

**BEFORE SH. ARUNVIR VASHISTA, MEMBER-II
THE REAL ESTATE REGULATORY AUTHORITY, PUNJAB AT
CHANDIGARH**

Complaint No. RERA/ GC No.0171 of 2023

Date of filing: 19.05.2023

Date of decision: **25.05.2026**

1. Neeraj Verma

2. Nisha

Both residents of # 1244, Mira Malli Gali, Ward No.14, SAS Nagar-140506

... Complainants

Versus

1. ATS Estates Pvt. Ltd. ATS Golf Meadows, Ambala Highway, Opposite Sadashiv Complex, SAS Nagar-140507.
2. ATS Infrastructure Limited, 711/92, Deepali, Nehru Palace, New Delhi-160019.
3. HDFC Bank Limited, SCO 153-155, Sector 8-C, Chandigarh-160008.

... Respondents

Complaint under Section 31 of the Real Estate (Regulation and Development) Act 2016.

Present: Advocate Sanjeev Gupta, representative for the complainants
Advocate Hardeep Saini, representative for respondents no.1 and 2
Adv. Tammana Bahl, representative for respondent no.3

ORDER

The present complaint had been filed by the complainants under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as the Act) against the respondents promoter seeking interest on the amount paid as contemplated under Rule 16 of Punjab Real Estate (Regulation & Development) Rules 2017 for the period of delay in handing over of the possession from 11.09.2022 till the date of handing over of the possession of the plot in

the project 'ATS Golf Meadows-5' being developed by the respondents at Derabassi, District SAS Nagar, Mohali, Punjab.

2. As per averments in the complaint, complainants booked a plot bearing No.129, measuring 146.50 sq. yards. in the project namely 'ATS Golf Meadows-5' in March, 2020 by depositing the booking amount of Rs.50000/-. An agreement for sale dated 11.09.2020 in respect of the said plot was executed by the parties containing the detailed terms and conditions for the intended sale of the plot. The total sale consideration of the plot was Rs.23,58,650/-, and the complainants had paid the total amount of Rs.26,51,568/- inclusive of all charges, taxes and delay period interest. As per clause 7 of the agreement, possession of the plot was to be delivered within 24 months from the date of agreement i.e. by 11.09.2022. However, the respondent/ promoter offered the ineffective/ paper possession of the plot on 05.12.2022 without obtaining OC/CC from the competent authority. Moreover, the project was still incomplete and there was no development at the project site. Even the basic amenities were not available there. Accordingly, the main relief sought for is to issue direction to the respondents to hand over the possession of the plot along-with payment of interest for the period of delay till valid possession of the same is delivered.

3. Upon notice, respondents appeared and contested the complaint by taking preliminary objection that complainants had no cause of action to file the complaint under the provisions of the Act as the date for completion of the project declared to the RERA authority by the promoter at the time of registration of the project was 24.10.2024 i.e. within a period of 5 years from the date of registration of the project

on 18.11.2019. On merits, the booking and allotment of plot in question to the complainants and execution of buyer agreement was admitted by the promoter, however the payment of the amounts as claimed by the complainants was not admitted. It was then submitted that respondent company gave an offer of possession of the plot to the complainants on 05.12.2022 but they did not agree and refused to register the conveyance deed in their favour. Though it was not denied that the possession of the plot in question could not be offered within the stipulated time, but it was claimed that delay in completion of the project of the case in hand was due to the circumstances beyond the control of the respondent promoter. Further agitating that the respondent/ promoter could complete the project within a period of 5 years from the date of registration of the project on 18.11.2019 and therefore the complainants were not entitled to any relief because the promoter would complete the project and handover its possession. Hence while denying rest of the averments of the complaint also, a prayer was made for dismissal of the complaint.

4. While putting forth the case of complainants it was contended by the learned counsel that in their present complaint, they seek interest for the delayed period of possession apart from a direction to the respondent/ builder to handover the possession upon obtaining OC. As per Clause 7.1 of the agreement for sale dated 11.09.2020 the possession of the plot was to be delivered within 24 months from the date of agreement i.e. by 11.09.2022. However, the respondent/ promoter offered the ineffective/ paper possession of the plot on 05.12.2022 without obtaining OC/CC from the competent authority. Thereafter, during the pendency of the complaint the

possession of the plot was delivered to the complainants on 12.03.2025 and the sale deed in their favour was also executed. Hence, the complainants were entitled to claim interest only for the period from 11.01.2023 till 12.03.2025 when the actual possession was delivered to them.

5. On the other hand, learned counsel for respondent contended that under Section 18 of the Act an allottee was entitled for payment of interest only if the promoter was not able to give possession in accordance with the terms of the Agreement for sale entered into between the parties. In this case valid possession had already been given to the complainants on 12.03.2025 and hence the complainants were not entitled to seek any interest on the delayed period under this provision. It was thus submitted that claims made by the complainants were not only unjustified but were meritless as well. Their complaint deserved to be dismissed with costs.

6. Above submissions and contentions put forth by the parties have been considered and examined in the light of facts and circumstances emerging on the record. The undisputed facts of the complaint are that the complainants were allotted a plot bearing No.129, measuring 146.50 sq. yards. in the project namely 'ATS Golf Meadows-5' in March, 2020. As per clause 7 of the agreement for sale, possession of the plot was to be delivered within 24 months from the date of agreement i.e. by 11.09.2022. However, possession of the plot had been delivered to the complainants on 12.03.2025 and the sale deed in their favour had also been executed already. Apparently, there is a delay of 26 months in delivery of possession and for which claimants are entitled to claim interest thereon. The right to claim

interest on the period of delayed possession is an indefeasible and unqualified right given to an allottee by the statute which cannot be taken away or declined as has been observed by Hon'ble Supreme Court in its landmark decision in **M/s. Newtech Promoters and Developers Pvt. Ltd. Vs. State of U.P. and others in Civil Appeal Nos. 6745-6749 of 2021.** In the light of above observations made by the Hon'ble Supreme Court the contention that has been raised on behalf of the respondent highlighting the consent letter dated 20.01.2023 signed by the complainants vide which they agreed and undertook not to pursue any claim/ due against the respondent company in future is found to be without any merit and substance. Accordingly, the claimants are held to be entitled to interest for the period of delay in delivery of possession.

8. The relevant extract of Section 18(1) of the RERA Act which deals with the matter for seeking refund, interest and compensation in case of non- completion of the project due to default of the promoter runs as under: -

"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:

	xxx	xxx	xxx
(2)	xxx	xxx	xxx
(3)	xxx	xxx	xxx

9. As an outcome of above discussion, the complaint is accordingly accepted and the respondent is directed to pay interest on the amount paid by the complainants at the rate prescribed in the Punjab State Real Estate (Regulation and Development) Rules, 2017 (today's highest MCLR rate plus 2%) w.e.f. 11.01.2023 till 12.03.2025 within the time stipulated under Rule 17 of the Punjab State Real Estate (Regulation and Development) Rules, 2017. Thereafter the said amount if not paid as directed, is to be recovered as arrears of Land Revenue by the Competent Authorities as provided/authorized in the Punjab Land Revenue Act, 1887 read with section 40(1) of the Act, 2016. And, then the Secretary of this Authority shall be issuing "Recovery Certificate" as per rules and respondent shall be rendering itself liable for any other coercive action as prescribed by the Act and rules made thereunder. The complainants and the respondent are further directed to inform the Secretary of this Authority regarding any payment received or paid respectively so as to take the same into account before sending "Recovery Certificate" to the Competent Authority for recovery.



**(Arunvir Vashista),
Member, RERA, Punjab**