subject matter jurisdiction to adjudicate the present complaint for the reasons given below.

E.I Territorial jurisdiction

8. As per notification no. 1/92/2017-1TCP dated 14.12.2017 issued by Town and Country Planning Department, Haryana the jurisdiction of Haryana Real Estate Regulatory Authority, Gurugram shall be entire Gurugram district for all purposes. 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

9. 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.

10. 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 relief sought by the complainant.

I. Direct the respondent to refund the entire amount paid by the complainant, along with interest at the prescribed rate, from the respective dates of deposit till the date of actual realisation.

11. In the present complaint, the complainants intend to withdraw from the project and are seeking return of the amount paid by it in respect of subject unit along with interest at the prescribed rate as provided under section 18(1) of the Act. Sec. 18(1) of the Act is reproduced below for ready reference.

> *"**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.-*
> *(a) in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or*
> *(b) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason,*
> ***he shall be liable on demand to the allottees**, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, **to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed** in this behalf including compensation in the manner as provided under this Act:*
> Provided that where an allottee does not intend to withdraw from the project, he shall be ***paid***, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed."

12. That the complainants submitted that they visited the project site on 30.01.2025 and found that the project was incomplete. Thereafter, the complainant sent an email dated 06.02.2025 seeking a refund of the amount paid. Subsequently, a reminder email dated 03.03.2025 was also sent, reiterating the request for refund of the said amount.
13. That, in response, the respondent, vide email dated 20.03.2025, sought certain documents for processing the refund formalities. The complainant duly furnished all the requisite documents on 30.03.2025. However, despite compliance with the requisite formalities by the complainant, the respondent has failed to process or release the refund till date. It was further submitted that the respondent has neither obtained the Occupation Certificate (OC) from the competent authority nor offered possession of the allotted unit to the complainant.
14. That the pre-cancellation notice was issued on 26.06.2025, whereas the cancellation of the unit was effected on 14.07.2025. The complainant contended that the respondent failed to provide the mandatory notice period prescribed under the Model Agreement, which requires three months' prior notice before cancellation of the allotment. Accordingly, the complainant submitted that the cancellation was effected in violation of the contractual provisions and is, therefore, invalid. On this basis, the complainant claimed entitlement to a full refund of the amount paid.
15. That the complainant further submitted that the respondent has failed to obtain the Occupation Certificate (OC) from the competent authority, despite the stipulated date for handing over possession having already expired on 30.06.2023. Thus, the respondent has failed to fulfil its contractual and

statutory obligations regarding completion of the project and delivery of possession.

16. The Authority observes that the respondent has failed to follow the procedure prescribed under Clause 9.3(ii) of the Model Agreement for Sale, as provided under Annexure A read with Rule 8(1) of the Haryana Real Estate (Regulation and Development) Rules, 2017. The respondent issued the pre-cancellation notice dated 26.06.2025 and proceeded to cancel the allotment vide notice dated 14.07.2025, without allowing the stipulated period of 90 days from the notice of default and without complying with the requirement of prior intimation of at least 30 days before termination. Accordingly, the cancellation of the allotted unit is not in conformity with the prescribed procedure and is held to be invalid and unsustainable in law.

17. **Admissibility of refund along with prescribed rate of interest:** The complainants are seeking refund the amount paid by them along with interest prescribed rate of interest. However, the allottee intends to withdraw from the project and are seeking refund of the amount paid by them in respect of the subject unit with interest at prescribed rate as provided under rule 15 of the rules. Rule 15 has been reproduced as under:

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

18. The legislature in its wisdom in the subordinate legislation under the provision of rule 15 of the rules, has determined the prescribed rate of interest. The rate of interest so determined by the legislature, is reasonable

and if the said rule is followed to award the interest, it will ensure uniform practice in all the cases.

19. Consequently, as per website of the State Bank of India i.e., https://sbi.co.in, the marginal cost of lending rate (in short, MCLR) as on date i.e., 14.08.2026 is 8.80%. Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., 10.80%.

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

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

21. It is pertinent to mention over here that even after a passage of more than 5 years (i.e., from the date of BBA till date) neither the construction is complete nor the offer of possession of the allotted unit has been made to the allottee by the respondent/promoter. The authority is of the view that the allottee cannot be expected to wait endlessly for taking possession of the unit which is allotted to him and for which he has paid a considerable amount of money towards the sale consideration. It is also to mention that complainant has paid almost 34.97% of total consideration. In view of the above-mentioned

facts, the allottee intends to withdraw from the project and are well within the right to do the same in view of section 18(1) of the Act, 2016.

22. Moreover, the occupation certificate/completion certificate of the project where the unit is situated has still not been obtained by the respondents /promoter. The authority is of the view that the allottees cannot be expected to wait endlessly for taking possession of the allotted unit and for which he has paid a considerable amount towards the sale consideration and as observed by Hon'ble Supreme Court of India in ***Ireo Grace Realtech Pvt. Ltd. Vs. Abhishek Khanna & Ors., civil appeal no. 5785 of 2019, decided on 11.01.2021***

> *".... The occupation certificate is not available even as on date, which clearly amounts to deficiency of service. The allottees cannot be made to wait indefinitely for possession of the apartments allotted to them, nor can they be bound to take the apartments in Phase 1 of the project....."*

23. Further, the Hon'ble Supreme Court of India in the cases ***of Newtech*** Promoters ***and Developers Private Limited Vs State of U.P. and Ors. (supra) reiterated in case of M/s Sana Realtors Private Limited & other Vs Union of India & others SLP (Civil) No. 13005 of 2020*** decided on 12.05.2022. observed as under: -

> *"25. The unqualified right of the allottee to seek refund referred Under Section 18(1)(a) and Section 19(4) of the Act is not dependent on any contingencies or stipulations thereof. It appears that the legislature has consciously provided this right of refund on demand as an unconditional absolute right to the allottee, if the promoter fails to give possession of the apartment, plot or building within the time stipulated under the terms of the agreement regardless of unforeseen events or stay orders of the Court/Tribunal, which is in either way not attributable to the allottee/home buyer, the promoter is under an obligation to refund the amount on demand with interest at the rate prescribed by the State Government including compensation in the manner provided under the Act with the proviso that if the allottee does not wish to withdraw from the project, he shall be entitled for interest for the period of delay till handing over possession at the rate prescribed."*

24. The promoter is responsible for all obligations, responsibilities, and functions under the provisions of the Act of 2016, or the rules and regulations made thereunder or to the allottees as per agreement for sale under section 11(4)(a). The promoter has failed to complete or is unable to give possession of the unit in accordance with the terms of agreement for sale or duly completed by the date specified therein. Accordingly, the promoter is liable to the allottee, as he wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of the unit with interest at such rate as may be prescribed.

25. Accordingly, the Authority hereby directs the respondent/promoter to refund the amount of ₹8,14,630/- received by them, along with applicable interest at the rate of 10.80% p.a. (the State Bank of India highest marginal cost of lending rate (MCLR) applicable as on date +2%) as prescribed under rule 15 of the Haryana Real Estate (Regulation and Development) Rules, 2017, from the date of each payment till its actual realization within the timelines provided in rule 16 of the Haryana Rules 2017 ibid.

H. 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 casted upon the promoter as per the functions entrusted to the authority under section 34(f) of the Act:

i. The respondent/promoter is directed to refund the amount of Rs.8,14,630/- received by them, along with applicable interest at the rate of 10.80% as prescribed under rule 15 of the Haryana Real Estate (Regulation and Development) Rules, 2017, from the date of each

payment till its actual realization within the timelines provided in rule 16 of the Haryana Rules 2017 ibid.

ii. A period of 90 days is given to the respondent to comply with the directions given in this order and failing which legal consequences would follow.

iii. The respondent is further directed not to create any third-party rights against the subject unit before the full realization of paid-up amount along with interest thereon to the complainants, and even if, any transfer is initiated with respect to subject unit, the receivable shall be first utilized for clearing dues of allottee-complainants.

27. Complaint stands disposed of.

28. File be consigned to registry.

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