



## 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: [pschairrera@punjab.gov.in](mailto:pschairrera@punjab.gov.in) & [pachairrera@punjab.gov.in](mailto:pachairrera@punjab.gov.in)

1. Complaint No.	GC No. [0443/2023]
2. Name & Address of the complainant (s)/ Allottee	1. Sh. Prem Chand, 2. Smt. Neelam Aggarwal Both resident of :- 145, Sector 20, HUDA Part 1, Sirsa, Punjab, 151505.
3. Name & Address of the respondent (s)/ Promoter	M/s Omaxe Chandigarh Extension Developrs Pvt Ltd through its authorized signatory/Managing Director 10, LSC, Kalkaji, South Delhi, Delhi 110019.
4. Date of filing of complaint	07/12/2023
5. Name of the Project	The Lake, Group Housing project part of Mega Residential Project at Mullanpur (New Chandigarh Master Plan) in GMADA, Punjab
6. RERA Registration No.	PBRERA-SAS80-PR0040
7. Name of Counsel for the complainant, if any.	Sh. Shubhnit Hans, Counsel for the complainant
8. Name of Counsel for the respondents, if any.	Ms. Tamanna, Counsel for the respondents
9. Section and Rules under which order is passed	Section 31 of the RERD Act, 2016 r.w. Rule 36 of Pb. State RERD Rules, 2017.
10. Date of Order	11.09.2025

**Order u/s. 31 read with Section 40(1) of Real Estate (Regulation & Development) Act, 2016 r/w Rules 16, 24 and 36 of Pb. State Real Estate (Regulation & Development) Rules, 2017**

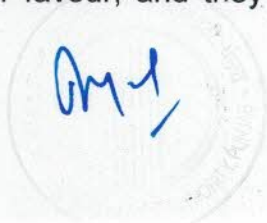
The present complaint dated 07.12.2023 has been filed by Sh. Prem Chand & Ms. Neelam Aggarwal (hereinafter referred as the 'Complainants' for the sake of convenience and brevity) u/s. 31 of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred as the 'RERD Act, 2016' for the sake of convenience and brevity) read with Rule 36 of the Punjab State Real Estate (Regulation & Development) Rules, 2017 (hereinafter referred as the 'Rules' for the sake of convenience and brevity) before the Real Estate Regulatory Authority, Punjab (hereinafter referred as 'Authority' for the sake of convenience and brevity) **seeking handover the physical possession of the allotted unit alongwith interest for the delayed period** relating to a RERA registered project namely 'The Lake' Group Housing project part of Mega Residential Project at Mullanpur (New Chandigarh Master Plan) in GMADA, Punjab promoted by M/s.Omaxe Chandigarh Extension Developers Pvt. Ltd. (hereinafter referred as the 'Respondents' for the sake of convenience and brevity).

2. The brief gist of the complaint is that the complainants, acting upon the representations of the Respondent Company regarding timely delivery, booked on 06.09.2019 a 4 BHK residential flat in the project "The Lake" forming part of Omaxe New Chandigarh, District SAS Nagar, Punjab, duly registered with this Hon'ble Authority under registration no. PBRERA-SAS80-PR0040. The Respondent Company thereafter allotted Flat No. TLC/EMRALD-A/FIFTH/503, having a super area of approximately 2300 sq. ft., and a Builder Buyer's Agreement was executed on 07.10.2019, whereby possession was contractually assured to be delivered on or before 31.07.2021. The complainants, under the construction-linked payment plan, have paid a total sum of ₹75,58,457/- out of the total sale



consideration of ₹81,92,429/-, as is duly reflected in the Statement of Account issued by the Respondent Company itself on 30.10.2023. Despite having received almost the entire consideration and more than four years having elapsed from the date of agreement, the Respondent Company has failed to complete construction and hand over legal physical possession of the unit, thereby leaving the complainants stranded after investing their lifetime savings. The inordinate delay in handing over possession constitutes a blatant violation of the Builder Buyer's Agreement as well as the statutory rights of the allottees under the Real Estate (Regulation and Development) Act, 2016. The complainants, therefore, humbly pray that this Hon'ble Authority may be pleased to direct the Respondent Company to offer possession of the allotted flat forthwith and to pay interest for the delay at the rate of current MCLR + 2% on the amounts deposited by the complainants, from the respective dates of deposit till realization.

3. In response to the complaint, the respondent filed its reply and contested the present complaint stating therein that the present complaint is misconceived and liable to be dismissed, as the complainants themselves are in default of their obligations under the Agreement for Sale dated 07.10.2019, executed pursuant to their application dated 26.08.2019 for allotment of Flat No. 503, 5th Floor, Tower Emerald-A, in the project "The Lake" at Omaxe New Chandigarh. It is submitted that the complainants opted for the "Additional Down Payment/Additional Discount Payment Plan" under which a rebate of ₹9,43,462/- was extended to them, reducing the basic sale price from ₹88,55,391/- to ₹79,11,929/-, subject to the condition of making timely payments of all installments. However, despite repeated reminders and demand notices, the complainants made delayed payments on multiple occasions, thereby disentitling themselves to the said discount and rendering themselves liable to pay the withdrawn rebate along with delay interest, as per Clause 7.3 of the Agreement. The allegation that possession was due by 31.07.2021 is denied, as the timelines stood subject to extension on account of the complainants' own defaults. It is further denied that the payment plan was a "construction-linked plan," as falsely alleged, whereas in reality the complainants had opted for the Additional Down Payment Plan, which is evident from the Agreement itself. It is further submitted that the period of completion stipulated under the Agreement cannot be treated as binding in view of the unforeseen disruption caused by the COVID-19 pandemic, and accordingly, the date of possession stands duly extended. It is further submitted that the present complaint also suffers from non-joinder of necessary parties, as the complainants had availed a housing loan pursuant to execution of a Tripartite Agreement with Punjab National Bank, and therefore the lending institution is a necessary and proper party to the proceedings. The bald allegations of unfair trade practice, misuse of funds, or mala fide intent are false, baseless, and defamatory, as the Respondent is a reputed developer with a track record of more than three decades across 25 cities. In view of the complainants' own defaults and concealment of material facts, no cause of action arises in their favour, and they are not entitled to any of the reliefs sought in the present complaint.





4. The violations and contraventions contained in the complaint were given to the representative of the respondents to which they denied and did not plead guilty. The complaint was proceeded for further inquiry.
5. Complainant filed his rejoinder controverting the allegations of the written reply filed by respondents and reiterating the averments of the complaint.
6. That representatives for parties addressed arguments on the basis of their submissions made in their respective pleadings as summarised above. I have duly considered the documents filed and written & oral submissions of the parties i.e., complainant and respondents.
7. It is an admitted position on record that the complainants booked a 4 BHK flat on 07.10.2019 in the project "*The Lake*", part of Omaxe New Chandigarh, District SAS Nagar, Punjab, duly registered with this Authority under registration no. PBRERA-SAS80-PR0040. The flat allotted was Flat No. TLC/EMERALD-A/FIFTH/503 admeasuring approximately 2300 sq. ft. A Builder Buyer's Agreement was executed on 07.10.2019, wherein possession was stipulated to be delivered on or before 31.07.2021. The total sale consideration of the unit was fixed at ₹81,92,429/-, against which the complainants have already paid ₹75,58,457/-, as reflected in the Statement of Account dated 30.10.2023 issued by the respondent itself. It is also undisputed that as on date, physical possession of the unit has not been handed over to the complainants. The complainants submitted that despite having paid almost the entire sale consideration, the respondent has failed to complete construction and deliver possession within the promised period, leaving them stranded after investing their lifetime savings. The contractual possession date of 31.07.2021 has long expired, and more than four years have elapsed since execution of the Agreement, yet possession remains undelivered.
8. The respondent, while contesting the complaint, submitted that the complainants themselves are in default of their obligations under the Agreement for Sale dated 07.10.2019. It is contended that the complainants had opted for the "Additional Down Payment/Additional Discount Payment Plan" under which a rebate of ₹9,43,462/- was extended to them, thereby reducing the basic sale price from ₹88,55,391/- to ₹79,11,929/-, subject to strict adherence to timely payments. However, despite repeated reminders and notices, the complainants made delayed payments on several occasions, which disentitled them to the rebate and rendered them liable to pay the withdrawn discount along with delay interest as per Clause 7.3 of the Agreement. The allegation that possession was contractually due by 31.07.2021 is denied on the ground that the timeline stood subject to extension in view of such defaults. It is further urged that the contractual period of completion cannot be treated as binding in light of the unprecedented disruption caused by the COVID-19 pandemic, due to which the possession timeline stands automatically extended. The respondent also raised the objection of non-joinder of necessary parties, since the complainants had availed a housing loan under a Tripartite Agreement with Punjab National Bank, making the lender a necessary and proper party. The allegations of unfair trade practice, diversion of funds, or mala fides are strongly denied as false and defamatory, with



the respondent emphasizing its standing as a reputed developer with over three decades of experience in more than 25 cities. On these premises, the respondent submitted that the complaint is misconceived, devoid of merit, and liable to be dismissed. Clause 7.3 of the Agreement reads as under:-

**“7.3 Failure of Allottee to take possession of Unit:-** Upon receiving a written intimation from the promoter as per clause 7.2, the Allottee shall take possession of the Said Unit from the Promoter by executing necessary indemnities, undertakings and such other documentation as prescribed in this Agreement, and the Promoter shall give possession of the Said Unit to the allottee. In case the Allottee fails to take possession within the time provided in clause 7.2, such Allottee shall continue to be liable to pay maintenance charges as applicable. On failure of an allottee to pay the installment as per schedule given in allotment letter, apart from paying the interest on the delayed amount, the possession of the Said Unit to be extended to the extent of delay in paying the defaulted amount.”

9. This Authority has carefully considered the pleadings and submissions of both parties. It is undisputed that the complainants were allotted the unit in question on 07.10.2019 and that possession has not been offered even as of the date of hearing. The complainants have paid a substantial portion of the sale consideration, i.e., ₹75,58,457/- out of ₹81,92,429/-. The primary defense of the respondent is twofold: (i) the complainants' alleged defaults in making timely payments disentitle them to any relief, and (ii) the completion timelines stood extended due to the COVID-19 pandemic. While it is correct that delays in payments of installment may attract consequences under the 7.3 Clause of Agreement but such defaults cannot be used to justify a delay of more than four years in handing over possession, particularly when a major portion of the consideration already stands paid. The promoter/respondent has stated in Para 9 of page 9 of the delay in payment as follows:-

“9. That the complainants made payments after delays as per their whims and fancies. Copies of intimation of Due instalment Notices and corresponding Receipts are annexed herewith as Annexure R-7 (Colly). The delays are tabulated as follows for the purpose of calculating the tentative date of possession as per Clause 7.3 of the Agreement:-

Stage	Due Date	Fully paid on	Delay
30 days of booking	26.09.2019	25.10.2019	29 days
60 days of booking	26.10.2019	22.11.2019	27 days
90 days of booking	25.11.2019	Partially paid on 22.11.2019 and 30.11.2019	5 days
<b>Total</b>			<b>2 months</b>

9.1 It has asked for extension of 2 months as per Clause 7.3. However, the clause 7.3 cannot be interpreted for such minor delays to count on day to day basis. A part of payment cannot be considered to delay for the whole limit. The delay has occurred in October & November 2019 for 61 days in three initial installments. The respondent had not taken any cognizance of the said delay in its correspondence with the allottee till filing of reply before the Authority. This is a very minor delay and was not duly given notice by the respondent to the allottee for making it to enforce in delaying the possession. It has a clause to delay the possession. It is held that charging of interest is sufficient in the given circumstances for delay period but cannot result in delay in handing over of the possession of





the limit. Therefore in the peculiar facts this part of clause 7.3 is not considered applicable in this particular case. The consequence of non-payment in such a big project where the unit of the allottee is a small part cannot delay the project to an extent that possession is delayed. There may be other reason for delay at the end of the respondent but this alone reason cannot be accepted as sole reason to entitle the promoter to delay the possession. The promoter has not even given the possession till date and the delay is already more than 42 months till 31.08.2025. Therefore this plea is rejected.

9.2 As regards the reliance on COVID-19, the project construction period falls in the COVID-19 period. This Authority extended the period by 6 months for completion of project, therefore the due date of possession after extension comes to 31.01.2022 instead of 31.07.2021 (i.e. promised date of possession as per Buyer's Agreement). The objection of non-joinder of parties on account of the housing loan and Tripartite Agreement with the bank is also not sustainable, as the reliefs sought herein pertain to delivery of possession and delay interest, which are squarely issues between the allottee and the promoter. It is also pertinent to mention here that the respondent has not obtained the Completion Certificate/Partial Completion Certificate or Occupancy Certificate where the present unit is situated.

10. Since the construction has been delayed inordinately; therefore, as per provisions of Section 18 the complainant is entitled to claim refund alongwith interest as per its choice in case of non-completion on due date. It reads 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:*

*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."*

Accordingly, the delay is attributable to the respondent and the complainants are held entitled to interest for the period of delay.

11. In view of the above findings, the complaint deserves to be **Partly Allowed** and this Bench holds that the respondent has failed to fulfill its obligation of delivering possession within the agreed period, and the complainants are entitled to interest for the delay. Accordingly, the respondent is directed to hand over valid physical possession of Flat No. TLC/EMERALD-A/FIFTH/503 to the complainants after obtaining the Completion Certificate/Partial Completion Certificate or Occupancy Certificate. Further, the respondent shall pay to the complainants delay interest @ 10.90% (i.e. 8.90% SBI's Highest MCLR Rate applicable as on 15.08.2025 + 2%) as per Rule 16 of the Punjab State Real Estate





(Regulation & Development) Rules, 2017, on the amounts paid by the complainants. The period for payment of interest will be considered from the next month in which the due date of possession till it is validly offered to the allottee by the promoter/respondent to the previous month of the date in which possession has been effectively handed over by the promoter. Therefore, the calculation of delayed interest is calculated as follows:-

Interest payable from	Principal Amount Paid	Interest Calculated till	Rate of Interest as per order	Tenure	Interest Amount
1	2	3	4	5	6
01.02.2022	Rs.75,58,457/-	31.08.2025	10.90%	42 months	28,83,551/-

12. The Hon'ble Supreme Court, in its judgment in the matter of *M/s. Newtech Promoters and Developers Pvt. Ltd. Vs. State of U.P. and Others (Civil Appeal Nos. 6745-6749 of 2021)*, has upheld that the refund to be granted u/s. 18 read with Section 40(1) of the Real Estate (Regulation & Development) Act, 2016 is to be recovered as Land Revenue alongwith interest and/or penalty and/or compensation.

13. In view of the aforesaid legal provisions and judicial pronouncement, it is hereby directed that the above amount shall be recovered as Land Revenue as provided u/s 40(1) of the RERD Act, 2016. The total amount due towards delayed interest upto 31.08.2025 is calculated at an amount of Rs.28,83,551/- and the respondent is directed to make the payments within 90 days to the complainants and offer valid offer of possession. After, 01.09.2025 the promoter is liable to pay an amount of Rs.68,656/- per month as interest till the valid & due possession is handed over to the complainants. Further, if any amount is due towards the complainant at the time of offer of possession, first the said payment is payable by the allottee-cum-complainant, it will be adjusted by the promoter as payment received from the interest accrued i.e. payable by the promoter at the time of offer of possession, if any is balance due to non-recovery/payments by the respondent/promoter.

14. The amount of Rs.28,83,551/- upto 31.08.2025 as interest upon the delayed period, as determined vide this order u/s. 31 of the Real Estate (Regulation & Development) Act, 2016; has become payable by the respondent to the complainant and the respondent is directed to make the payment within 90 days from the date of receipt of this order as per Section 18 of the Real Estate (Regulation & Development) Act, 2016 read with Rules 17 of the Punjab Real Estate (Regulation & Development) Rules, 2017. The amount of Rs.28,83,551/- determined as interest upon the delayed period upto 31.08.2025 and further a sum of Rs.68,656/- per month, to be payable as interest per month from 01.09.2025 is held "Land Revenue" under the provisions of Section 40(1) of the RERD Act, 2016. The said amounts are to be collected as Land Revenue by the Competent Authorities as provided/authorised in the Punjab Land Revenue Act, 1887 read with section 40(1) of the Real Estate (Regulation and Development) Act, 2016.

15. The Secretary of this Authority is hereby directed to issue a "Debt Recovery Certificate" after 90 days for an amount of Rs.28,83,551/- as delayed interest upto 31.08.2025 and Rs.68,656/- payable per month as interest from 01.09.2025 onwards; till due possession is handed over. He will send the Debt Recovery



**Certificate to the jurisdictional Deputy Commissioner of the District being Competent/ jurisdictional Authority as mentioned in the Punjab Land Revenue Act, 1887 after 90 days of the issuance of this order to be recovered as arrears of "Land Revenue".** The complainant & the respondent are directed to inform the Secretary of this Authority regarding any payment received or paid respectively so as to take the same in to account before sending "Recovery Certificate" to the Competent Authority for recovery. **Further, Sh. Prem Chand and Smt. Neelam Aggarwal are held to be Decree Holders and the Respondent i.e. M/s. Omaxe Chandigarh Extension Developers Pvt. Ltd. as judgment debtor for the purposes of recovery under this order.**

16. No other relief is made out.

17. A copy of this order be supplied to both the parties under Rules and file be consigned to record room.


**Chandigarh**  
**Dated: 11.09.2025**



  
**(Rakesh Kumar Goyal),**  
**Chairman,**  
**RERA, Punjab.**

A copy of the above order may be sent by the Registry of this Authority to the followings:-

1. Sh. Prem Chand,
2. Smt. Neelam Aggarwal,  
(Both resident of :- 145, Sector 20, HUDA Part 1, Sirsa, Punjab, 151505)
3. M/s Omaxe Chandigarh Extension Developrs Pvt Ltd through its authorized signatory/Managing Director 10, LSC, Kalkaji, South Delhi, Delhi 110019.
4. The Secretary, RERA, Punjab.
5. Director (Legal), RERA, Punjab.
6. The Complaint File.
7. The Master File.

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