

**BEFORE SH.R.S.RAI, ADJUDICATING OFFICER,  
THE REAL ESTATE REGULATORY AUTHORITY, PUNJAB  
PLOT NO.3, BLOCK-B, FIRST FLOOR, SECTOR 18A,  
MADHYA MARG, CHANDIGARH.**

Complaint No. AdC No.0028 OF 2023

Date of Institution:23.04.2023

Date of Decision:13.03.2026

1. Nitin Pargal.
2. Prachee Mahajan, Both Residents of House No.6434-C,  
Top Floor, Sector 56, SAS Nagar (Mohali), Punjab Pin  
Code 160055.

.....Complainants.

Versus

Hero Realty Private Limited, Corporate Office 264, Ground  
Floor, Okhla Industrial Estate, Phase III, New Delhi, Delhi  
Pin Code 110020.

.....Respondent.

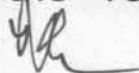
**Complaint under Section 31 of the Real  
Estate (Regulation and Development) Act  
2016.**

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Present: Mr.Sanjeev Gupta Advocate, for complainants  
Mr.Sanjeev Sharma Advocate, for respondent.

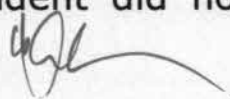
**ORDER**

Present complaint has been filed by complainants  
under Section 31 of the Real Estate (Regulation and  
Development) Act, 2016 (hereinafter referred to as "the  
Act") read with Rule 37 of the Punjab State Real Estate  
(Regulation and Development) Rules 2017, (hereinafter  
called as the Rules) against the respondent/promoter

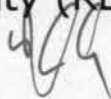


seeking compensation of Rs.10,00,000/- and litigation expenses of Rs.1,50,000/-.

2. Brief facts of this complaint are that in 2016, complainants booked a Flat of 2 BHK+ Study Room with the respondent, in its project "Hero Homes" (Mohali). An apartment No.1301 was allotted to the complainants in Tower T-4, 13th Floor vide allotment letter dated 11.05.2016, copy of which is Annexure C-1. An agreement to sell in respect of said apartment was executed on 20.05.2016, copy of which is Annexure C-2. Total sale consideration inclusive of all charges, was fixed as Rs.54,43,600/-. Respondent was required to complete the work as per the specifications mentioned in the said agreement. As per clause 4.1 of the agreement, the possession was to be handed over within 42 months from the date of execution of agreement i.e. by 19.11.2019. Till date, complainants have paid an amount of Rs.54,53,528/-, to the respondent, copy of which is Annexure C-3. The respondent vide letter dated 13.01.2021, copy of which is Annexure C-4 offered possession of the said apartment, but the same was not ready as per the specifications mentioned in the agreement to sell. Complainants also requested the respondent to pay the delayed period interest and compensation to them as the stipulated date of possession was 19.11.2019, but the respondent did not pay delayed

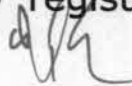


period interest to them. Thereafter, complainants filed a complaint bearing **No.GC No.33/2021** before the Authority (RERA) Pb. seeking delayed period interest on the amount paid by them. The said complaint was decided by the Authority vide order dated 18.08.2021, copy of which is Annexure C-5 directing the respondent to pay the delayed period interest from 19.11.2019 to 13.01.2021. However, respondent filed an appeal bearing No.104 of 2021 against the order dated 18.08.2021, before the Real Estate Appellate Tribunal, Pb. and the said appeal was decided vide judgment/order dated 22.08.2022, copy of which is Annexure C-6. The Real Estate Appellate Tribunal, modified the order dated 18.08.2021 passed by the Authority and reduced the delayed period interest from 13 months to 9 months. That possession of the said apartment was handed over to the complainants on 24.03.2022, copy of which is Annexure C-7. However, the complainants while taking physical possession of the apartment, pointed out several shortcomings in the same. The apartment was not complete as per specifications mentioned in the agreement to sell. Complainants also sent an e-mail dated 01.04.2022 to the respondent, pointing out certain shortcomings in the apartment, copy of which is Annexure C-8. Complainants had to engage lawyers and paid around Rs.1.50 lacs for filing the complaint before Authority (RERA) & appeal before



Appellate Tribunal as well as the instant complaint. That complainants have not been able to enjoy the property from 19.11.2019 to 24.03.2022, for which they have paid all the demanded payments. Now they have sought compensation of Rs.10,00,000/- on account of physical, mental harassment and Rs.1,50,000/- as litigation expenses. Hence, the present complaint.

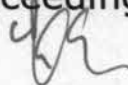
3. Upon notice, respondent put in appearance and contested the complaint by taking preliminary objections that all the allegations and averments raised by the complainants in the present complaint, are denied being false and without basis. It is averred that the present complaint is not maintainable as possession could not be delivered to complainants as per agreed terms and conditions and due to "Force Majeure" circumstances. That in March 2020, there was pandemic of Covid-19 and said period was termed under "Force Majeure Clause" vide circular dated 19.02.2020. The Ministry of Housing and Urban Affairs also recommended for extension of registration of real estate projects due to "Force Majeure" under the provisions of the Act, due to Covid-19. That Maharashtra RERA also invoked Force Majeure due to Covid-019 and held that the period is extended and also held Force Majeure to be 'Moratorium Period' and also stipulated that date of possession mentioned in already registered agreement for



sale, shall be deemed to be extended by the Force Majeure period. The complainants had already filed complaint before the Hon'ble Authority seeking interest on the amount deposited for the delayed period and the interest for delayed period was awarded by the Hon'ble Authority. That respondent preferred an appeal before learned Appellate Tribunal Punjab against the order of Hon'ble Authority and the said appeal was partially allowed by Hon'ble Appellate Tribunal and modified the order of Hon'ble Authority and granted relief of 4 months, due to Force Majeure circumstances during Covid-19 and thus the present complaint is not maintainable. The complainants have already been paid the interest of Rs.3,80,246/- as awarded by RERA Authority and modified by the Hon'ble Appellate Tribunal. The copy of statement of account showing credit of Rs.3,42,221/- and TDS certificate of Rs.38,025/- are Annexures R-2 & R-3. That compensation on account of mental agony, pains & suffering and legal fee as claimed in the present complaint under Section 31 of Act, 2016 read with Section 71 of Act is not made out and thus is not maintainable being misconceived and erroneous. Complainants have miserably failed to show any actual loss or injury and make out their case within parameters laid by Appellate Tribunal & Apex Court. That after taking possession and after grant of interest on deposited amount

for the delayed period, present complaint is not maintainable and no compensation can be allowed. The respondent has also referred to provisions of the Act 2016 & Rules 2017, particularly Section 2(a), Section 2(c) Section 2(zi), Section 18 & Section 71 in Para No.6 of his written reply. Further it is averred that if, it is assumed that present complaint can be adjudicated upon by this Bench, even then no relief of compensation can be awarded as present complaint is premature and is liable to be dismissed. Complainants have failed to show any actual loss or injury suffered by them and thus no compensation can be awarded as they have failed to make out the case for compensation. The present complaint is bereft of any evidence that there has been any disproportionate gain or unfair advantage as a result of which the alleged loss has been caused to the complainants. Respondent company has already delivered possession of the unit and has also paid interest for the delayed period. Denying rest of the averments of the complaint for want of knowledge, a prayer has been made for dismissal of this complaint, being devoid of any merit.

4. Rejoinder was not filed by the complainants, however, they orally rebutted the contentions of written reply of the respondent and reiterated the contents of their complaint, at every stage of the proceedings in this case.



5. Violations and contraventions contained in the complaint, were put to the representative of the respondent, to which he denied and did not accept the allegations. Thereafter, the complaint was fixed for further enquiry.

6. I have heard learned representatives of the parties and have gone through the record of this case carefully, with their able assistance. Each party has argued its case on the lines of its pleadings, as detailed in the earlier part of this order.

Both parties admit that the apartment in question was booked by the complainants and Flat No.1301, as detailed in Para No.1 of this order, was allotted to them by the respondent. Agreement of Sale dated 20.05.2016 was also executed between the parties. Amount as stated in the pleadings of the complainants, was paid to the respondent. But possession of the apartment was not delivered in time. So complainants moved a complaint (GC No.33/2021) before the Authority RERA, which was decided on 18.08.2021, vide which respondent was directed to pay interest to the complainants, on the delayed period. Respondent preferred appeal against the said order of the Authority, which was partly allowed vide order dated 22.08.2022 and period of interest was reduced. Copies of order dated 18.08.2021 passed by the Authority and order dated 22.08.2022 passed by the Hon'ble Appellate Tribunal,



are placed on record, which are not disputed by any of the parties and now they have become final and binding upon them. Now complainants are seeking compensation through the complaint in hand, for the delayed period on the ground of their physical and mental harassment to the tune of Rs.10 lacs alongwith litigation expenses of Rs.1,50,000/-.

On the other hand, Ld. Representative of the respondent, vehemently opposed the submissions of the representative of the complainants and reiterated his stand taken in the written reply. He submitted that the complainants have filed this false complaint on the wrong facts, which is not maintainable under Section 18 (1) of the Act. He further submitted that for the delayed period, the complainants have already been compensated with the interest by the Hon'ble Authority as well as the Hon'ble Appellate Tribunal. That amount of the said interest to the tune of Rs.3,80,246/- has already been paid to them by the respondent. It is further in his arguments that for the same ground, complainants cannot be compensated twice. He lastly prayed for dismissal of this complaint with costs.

Keeping in view the submissions, pleadings, documents relied upon by the parties, and for proper and effective disposal of this case, perusal of Section 18 of the Act is necessary and the same is reproduced 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) xxxx            xxxx  
 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".*

7. In support of his arguments, learned representative for the complainants relied upon the **Order dated 11.03.2025 passed by learned Adjudicating Officer, Haryana Real Estate Regulatory Authority, Panchkula, in Complaint No.1747 of 2023, titled as Mrs. Harvinder Jaggi etc. Vs TDI Infrastructure Ltd.,** vide which learned Adjudicating Officer granted compensation, in a similar situation, like in the case in hand. He further placed reliance on the judgment delivered by **Hon'ble High Court of Allahabad in U.P Avas Evam Vikas Vs.Dhruv Kumar Chaturvirdi etc., decided on 18.11.2023,** vide which the Hon'ble High Court has held that interest granted by Adjudicating Officer in the shape of

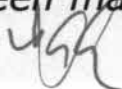
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compensation, on the ground of delay in delivery of possession, is valid. On the other hand learned representative for the respondent vehemently opposed the submissions of representative of the complainants and submitted that Order/Authority (supra) relied upon by the representative of the complainants, are not applicable to the present case, in any manner. He specifically submitted that Section 18 (1) of the Act does not favour the complainants in any manner. He prayed for dismissal of the complaint.

8. I have considered the pleadings, documents and submissions of the parties and have also gone through the Order/Authority relied upon by the learned representative for the complainants.

Order dated 11.03.2025 has been passed by the Co-ordinate Bench, so it is not binding upon this Bench. However, it deserves to be discussed, as it has been referred to on behalf of the complainants. As per Para No.8, Pages No.11 & 12 of the said order, to strengthen his view, learned Adjudicating Officer Panchkula, has relied upon Para 86 of the judgment delivered by the **Hon'ble Apex Court in Civil Appeal No.(s) 6745-6749 of 2021 titled as M/s New Tech Promoters and Developers Pvt. Ltd. Vs. State of U.P & Ors., decided on 11.11.2021**, which is reproduced as under:-

*"86. From the scheme of the Act of which a detailed reference has been made and taking note*



*of power of adjudication delineated with the Regulatory Authority and Adjudicating Officer; what finally culls out is that although the Act indicates the distinct expression like 'refund', 'interest', 'penalty' and 'compensation', a conjoint reading of Sections 18 and 19 clearly manifests that when it comes to refund of the amount, and interest on the refund amount, or directing payment of interest for delayed delivery of possession, or penalty and interest thereon, it is the Regulatory Authority which has the power to examine and determine the outcome of a complaint. At the same time, when it comes to a question of seeking the relief of adjudging compensation and interest thereon under Sections 12, 14, 18 and 19, the Adjudicating Officer exclusively has the power to determine, keeping in view the collective reading of Section 71 read with Section 72 of the Act. If the adjudication under Sections 12, 14, 18 and 19 other than compensation as envisaged, if extended to the Adjudicating Officer as prayed, that, in our view, may intend to expand the ambit and scope of the powers and functions of the Adjudicating Officer under Section 71 and that would be against the mandate of the Act 2016."*

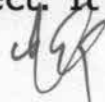
I have gone through this Para of the judgment of our Hon'ble Apex Court, but it nowhere speaks that the allottee who does not withdraw from the project is also entitled for compensation or that in such a case, Adjudicating Officer has the power to grant compensation/interest. Rather, this Para shows that the jurisdiction to grant interest for delayed delivery of possession, lies with the Authority (RERA). So, with all due regards, undersigned does not agree with this view of the learned Adjudicating Officer.

Rather, recently in **Sanjay Gupta Vs. Parsavnath Developers Ltd. (Complaint No.462 of**



**2024), decided on 24.02.2026,** learned Adjudicating Officer Panchkula, i.e same Bench by referring Section 18(1) of the Act in Para No.4 of this order, at Page No.13 has opined as under:-

"If above described provision of Section 18(1) is considered for its application, it becomes crystal clear that it speaks about two kinds of allottees; the one who withdraws from the project and another is the one who continues with the project and gets relief of possession. It further makes clear that the intention of legislature is to provide compensation to an allottee, who withdraws from the project, in the manner provided under Sections 71 & 72 of the Act, 2016, read with Rules 28(2) AND Rule 29 of the HRERA Rules, 2017 i.e the manner provided under the Act, 2016. However, there is no mention of grant of compensation to an allottee, who decides to continue with the project, means the one who gets relief of possession from the Authority, under Section 31 read with Section 35 of the Act, 2016. It is not out of place to mention here that in case of delay in handing over of possession, the allottee is entitled for only interest at the prescribed rate and not "compensation" as the suffix "including compensation" has not been provided by the Act, 2016, which otherwise is mentioned in respect of an allottee in Section 18(1) of the Act, who withdraws from the project. It means, there is no



provision made under Section 18 (1) of the Act, to grant compensation to an allottee, who does not withdraw from the project”.

Keeping in view the relevant provisions of the law, particularly, Section 18(1) of the Act, I agree with this view of the learned Adjudicating Officer.

9. So far as **U.P Avas Evam Vikas case (supra)** is concerned, it's facts are totally different from those of the case in hand. As per Paras No.6 to 12 of this citation, complaint was made before the Authority (RERA) to the effect that although the complainant had regularly paid all the installments, but as per registration booklet, no windows in the flat, no car parking, no sewage and no other facilities were made available to him and **most importantly the possession was delayed.** Alongwith various other objections of the appellant, he also raised objection before the Authority, with regard to the maintainability of the complaint. So authority transferred the said complaint to the Adjudicating Officer under Section 71 of the Act for determination of compensation for delay and other issues etc. The Adjudicating Officer, returned a finding dated 11.02.2021 that there has been a delay in giving possession of the flat. So by assessing the complaint, he directed the appellant to pay interest as compensation i.e Rs.20,88,000/- for the period of delay i.e 31.08.2025 to



18.08.2017 at the rate of MCLR + 1% pa, within 45 days of passing of the order.

In Para No.42 of this Judgment, Hon'ble High Court has held as under:-

(42) It is no gainsaying that both RERA Authority and Adjudicating Officer operate in different hemisphere, inasmuch as RERA Authority is empowered to grant interest whereas Adjudicating Officer is empowered to adjudge compensation and interest and thus the jurisdiction of **grant of Interest in the form of compensation by the Adjudicating Officer for and in place of the RERA of the RERA Authority, cannot be faulted with.**

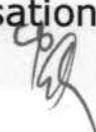
Admittedly, the complaint was transferred by the Authority to the Adjudicating Officer for assessment of the compensation and other issues. Said transfer order was never challenged. Lateron, order was passed by the Adjudicating Officer on 11.02.2021 i.e much prior to the date of decision of **New Tech Judgment (supra)** of our Hon'ble Supreme Court. In Para No.42 of the above said judgment, Hon'ble High Court has clearly held that the interest in the form of compensation by the Adjudicating Officer **for or in place of the RERA Authority**, cannot be faulted with. In that case, interest in the shape of compensation was granted once only that too, for or in



place of RERA Authority, by the Adjudicating Officer, as the complaint was transferred to him for its disposal. As per that case, the complainant did not avail the same remedy from the Authority (RERA) seeking interest for delayed period.

Now coming to the case in hand, the complainants have already been compensated by the Hon'ble Authority through their independent complaint (**bearing No. GC No.33 of 2021**) vide which, they have been allowed interest on the same ground i.e delay in delivery of possession. For the same plea, a person cannot be compensated twice. So the above referred authority of Hon'ble Allahabad High Court, having peculiar and different facts of the case, as compared to the case in hand, is not applicable to the present case. Accordingly, complainants cannot derive any benefit from it.

10. Even Bench of Adjudicating Officer, Haryana Real Estate Regulatory Authority Gurugram, has held in **Navneet Kumar @ Suman Choudhary Vs. BPTP Limited & Countrywide Promoters Pvt. Ltd. (Complaint No.2400 of 2023) vide order dated 29.07.2025** that award of interest in favour of the complainant by the Authority under Section 18(1) of the Act, on the ground of delay in delivery of the possession, was in the form of compensation. He further held that claim of compensation and interest can be



allowed only in case the allottee seeks to withdraw from the project. In support of his opinion, the learned Bench relied upon judgment of the **Hon'ble Real Estate Appellate Tribunal Uttar Pradesh titled as "Greater Noida Industrial Development Authority Vs. Ranjan Misra", Appeal 70 of 2023, decided on 20.04.2023 as under:-**

*"13.09. If we closely examine the above two provisions, it comes out that in a case where the Allottee exits the project, the Act expressly provides INTEREST AND COMPENSATION both, but in cases where the Allottee tends to stay in the project, the Allottee is only entitled for interest of every month till the handing over of the possession. Thus, the intention of the legislature was to provide Compensation only to those who exit the project and not to those who tend to stay in the project."*

Keeping in view all these facts and circumstances, it was held that when the complainant has already been compensated on the ground of delay in delivering the possession by the Authority, so for the same cause of action, there is no reason to allow separate compensation for delay in completion of construction by the promoter. In that case, complaint of the complainant **Navneet Kumar etc.** was dismissed.

11. Otherwise also, a close scrutiny of Section 18(1) of the Act, leaves no manner of doubt that this section deals with the matters where the project is not completed by the promoter within the stipulated period as per settled terms and conditions, then the allottee has the option to withdraw

from the project and seek the relief of refund of the paid amount alongwith interest, as per rules and also compensation. However, if the complainant chooses to remain in the project and wants to seek the relief of possession, then the only remedy provided for the default of the promoter in completion of the project, is to get the delayed interest on the paid amount from the stipulated date of possession till the actual date of possession, as per proviso of Section 18(1) of the Act, which runs as under: -


*"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. Now coming to the case in hand, complainants have not withdrawn from the project. Rather, because of the default of the promoter in completion of the project, they have chosen to seek the relief of delayed interest, which has already been allowed to them by the Hon'ble Authority (RERA) in Complaint bearing No.**GC 33 of 2021, titled as Nitin Pargal etc. Vs. M/s Hero Reality Pvt. Ltd.**(order modified in Appeal No.100 of 2021 by the Hon'ble Appellate Tribunal vide order dated 22.08.2022, reducing period of interest) under Section 18 (1) of the Act, vide order dated 18.08.2021, as detailed in Para No.3 of this order. By operation of proviso of Section 18(1) of the Act, the complainant is not entitled to relief of compensation, if he

has not opted to withdraw from the project and wants to remain in the project. Our Hon'ble Supreme Court in **M/s New Tech case (supra)** has clearly held in Para No.86 of the judgment that it is the Regulatory Authority, which has the power to deal with the matter qua payment of interest for delayed delivery of possession. Admittedly, this relief has already been availed by the complainants of the present case, so for the same plea/ground they cannot be compensated twice. Keeping in view all these facts and circumstances of the matter in hand, no case is made out for grant of any relief to the complainants, as claimed in the present complaint. So this complaint deserves dismissal.

13. As a result of the above discussion, present complaint filed by the complainants stands dismissed and disposed of, with no order to costs. Copy of this order be sent to the parties, free of cost, under rules. File be consigned to the record room, after necessary compliance, under rules.

**Pronounced**  
**Dated:13.03.2026**

  
**(Rajinder Singh Rai)**  
**Adjudicating Officer**  
**RERA, Punjab**  
13/3/2026