



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 & pachairrera@punjab.gov.in

1. Complaint No. :- GC No. 0140/2024
2. Name & Address of the complainant (s)/ Allottee :-
 1. Ms. Hema Gala,
 2. Sh. Prithvi Pal Singh,
 Both resident of :-
 303/B, Jamal Road, Saket Plaza, Phulwari, Patna, Bihar - 800001
3. Name & Address of the respondent (s)/ Promoter :- M/s Omaxe New Chandigarh Developers Pvt. Ltd.
 India Trade Tower 1st Floor, Madhya Marg Extn. Road, New Chandigarh, Near Mullanpur, SAS Nagar (Mohali) – 140901.
4. Date of filing of complaint :- 15.04.2024
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. :- Sh. Sanjeev Sharma, 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 :- 29.10.2025

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 15.04.2024 has been filed by Ms. Hema Gala & S. Prithvi Pal Singh (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 possession 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, as alleged by the complainants is that they had initially booked a residential unit in the project "The Lake", registered with the Authority under No. PBRERA-SAS80-PR0040, and were allotted a 2BHK unit No. TLC/MYSTIC-B/TWELFTH/1202 measuring 1285 sq. ft., for which the Builder Buyer Agreement was executed on 13th March 2015 after payment of the booking amount and



2.1. The complainants aver that as per Clause 7.1 of the agreement the respondent was required to hand over legal physical possession on or before 31.07.2021, but despite the lapse of more than three years beyond the stipulated date and over four years from the initial booking, the respondent has failed to deliver possession and has not provided any justification for the delay. They further plead that the respondent has violated Clause 9.2 by failing to pay delay compensation within ninety days of its becoming due, and several communications and emails sent by them have gone unanswered. Accordingly, the complainants have prayed for directions to the respondent to hand over possession of the unit alongwith interest for the delayed period.

3. In response to the complaint, the respondent filed its reply and contested the present complaint stating therein that that all allegations and averments in the complaint are denied unless specifically admitted, and that the complaint is not maintainable for want of jurisdiction as well as for non-joinder of necessary parties, as the unit in question was jointly allotted to Hema Gala and co-allottee Prithvi Pal Singh, who has not been impleaded as complainant despite having a direct interest in the property. It is further submitted that the Buyer's Agreement dated 26.02.2020 was executed in good faith and in full compliance with the RERA model format and all payments received from the complainants were strictly in accordance with the agreed terms. The Respondent asserts that the co-allottee was a broker who had earlier booked another unit for speculative purposes and that the complainants had voluntarily submitted the application form containing detailed terms regarding area variation, payment obligations and liabilities. The Respondent contends that no delay is attributable to it, and any delay that occurred was solely due to reasons beyond its control, including regulatory delays and force majeure conditions caused by the COVID-19 pandemic. It is stated that the agreed date of possession under Clause 7.1 was 31.07.2021 but, in view of the *force majeure* period and extensions granted by the Authority, including the automatic six-month extension under RERA circular dated 28.10.2020, the subsequent extensions under Section 6 of the Act, and the further extension granted up to 31.12.2024, the Respondent has not defaulted in its obligations. The Respondent relies upon the orders of the Hon'ble Supreme Court in Suo Motu Writ Petition (C) No. 3 of 2020 extending limitation periods during COVID-19, as well as judgments of the Hon'ble SCDRC Chandigarh and Hon'ble NCDRC New Delhi recognising COVID-19 as a force majeure event and holding that no interest is payable for the force majeure period. It is contended that all project details, approvals and sanctioned plans were duly provided to the complainants at the time of execution of the agreement, and the complainants had acknowledged having inspected and understood the same; hence, the demand for documents at this stage is unjustified. The Respondent submits that it has always acted in good faith and in accordance with law, that the allegations of harassment or unfair practices are false and baseless, and that the complainants are not entitled to any interest or compensation sought. It is therefore



prayed that the complaint be dismissed as frivolous, vexatious and non-maintainable, with punitive costs.

4. Complainant filed his rejoinder controverting the allegations of the written reply filed by respondents and reiterating the averments of the complaint. It is further submitted that the Respondent's objections regarding jurisdiction and non-joinder of parties are frivolous, as the complaint is fully maintainable and the co-allottee stands duly impleaded. The Buyer's Agreement dated 26.02.2020 was not preceded by proper disclosure of construction status, and the Respondent has failed to honour its contractual obligations under Clauses 7.1, 7.6 and 9.2 relating to timely possession and payment of delay interest. The Respondent's attempt to attribute delay to external factors or to the Complainants is untenable, as the project has remained incomplete despite the passage of several years beyond the committed possession date. No delay compensation has ever been paid, and the Respondent's assertions regarding transparency, good faith or speculative intent of the Complainants are false and baseless. The Complainants therefore submit that the Respondent is clearly in breach of its statutory and contractual obligations under the RERA Act and the complaint deserves to be allowed.

5. 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.

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. The undisputed facts of the complaint is that the Complainants initially booked a 2BHK residential unit bearing No. TLC/MYSTIC-B/TWELFTH/1202 in the project "THE LAKE" developed by M/s Omaxe New Chandigarh Developers Pvt. Ltd., which is registered with the Punjab Real Estate Regulatory Authority under Registration No. PBRERA-SAS80-PR0040. The Booking Application was made on 21.01.2015, and the Complainants paid Rs. 4,85,013/- out of the total sale consideration of Rs.57,00,987.50/- for the 2BHK unit. Subsequently, on 23.04.2019, the Complainants applied for allotment of a 3BHK unit in the same project and were allotted Unit No. TLC/CASPEAN-D/NINTH/903. The Buyer Agreement for this unit was executed on 26.02.2020 after adjusting previous payments and additional advance, amounting to a total consideration of Rs. 76,46,265/-. As per Clause 7.1 of the Agreement, possession was promised on 31.07.2021. It is undisputed that the Complainants have paid Rs.70,60,049/- till date, and possession of the unit has not been delivered. The co-allottee, Prithvi Pal Singh, is impleaded in the complaint; therefore, the Respondent's preliminary objection on non-joinder is not sustainable. It is also undisputed that the



Respondent has not obtained the Completion Certificate, Partial Completion Certificate, or Occupancy Certificate for the relevant tower till date of last hearing.

8. The Complainants contend that despite paying a substantial portion of the sale consideration, the Respondent has failed to complete construction and hand over possession within the agreed timeline, causing mental, emotional, and financial hardship. The delay is solely attributable to the Respondent, as the project commenced in 2014 and remains incomplete even after more than 11 years, and over three years past the promised date of possession. The Complainants submit that the Respondent has acted in a *malafide* manner by starting other projects without completing this project, mismanaging funds, and misleading allottees. While acknowledging the COVID-19 pandemic and related *force majeure* extensions, the Complainants argue that these cannot justify delay beyond the Authority-granted six-month extension, revising possession to 31.01.2022. The Respondent has also failed to offer valid possession and pay delay interest as per Section 18 of the RERA Act. Further, the Respondent has not obtained statutory approvals, and possession cannot be legally handed over. The Complainants seek immediate possession, interest on amounts paid, and production of all project documents and approvals before the Authority.

9. The Respondent contends that the complaint is not maintainable due to preliminary objections regarding non-joinder of co-allottee and asserts that the Complainants were fully aware of project status at the time of booking. The Respondent argues that any delay, if at all, was due to force majeure events, including COVID-19, and claims that no interest or compensation is payable. It is submitted that the Authority granted extensions for COVID-19, all payments received were applied to project development, and no mala fide conduct occurred. The Respondent denies misrepresentation, diversion of funds, or unfair trade practices, and contends that the project is being completed in good faith, adhering to the Buyer Agreement and RERA provisions.

10. The preliminary objection regarding non-joinder of the co-allottee is rejected, as Prithvi Pal Singh is already impleaded in the complaint. The committed date of possession under Clause 7.1 of the Buyer Agreement was 31.07.2021, and accounting for the six-month COVID-19 extension, the revised possession date is 31.01.2022. Possession has not been delivered even after this extended date. The Respondent has not obtained the Completion Certificate, Partial Completion Certificate, or Occupancy Certificate for the unit, which is a mandatory requirement before handing over possession. The construction delay is solely attributable to the Respondent, and reliance on COVID-19 beyond the extended period is not sustainable. The Respondent's failure to pay interest under as per Section 18 of the RERA Act constitutes violation of statutory and contractual obligations. The Complainants are entitled to interest from the deemed date of possession till actual handover and immediate possession of the unit.



11. 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.

12. In view of the above findings, the complaint deserves to be **Partly Allowed** and it is held 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 a 3BHK unit No. TLC/CASPEAN-D/NINTH/903 to the complainants after obtaining the Completion Certificate/Partial Completion Certificate or Occupancy Certificate. Further, the respondent shall pay to the complainants delay interest @ 10.85% (i.e. 8.85% SBI's Highest MCLR Rate applicable as on 15.09.2025 + 2%) as per Rule 16 of the Punjab State Real Estate (Regulation & Development) Rules, 2017, on the amounts paid by the complainants, till the valid offer of possession. 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.70,60,049/-	31.10.2025	10.85%	45 months	30,97,530/-

13. 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.



14. 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 31.10.2025 is calculated at an amount of Rs.30,97,530/- and the respondent is directed to make the payments within 90 days to the complainants and offer valid offer of possession. After, 01.11.2025 the promoter is liable to pay an amount of Rs.63,835/- 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.

15. The amount of Rs.30,97,530/- upto 31.10.2025 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.30,97,530/- determined as interest upon the delayed period upto 31.10.2025 and further a sum of Rs.63,835/- per month, to be payable as interest per month from 01.11.2025 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.

16. The Secretary of this Authority is hereby directed to issue a **"Debt Recovery Certificate"** after 90 days for an amount of Rs.30,97,530/- as delayed interest upto 31.10.2025 and Rs.63,835/- payable per month as interest from 01.11.2025 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, Hema Gala and Prithvi Pal Singh are held to be Decree Holders and the Respondent i.e. M/s. Omaxe New Chandigarh Developers Pvt. Ltd. as judgment debtor for the purposes of recovery under this order.

17. No other relief is made out.

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

Chandigarh
Dated: 29.10.2025




(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. Ms. Hema Gala,
2. Sh. Prithvi Pal Singh,
Both resident of :- 303/B, Jamal Road, Saket Plaza, Phulwari, Patna, Bihar - 800001
3. M/s Omaxe New Chandigarh Developers Pvt. Ltd.,
India Trade Tower 1st Floor, Madhya Marg Extn. Road, New Chandigarh, Near Mullanpur, SAS Nagar (Mohali) – 140901.
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.