



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. | :- | 07/2023 in GC No. 0368 of 2021 |
| 2. Name & Address of the Applicant-Complainant (s)/ Allottee | :- | 1. Smt. Bhawna W/o Sh. Gaurav Gupta 2. Sh. Gaurav Gupta S/o Sh. Vinod Gupta Both residents of Flat No. 602, Tower-5, Hero Homes, Sector-88, SAS Nagar, Mohali-160055. |
| 3. Name & Address of the respondent (s)/ Promoter | :- | M/s Hero Realty Pvt. Ltd through its Managing Director, Hero Homes, Sector-88, SAS Nagar, Mohali-160055. |
| 4. Date of filing of Execution Application | :- | 07.02.2023 |
| 5. Name of the Project and Address | :- | Hero Homes, Mohali, Phase-1 situated in Sector 88, SAS Nagar, Mohali. |
| 6. RERA Registration No. of Project | :- | PBRERA-SAS81-PR0114 |
| 7. Name of Counsel for the Applicant-complainant, if any. | :- | Sh. Nitin Gupta, Advocate |
| 8. Name of Counsel for the respondent, if any. | :- | Sh. Vishal Singhal and Sh. Sanjeev Sharma, Advocates |
| 9. Section and Rules under which order is passed | :- | Section 40(1) of the RERD Act, 2016 r.w. Rule 24 and 25 of Pb. State RERD Rules, 2017 against order dated 05.05.2022. |
| 10. Date of Decision | :- | 02.12.2025 |

Order u/s. 40(1) of Real Estate (Regulation & Development) Act, 2016 r/w Rules 24 & 25 of Pb. State Real Estate (Regulation & Development) Rules, 2017.

The present application has been filed by the Applicants for execution of order dated 05.05.2022.

2. This Authority by way of order u/s. 31 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred as the 'Act, 2016') dated 05.05.2022 held in the case '*Bhawna & Anr. Vs. Hero Realty Pvt. Ltd.*' that the respondent shall be liable to pay interest @ 09.40% per annum from 14.01.2020 till 14.03.2021. For ready reference, relevant extract of order dated 05.05.2022 is reproduced hereunder:-

"7. As a result of the above discussion this complaint is accepted and the respondent is directed to pay interest at the prescribed rate (today's highest MCLR rate plus 2%) from 14.01.2020 till 14.03.2021. This amount be paid within 3 months of the date of issue of this order."

3. The order passed u/s. 31 of the Real Estate (Regulation and Development) Act, 2016 dated 05.05.2022 was duly served on the Respondent. The applicant has filed the present execution application bearing no. 07/2023 on 07.02.2023 before Real Estate Regulatory Authority, Punjab (Henceforth referred as



Authority) whereunder it is submitted that the respondent has only made part payment towards the interest amount, which is less than the total interest payable in accordance with the order passed u/s 31 of the RERD Act.

4. In consequence of filing of execution application, a notice was issued to Respondent i.e. Hero Realty Pvt. Ltd. to appear and submit reply. Subsequently, objection to the execution was filed by the counsel for respondent on 11.10.2023. The counsel for the respondent contended that all payments have already been paid to the applicants/complainants and as such, the order u/s 31 has duly been complied with by the respondent-promoter. It has further averred that the respondent-judgment debtor have paid a sum of Rs.72,027/- (after deducting TDS) in account statement of decree holders/applicants on 09.02.2021 and later a sum of Rs.3,50,812/- (after deducting TDS) was also paid to the applicants/decreed holders. Subsequently, further an amount of Rs.15,333/- (after deducting TDS) and Rs.20,682/- were paid to the applicants. The counsel for the respondent has also placed on record copies of TDS certificates dated 21.07.2021, 16.01.2023, 25.05.2023 reflecting deduction of tax on the interest amounts so paid. It was therefore pressed that the present execution proceedings be dismissed against the judgment debtor/respondent.

5. I have duly considered the order passed u/s 31 dated 05.05.2022; the application filed by the applicants/complainants, the objections filed by the respondent/ judgment debtor and the arguments of the parties. The counsel for the applicants/complainants during the course of execution proceedings have filed the fresh calculation sheet dated 01.12.2025 indicating the total interest payable as per orders u/s 31 i.e. Rs.5,13,710/- and the part payments paid by the respondent-promoter i.e. Rs.4,25,806/-. Thus, an amount of Rs.87,904/- (Rs.5,13,710/- minus Rs.4,25,806/-) is claimed to be due and payable by the respondent-promoter. The said calculation sheet is reproduced herein below for ready reference:-



CALCULATION SHEET

As per the judgment it is directed to pay interest @ 20% highest NCLT rate plus 2% i.e. 22% on the sum of Rs. 20,00,000/- @ 22% p.a. from 14.03.2020 to 01.12.2025.

Calculation as per orders is given below:-

| No. | Principal Amount | Period of interest | Interest @ 22% p.a. |
|-------------------------------------|------------------|-----------------------------------|-----------------------|
| 1. | Rs. 44,48,518/- | 14.03.2020 to 14.03.2021 (1 year) | Rs. 9,78,663/- |
| 2. | Rs. 2,36,758/- | 14.03.2020 to 14.03.2021 (1 year) | Rs. 5,20,807/- |
| 3. | Rs. 2,47,804/- | 16.01.2021 to 16.01.2022 (1 year) | Rs. 5,45,331/- |
| Total Interest as per orders | | | Rs. 5,13,710/- |

Details of Part payments made by builder to Complainant:-

- An amount of Rs.3,50,812/- paid on 09.11.2023 as part payment
- An amount of Rs. 15,333/- paid during pendency of Petition.
- TDS paid by the Respondent/Builder - Rs. 38,579/-
- An amount of Rs.20,682/- paid on 25.05.2023

Total Due Amount after adjusting received amount of Rs.4,25,806 i.e. (5,13,710 - 4,25,806) = Rs.87,904/- (Due Amount)

Checked: _____ Date: 01.12.2025

Through Counsel

 Advocate
 Counsel for Debtor/Builder

6. It is also important to highlight here that the calculations so made by the applicants/complainants is based @ 9.50% (7.50% MCLR rate plus 2% per annum. However, while going through the order dated 05.05.2022 passed u/s 31 of the RERD Act, it has been observed that the SBI highest MCLR rate on the date of passing of the order dated 05.05.2022 was 7.40%, therefore, the interest for delayed possession is to be calculated on the basis of 7.40% plus 2% i.e. 9.40% per annum. Therefore, the calculation of interest accrued from 14.01.2020 till 14.03.2021 is calculated as follows:-

Table-I

| Interest payable from | Total amount paid by complainant | Interest calculated till | Interest rate as per order (@ 7.40% SBI's highest MCLR Rate + 2%) | No. of Days | Interest Amount |
|-----------------------|----------------------------------|--------------------------|--|-------------|-------------------|
| 14.01.2020 | 44,48,113/- | 14.03.2021 | 9.40% | 426 | 4,88,001/- |
| 24.08.2020 | 2,36,738/- | 14.03.2021 | 9.40% | 203 | 12,377/- |
| 10.02.2021 | 1,20,154/- | 14.03.2021 | 9.40% | 32 | 990/- |
| 10.02.2021 | 2,63,262/- | 14.03.2021 | 9.40% | 33 | 2,237/- |
| Total | 50,68,267/- | | | | 5,03,605/- |

7. The respondent has filed a copy of ledger general showing that an amount of Rs.72,027/- was adjusted towards the payment receivable from the allottee. The Agreement for Sale dated 08.07.2019 has duly provided vide clause 9.2 (ii) as follows:-

"xxxxxx

Provided that where an Allotted does not intend to withdraw from the project or terminate the Agreement, he shall be paid, by the promoter, interest at the rate specified in the Rules, for every month of delay till the handing over of the possession of the Apartment."

8. The respondent-promoter has claimed that it has paid an amount of Rs.72,027/- under this clause and adjusted with the payment receivable. This fact has not been disputed by the complainants/applicants, therefore, when the interest is being paid under Section 18 of the RERD Act, 2016, the interest of penalty paid vide clause 9.2(ii) of Agreement for Sale has to be adjusted with the amount payable. Therefore, this amount of Rs.72,027/- is considered as payment towards the interest payable and will be deducted out of Rs.5,03,605/- from the payment payable on account of interest for delayed possession. On the other hand, Section 18 of the RERD Act, 2016 allows to the complainant interest for delayed possession. It is hereby held that any penalty or amount paid for delay in possession by the promoter under any clause of Agreement for Sale is adjustable against the interest payable under Section 18 of the RERD Act, 2016. Therefore, an amount of Rs.72,027/- is



hereby ordered to be adjusted against the interest payable amounting to Rs.5,03,605/- u/s 18 of the RERD Act as calculated in Table-I supra. In view of the foregoing discussions, the calculation, based on the above facts, figures and adjustments, is set out as follows:-

Table-II

| Particulars | Amount (In Rs.) |
|--|----------------------|
| Total interest | Rs.5,03,605/- |
| Amount paid | 3,86,827/- |
| TDS deducted | Rs.44,819/- |
| Total amount paid plus TDS | Rs.4,31,646/- |
| Balance interest payable after TDS and refunds | Rs.71,959/- |
| Amount adjusted towards penalty interest | Rs.72,027/- |
| Net interest payable after adjustment | Nil |

9. A bare perusal of the record and the calculations placed on file, it is evident that the total interest payable by the Respondent-Promoter on account of delayed possession amounts to Rs.5,03,605/-. Out of the said amount, the respondent-promoter has already paid a sum of Rs.3,86,827/- to the applicants/complainants towards the interest on delayed possession, and an amount of Rs.44,819/- has been deducted and deposited as TDS, aggregating to Rs.4,31,646/-. After accounting for the aforesaid payments and statutory deductions, the balance interest amount works out to Rs.71,959/-. It is further observed that the Respondent-Promoter has already adjusted an amount of Rs. 72,027/- towards penalty interest on delayed possession. Upon such adjustment, the entire interest liability stands fully satisfied. Consequently, no further amount towards interest remains payable by the Respondent-Promoter as calculated in Table-II supra. Therefore, looking into the facts and circumstances of the case, whatever balance is pending is hereby ordered to be returned of and it is held that since the whole amount has been paid, therefore, the Recovery Certificate is not required to be issued.

10. In the result, the present Execution Application is **dismissed**.

Chandigarh
Dated: 02.12.2025





(Rakesh Kumar Goyal)
Chairman
RERA Punjab

Endst. No. CP/RERA/PB/PA/Exe/249

Dated: 05/12/2026

A copy of the above order is sent to the followings further necessary action:-

1. Smt. Bhawna W/o Sh. Gaurav Gupta and Sh. Gaurav Gupta S/o Sh. Vinod Gupta, both residents of Flat No. 602, Tower-5, Hero Homes, Sector-88, SAS Nagar, Mohali-160055
2. M/s Hero Realty Pvt. Ltd through its Managing Director, Hero Homes, Sector-88, SAS Nagar, Mohali-160055.
3. The Secretary, RERA, Punjab.
4. Director (Legal), RERA, Punjab.
5. The Master File.
6. The Record File.


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