



Real Estate Regulatory Authority, Punjab

First Floor, Block-B, Plot No. 3, Sector-18 A, Madhya Marg, Chandigarh – 160018

Before the Bench of Sh. Rakesh Kumar Goyal, Chairman.

Phone No. 0172-5139800, email id: pschairera@punjab.gov.in & pachairera@punjab.gov.in

1. **Execution Application No.** :- 0028 of 2024 & M. A. No. 49 of 2024 in GC No. 0037/2022
2. **Name & Address of the Applicant/ Decree Holder/ Complainant** :- Sh. Rajinder Kumar Gandhi S/o Sh. Ascharj Lal, R/o MIG-51, Sector-1, Parwanoo - 173220
3. **Name & Address of the Judgment Debtor/ Respondent** :- M/s ATS Estates Pvt. Ltd., through Managing Director/ Director, 711/92, Deepali, Nehru Place, New Delhi-110019, (Email:- pardeep.rathee@atsgreens.com)
4. **Date of filing of Execution Application** :- 02.04.2024
5. **Name of Counsel(s) for the Applicant, if any.** :- Sh. Sanjeev Gupta & Sh. Ripudaman Singh, Advocates
6. **Name of Counsel(s) for the respondent, if any.** :- Sh. J. P. Rana & Sh. Hardeep Singh Advocates.
7. **Section and Rules under which order is passed** :- Section 40(1) of the RERD Act, 2016 r.w. Rule 24 and 25 of Punjab State RERD Rules, 2017 for execution of order dated 01.09.2020 passed in GC No. 1401 of 2019.
8. **Date of Order** :- 30.03.2026

ORDER U/S. 40(1) OF REAL ESTATE (REGULATION & DEVELOPMENT) ACT, 2016 READ WITH RULES 24 AND 25 OF PUNJAB STATE REAL ESTATE (REGULATION & DEVELOPMENT) RULES, 2017.

The present applicant seeks the execution of the order u/s 31 of Real Estate (Regulation & Development) Act, 2016 [(hereinafter referred as The Act, 2016 subsequently in this order)] dated 29.12.2023 passed in Complaint No. GC 0037 of 2022 by the Chairperson, Real Estate Regulation Authority, Punjab (Referred as The Authority subsequently in this order) titled as Sh. Rajinder Kumar Gandhi S/o Sh. Asharj Lal Gandhi R/o MIG-51, Sector-1, Parwanoo (The Applicant/Decree Holder/ Complainant- referred as DH subsequently in this order) Vs. M/s ATS Estates Pvt. Ltd., 711/92, Deepali, Nehru Place, New Delhi (Judgment Debtors/ The Respondent referred as JD subsequently in this order). The DH is an allottee of 4BHK apartment bearing no.5111 on 11th Floor of Tower 5 measuring 2950 sq. ft. super area in the project namely "ATS Golf Meadows Lifestyle" being



developed by the JD at Village Madhopur Tehsil Derabassi, District SAS Nagar Mohali. The total sale consideration for the unit was Rs.62,57,500/-. The due date for possession was 31.01.2016. Till passing of the order u/s 31 of The Act, 2016, the possession of unit was not offered.

2. This Authority by way of an order u/s. 31 of The Act, 2016 dated 29.12.2023 in the case Rajinder Kumar Gandhi v. M/s ATS Estates Pvt. Ltd. held that the respondent is liable to pay interest at the rate of 10.75% per annum (today's highest SBI MCLR rate of 8.75% + 2%) on the amount of Rs.58,39,725 w.e.f. 01.02.2016 till the date of order u/s 31 of The Act, 2016 (29.12.2023) and thereafter from the date of order u/s 31 of The Act, 2016 dated 29.12.2023 till handing over of valid possession. As per the information available on the record, the possession of the unit was handed over to the DH/ complainant on 13.03.2025 during the course of hearings for this execution application. Till then, the respondent was absolute defaulter in terms of compliance with the said order passed u/s 31 of The Act, 2016 dated 29.12.2023 passed in GC No. 0037 of 2022 and thereafter to the extent of payment of interest payable u/s 18(1) of The Act, 2016.

3. In consequence of filing of execution application, a notice was issued to appear and submit reply, to the JD i.e. M/s ATS Estates Pvt. Ltd. Subsequently, objections to the execution were filed by the counsel for JD on 16.09.2024 through miscellaneous application No. 49 of 2024. The counsel for the DH has contended that the present execution application is not maintainable. It was contended that Mr. Udaivir Anand is director of ATS Infrastructure Pvt. Ltd. which owns the JD, M/s ATS Estates Pvt. Ltd. Sh. Udaivir Singh is under insolvency proceedings and the creditor has invoked his personal guarantee. Therefore, the present proceedings are deemed stayed in view of ongoing personal insolvency proceedings of the director of the holding company. The JD has quoted various judgments in support of its



contention. However, copy of none of judgments was filed. The JD has prayed to stay the execution proceedings and adjourn the matter sine die.

4. Thereafter, the regular proceedings took place. The interim order dated 18.09.2024 reads as under:-

Today the matter was listed for filing of reply. However, Ld. Proxy Counsel for the applicant stated that the respondent has agreed to hand over the possession of the unit in question to the applicant, to which Ld. Counsel for the respondent consented upon. Further, both the counsels stated that the complainant and respondent will be visiting the unit jointly and apprise the status on the next date of hearing accordingly. Heard Requested allowed.

Interest part of the same will be discussed subsequently once the possession of the unit had been taken over by the applicant.

5. The interim order dated 14.01.2025 reads as under:-

When the matter was taken-up, Sh. Hardeep Saini, Advocate for the respondent stated that the possession of the unit will be handed over to the complainant within 45 days as interior work is going on. The complainant is directed to visit the office of the respondent in the first week of March, 2025 and in case there is any deficiency, he will convey all the observations through speed post and email for record purposes. The possession has not been handed over till date. The order passed u/s. 31 of the RERD Act, 2016 dated 29.09.2023 states that the respondent is directed to pay interest on an amount of Rs.58,39,725/- from 01.02.2016 till the actual date of possession @ 10.75%.

In case, the whole payment is made on or before 31.01.2025 the amount of Rs.52,315/- may be deducted out of the same. Further, the respondent will pay an amount of Rs.52,315/- per month till the date of actual possession. The promoter is directed to make the payment on priority alongwith handing over the possession to the complainant, failing which matter will be proceeded further as per law. Part arguments heard.

6. **In consequences to the interim order dated 14.01.2025, the possession of the unit was handed over to the complainant on 13.03.2025.** Next hearing in the case took up on 17.03.2025. The interim order passed on the said date reads as under:-



When the matter was taken-up, Sh. Hardeep Saini, Advocate for the respondent stated that the possession of the unit had already been handed over to the complainant and the same was taken over on 13.03.2025, to which Ld. Counsel for the complainant consented upon. The order passed u/s. 31 of the RERD Act, 2016 dated 29.09.2023 states that the respondent is directed to pay interest on an amount of Rs.58,39,725/- from 01.02.2016 till the actual date of possession @ 10.75%.

Further, Ld. Counsel for both the parties jointly sought an adjournment to file their calculations and argue the matter. The complainant is hereby directed to submit the information in tabular form mentioned in 'Annexure-A' and 'Annexure-A1'. Respondents are also directed to submit the information in the tabular form mentioned in 'Annexure-A'. Both the parties will exchange their forms as per stipulation mentioned in 'Annexure-A'. The respondent is hereby given an opportunity to submit its comments regarding the authenticity, correctness and accuracy of information contained 'Annexure-A1' once filed and shared by the complainant.

7. Next hearing fixed for 13.05.2025 could not be taken up due to paucity in time. The subsequent hearing in the case took place on 14.07.2025. The interim order dated 14.07.2025 passed on the said date reads as under:-

When the matter was taken-up, Ld. Counsel for both the parties jointly requested for an adjournment. Heard and request allowed. It is also pertinent to note that the respondent handed -over cheque of Rs.2,50,000/- to the Ld. Counsel for the complainant in favour of complainant, to which both the parties are also directed to file their latest calculations as on 31.07.2025.

To come up on 19.08.2025 for arguments.

Further, the complainant is hereby directed to submit the information in tabular form mentioned in 'Annexure-A'. Respondents are also directed to submit the information in the tabular form mentioned in 'Annexure-A'. Both the parties will exchange their forms as per stipulation mentioned in 'Annexure-A'. The respondent is hereby given an opportunity to submit its comments regarding the authenticity, correctness and accuracy.

8. Next hearing in the case took up on 19.08.2025. The interim order dated 19.08.2025 passed on the said date reads as under:-

When the matter was taken-up, Ld. counsel for the respondent stated that he will send one cheque of Rs.3 lakh in favour of the



complainant to which Ld. Counsel for the complainant has no objection.

Both the parties are directed to file the copy of account and their calculation as on 30th September, 2025 by taking into account all the payments made by the respondents during the pendency of execution proceedings. Both the parties are directed to exchange their account on or before 30th September, 2025 and filed the copy of the same at the receipt counter of this authority.

9. Next hearing in the case took place on 30.09.2025. The interim order dated 30.09.2025 passed on the said date reads as under:-

When the matter was taken-up, both the parties jointly requested for an adjournment submitting that the respondent will be making part payment during the course of day. However, it is pertinent to mention that this Bench was ready to pass the execution order, but upon the vehement request of both parties, the matter is kept pending to facilitate recovery. Both the parties are also directed to file their latest calculations of dues up to 31.10.2025 on the next date of hearing.

10. Next hearing in the case was held on 17.11.2025. The interim order dated 17.11.2025 passed on the said date reads as under:-

When the matter was taken up, some part payment to the complainant will be made during the course of the day to which counsel for the complainant has not objection.

To come up on 23.12.2025 for Arguments.

The complainant and respondent were directed to file the copy of account after taking into consideration the payments made till 30.11.2025 and further, if amount made, thereafter in the format as prescribed in column No.14 of Annexure 'A'.

Further the complainant and respondent were directed to file the information in Annexure 'A' vide Record of Proceedings dated 17.03.2025, but the same has not been complied with so far. However, the complainant and respondent are hereby directed to submit the information in Annexure 'A' on the next date of hearing. Both the parties will exchange their forms as per stipulation mentioned in 'Annexure-A'. Both the parties are hereby given an opportunity to submit its comments regarding the authenticity, correctness and accuracy of information in 'Form A'. In case, any party does not submit the information in 'Form A', the information submitted by other party will be presumed to be correct for the purpose of calculation, if any in the order u/s 31.



11. Next hearing in the case took up on 23.12.2025. The interim order dated 23.12.2025 passed on the said date reads as under:-

When the matter was taken up, some part payment has been made to the complainant by the respondent. Further Ld.Counsel for the respondent sought time to make the remaining payment to which Ld. Counsel for the complainant consented upon. However, both the parties vehemently requested to kept the matter alive as respondent is making part payment. Request allowed.

The complainant and respondent were directed to file the copy of account after taking into consideration the payments made till 28.02.2025 and further, if amount made, thereafter in the format as prescribed in column No.14 of Annexure 'A'.

Now to come up on 16.02.2026 for arguments.

The complainant and respondent were directed to file the information in Annexure 'A' vide Record of Proceedings dated 17.03.2025, but the same has not been complied with so far.

However, the complainant is hereby directed to submit the information in Annexure 'A' on the next date of hearing and respondent to file it alongwith its reply. Both the parties will exchange their forms as per stipulation mentioned in 'Annexure-A'. Both the parties are hereby given an opportunity to submit its comments regarding the authenticity, correctness and accuracy of information in 'Form A'. In case, any party does not submit the information in 'Form A', the information submitted by other party will be presumed to be correct for the purpose of calculation, if any in the order u/s 31.

12. Next hearing in the case took up on 16.02.2026. The interim order dated 16.02.2026 passed on the said date reads as under:-

Upon joint request of both the parties, matter is adjourned to **10.03.2026** for arguments. Perusal of the file reveals that the matter is pending since 14.01.2025 for arguments and no further adjournment will be granted to any of the party.

Now to come up on 10.03.2026 for arguments.

The complainant and respondent were directed to file the information in Annexure 'A' vide Record of Proceedings dated 17.03.2025, but the same has not been complied with so far.

However, the complainant is hereby directed to submit the information in Annexure 'A' on the next date of hearing and respondent to file it. Both the parties will exchange their forms as per stipulation mentioned in 'Annexure-A'. Both the parties are hereby given an opportunity to submit its comments regarding the authenticity,



correctness and accuracy of information in 'Form A'. In case, any party does not submit the information in 'Form A', the information submitted by other party will be presumed to be correct for the purpose of calculation, if any in the order u/s 31.

13. It is apparent from the above that regular hearings had taken place and sufficient time as desired by the both parties were granted to reach mutual understanding/ consensus as per the order u/s 31 of The Act, 2016 dated 29.12.2023 (supra). The parties could not reach to any consensus mutually. On 10.03.2026, the arguments took place. The counsels for both the parties, DH and JD were heard.

14. I have duly considered the order passed u/s 31 dated 29.12.2023, the application filed by the DH, the reply/ miscellaneous application filed by the JD and the arguments of the parties. The counsel for the respondent has contended that the JD is under moratorium as the director of the holding company is under insolvency. This plea is not acceptable. The Real Estate Regulation Authority and Real Estate Regulatory Act were institutionalized as a homebuyer protection authority and statute: mandating registration, disclosure and timely completion of projects to protect individuals who had invested their life savings in the dream of home ownership. If a director has provided a personal guarantee for a company loan, the lender can go after the director's personal assets to recover the debt. A company is a separate entity from its directors and shareholders. A director's personal insolvency means they are an "undischarged insolvent" and may be disqualified from managing a company, but this does not directly or indirectly affect the insolvency of any company including its subsidiary company. Under the Companies Act, the company and its shareholders/ directors have distinct identity. The company has its own legal entity and common seal. The doctrine of limited



liability treats each company as a separate legal person, distinct from its shareholders. Similarly, subsidiary company incorporated under the Companies Act enjoys its own legal personality. The owning of shares in a subsidiary company does not make the parent company, the owner of the subsidiary company's assets not to talk of the director of parent company. In other words, a holding company is not automatically entitled to the assets of its subsidiary company, even if it owns hundred percent of shares of subsidiary company. The Hon'ble Supreme Court in a judgment dated 23.07.2024 in Civil Appeal No. 4565 of 2021 in the case titled as BRS Ventures Investments Ltd. vs. SREI Infrastructure Ltd. & Anr. has held as under:-

A holding company and its subsidiary are always distinct legal entities. The holding company would own shares of the subsidiary company. That does not make the holding company the owner of the subsidiary's assets. In the case of Vodafone International Holdings BV, this Court took the view that if a subsidiary company is wound up, its assets do not belong to the holding company but to the liquidator. As mentioned in the decision, the reason is that a company is a separate legal persona and the fact that the parent company owns all its share has nothing to do with its separate legal existence. Therefore, the assets of the subsidiary company of the corporate debtor cannot be part of the resolution plan of the corporate debtor.

14.1 The Hon'ble National Company Law Appellate Tribunal ("NCLAT") in the matter of *Flat Buyers Association Vs. Umang Realtech Private Limited through IRP and Others* held that if the allottees, financial institutions / banks or operational creditors of a project initiate the CIRP proceedings of a real estate company then it should be confined to the said project and should not include other projects of the real estate company. It was observed in the said judgment that different projects of a real estate company would be situated at different places, where separate plans are approved by different authorities, landowners may be distinct from the real estate company in question and the allottees, financial institutions / banks



and operational creditors of each project would also be different for each project. As there is no insolvency resolution plan against the project under consideration now, the plea of JD is rejected. The execution proceedings cannot be stayed and is being proceeded with.

15. In my considered view, the execution proceedings are limited to the implementation of the directions contained in the main order passed u/s 31 on 29.12.2023. Addition of new or additional facts without any supporting documents at this belated stage lies beyond the scope of these proceedings and cannot be adjudicated in the present execution proceedings. Therefore, based on the written and oral submissions of the DH & JD and the material available on record, it is held that the respondent i.e. M/s ATS Estates Pvt. Ltd. had failed to comply with orders passed u/s 31 of the Real Estate (Regulation and Development) Act, 2016 dated 29.12.2023 in this case.

16. As per the above said order, the JD is liable to pay interest on delayed possession on two counts- first from 01.02.2016 to the date of order u/s 31 of The Act, 2016 in this case i.e. 29.12.2023, and second, for the period subsequent to the order dated 29.12.2023 to the date of possession i.e. 13.03.2025. The period for payment of interest will be considered from the next month in which payment has been effected by the allottee to the previous month of the date in which possession will be/was offered by the promoter. Therefore, an amount of accrued interest will be adjusted towards the balance of purchase price, if any, payable at the time of taking/handing over of the possession. The amount of interest becoming payable/ due from due date of handing over possession i.e. 01.02.2016 to the date of judgment i.e. 29.12.2023 & for subsequent period from 29.12.2023 till 28.02.2025 [the date of possession i.e. 13.03.2025 is as under:-



Interest Payable/ Due from 01.02.2016 to 31.12.2023					
Interest payable from	Interest Calculated till	Principal Amount (Rs.)	Interest Rate on the date of judgment	Tenure	Interest Amount (Rs.)
01.02.2016	31.12.2023	27,71,854	10.75	95	23,58,962
01.03.2016	31.12.2023	6,10,869	10.75	94	5,14,403
01.05.2016	31.12.2023	6,13,968	10.75	92	5,06,012
01.08.2016	31.12.2023	6,11,307	10.75	89	4,87,390
01.09.2016	31.12.2023	3,10,230	10.75	88	2,44,565
01.01.2017	31.12.2023	3,04,117	10.75	84	2,28,848
01.03.2019	31.12.2023	6,17,380	10.75	58	3,20,780
		58,39,725			46,60,960
Interest Payable/ Due from 01.01.2024 to 28.02.2025					
01.01.2024	28.02.2025	58,39,725	10.75	14	7,32,399
		TOTAL INTEREST AMOUNT			53,93,359
		Less Interest Paid till 09.03.2026 by JD as informed by DH			15,00,000
		BALANCE INTEREST AMOUNT PAYABLE			38,93,359
		Less Sale Consideration Payable as per calculation filed by DH			6,99,239
		NET AMOUNT PAYABLE			31,94,120

16.1 In this case, the possession has already been handed over without obtaining the balance amount payable at the time of possession. Hence, if the payment due is less than the accrued interest Rs.38,93,359/- as calculated & determined supra after deducting payment made by Judgement Debtor as per "Agreement for Sale" and terms & conditions duly entered between the promoter and allottee. The balance amount will be paid by the promoter to the allottee immediately. The applicant/DH has informed that an amount of Rs. 6,99,239/- towards the purchase price of the unit is payable to the respondent/JD. The same has also been deducted from the amount of interest i.e. Rs.38,93,359/- payable by the respondent/JD to the applicant/DH.

16.2 The period of payment for interest has been considered from the next month in which the payment has been effected by the DH to the end of the previous month in which possession has been/was offered by the JD. Therefore, an amount of Rs.53,93,359/- is accrued interest upto 28.02.2025 (the previous month in which possession was offered). Rs.31,94,120/- is held to be payable after adjusting the interest paid of Rs.15,00,000/- and amount of Rs.6,99,239/- payable at the time of taking due possession by the Judgment Debtor (JD) to Decree Holder (DH). The amount of Rs.31,94,120/- is due and payable but the same is being held as land revenue for the purposes of collection to be collected under the provisions of the Punjab Land



Revenue Act, 1887. The promoter, M/s ATS Estates Pvt. Ltd. is hereby held liable to **pay balance sum of interest totaling to Rs.31,94,120/-** [payable/ due from due date of handing over possession i.e. 01.02.2016 to the date of valid possession i.e. 13.03.2025] as calculated above. The JD is permitted to adjust the sum of Rs.6,99,239/- payable at the time of possession (not paid at the time of possession on 13.03.2025 in view of pending execution application) and an amount of Rs.15,00,000/- paid by the respondent/ JD to the applicant/DH towards interest payable u/s 18(1) of The Act, 2016 during the course of hearings of execution application in this case, out of total sum of interest of Rs.53,93,359/-. Therefore, the net balance sum of interest to be paid by the respondent/ JD comes to Rs.31,94,120/-. This amount has been calculated and held payable after deducting the amount of Rs.15,00,000/- paid by the JD and Rs.6,99,239/- payable at the time of offer of due possession by the Decree Holder.

17. **Sh. Rajinder Kumar Gandhi S/o Sh. Ascharj Lal Gandhi is hereby held as decree holder and M/s ATS Estates Pvt. Ltd. is hereby held as judgment debtor.** The total balance interest amount payable up-to the date of possession i.e. 13.03.2025 amounts to Rs.31,94,120/- and the respondent/JD is directed to make the payments immediately. No further time is granted since the order u/s. 31 of the RERD Act, 2016 was passed on 29.12.2023 & the respondent/JD was legally bound to make the said payment within ninety days of the said order.

18. The amount of balance interest payable Rs.31,94,120/- as provided u/s. 40 (1) of the Real Estate (Regulation and Development) Act, 2016 is hereby held as "Land Revenue" by the Competent Authority under the provisions of "Land Revenue Act, 1887". The Secretary of this Authority will issue a recovery certificate accordingly. It is held that Rs.31,94,120/- is payable as per "Agreement for Sale" entered between the complainant & the respondent and/was payable simultaneously as and when any demand was raised by the promoter/Judgment Debtor. He/JD is under liabilities to make the payment now immediately. The determination of this amount as "Land Revenue" is an alternative means of coercive collection due to failure of promoter/respondent to make the payment when it was due.



19. The Secretary of the Real Estate Regulatory Authority, Punjab is hereby directed to issue the recovery certificate immediately. The promoter (judgment debtor) and the complainant (decree holder) are directed to inform the Secretary of this Authority for any payment effected in compliance with the recovery certificate or call it back after it is fully satisfied and update the data of this Authority with the said transaction of payment.

The present execution application is allowed.

Chandigarh
Dated: 30.03.2026





(Rakesh Kumar Goyal)
Chairman,
RERA, Punjab

F. No. Endst. No./CP/RERA/PB/PA/Sec.40/ 58-523 Date: 30.03.2026

A copy of the above order may be sent by the Registry of this Authority to the followings for information as well as for their further necessary action:-

1. Sh. Rajinder Kumar Gandhi S/o Sh. Ascharj Lal Gandhi, Resident of MIG-51, Sector- 1, Parwanoo, District Solan, Himachal Pardesh-173220.
2. M/s ATS Estates Pvt. Ltd., through Director 711/92. Deepali, Nehru Place, New Delhi-110019.
3. The Secretary, RERA, Punjab.
4. The Director (Legal).
- ✓ 5. The Complaint File.
6. The Master File.


(Sawan Kumar)
P.A. to Chairman,
RERA, Punjab