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. 0204/2024
2.	Name & Address of the complainant (s)/ Allottee	1. Sh. Harvinder Singh, 2. Sh. Manpreet Kaur, Both resident of :- H. No. 607, Ranitalab Road, Opp. Police Post Digiana, Jammu, Jammu & Kashmir – 180010.
3.	Name & Address of the respondent (s)/ Promoter	M/s Omaxe Chandigarh Extension Developrs Pvt Ltd10, Local Shopping Complex, Kalkaji, South Delhi, Delhi 110019.
4.	Date of filing of complaint	06.06.2024
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. Ashim Aggarwal, 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	24.10.2025

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 06.06.2024 has been filed by Sh. Harvinder Singh and Ms. Manpreet Kaur (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 interest for the delayed period alongwith other reliefs** 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 the Complainants booked a 2 BHK flat bearing No. TLC/MYSTIC-A/SEVENTH/702 in the project *"The Lake"* (Regd. No. PBRERA-SAS80-PR0040) and executed an Allotment Letter/BBA on 17.07.2015 for a total consideration of ₹57,00,988/-, against which they have already paid a sum of ₹63,40,017/-. The Respondent unilaterally

increased the area of the unit from 1285 sq. ft. to 1425 sq. ft. and raised additional cost of ₹5,42,430/- without consent, besides levying unjustified charges such as ₹45,045/- towards meter cost (in place of the nominal ₹4,000/-) and electricity charges of ₹1,666/- for the period 31.01.2024 to 31.03.2024 though the Complainants have not started residing in the unit. As per Clause 40(a) of the BBA, possession was to be delivered on or before 17.01.2019, however, the Respondent offered possession only in January 2024 without obtaining the Occupancy Certificate and compelled the Complainants to accept possession under coercion on 27.01.2024. Even after such inordinate delay of nearly 8 years, the quality of construction is substandard with visible cracks, poor fixtures, and lack of promised amenities like power backup and clubhouse. The Respondent has adopted an unfair trade practice by charging 18% interest on delay by allottees but offering only ₹5 per sq. ft./month for its own delay, which is contrary to the provisions of the RERA Act. The Complainants, having invested their lifetime savings, have suffered immense mental and financial harassment and therefore seek directions to the Respondent to pay interest @ MCLR + 2% on the amounts paid till valid possession with Occupancy Certificate is offered, withdraw arbitrary demands towards increased area, meter and electricity charges, provide promised amenities, rectify construction defects, and grant such other reliefs as this Hon'ble Authority deems fit in the interest of justice.

3. In response to the complaint, the respondent filed its reply and contested the present complaint stating therein that all allegations made by the complainants are denied. The complainants have already taken possession of the unit, and the delayed possession penalty was paid and adjusted towards the outstanding dues, with an undertaking not to claim any further penalty. Any delay in possession was due to circumstances beyond the control of the Respondent, including the COVID-19 pandemic, which is covered under the *force majeure* clause of the agreement. The alleged payment of Rs. 1,666 relates to a separate entity for which the Respondent is not liable, and the complainant is further barred for non-joinder of necessary parties, lack of cause of action, and the existence of an arbitration clause. The Respondent has complied with all terms of the agreement, offered possession after obtaining the necessary approvals, and all claims of coercion, deficiency in service, or harassment are baseless. The complaint is therefore without merit and liable to be dismissed with costs.

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.

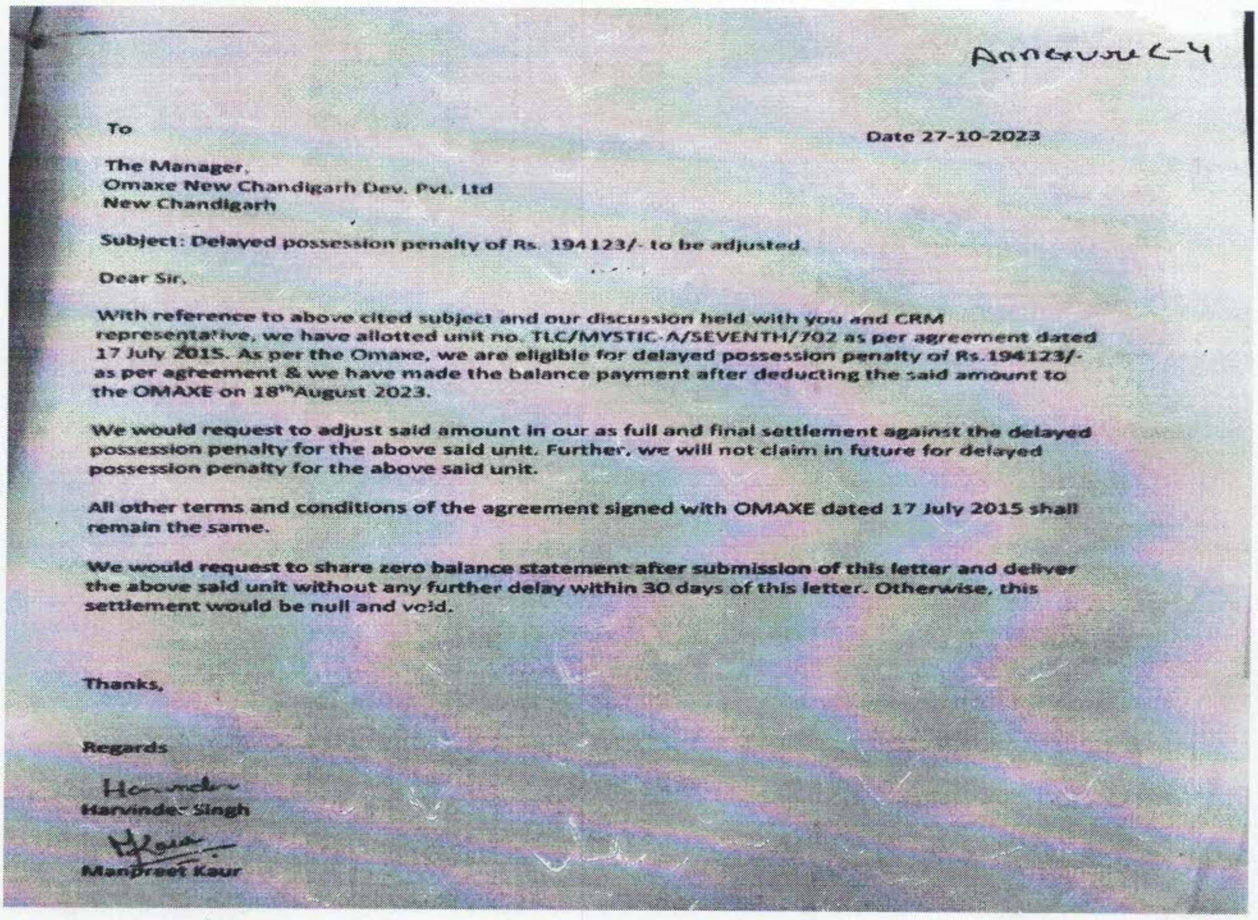
6. That representatives for parties addressed arguments on the basis of their submissions made in their respective pleadings as summarised above. I have duly considered the documents filed and written & oral submissions of the parties i.e., complainant and respondents.

7. The complainants booked a 2 BHK flat bearing No. TLC/MYSTIC-A/SEVENTH/702 in the residential project "The Lake" and executed the Allotment Letter/BBA on 17.07.2015 for a total consideration of ₹57,00,988/-, against which they made payments totalling approximately ₹63,40,017/-. Initially, the flat was allotted to Ms. Akshima Dogra, who later assigned it to the complainants through a valid indemnity cum undertaking. The tentative super area of the unit was 1285 sq. ft., which was later increased at1425 sq. ft. in accordance with the agreement. The Respondent offered possession for fit-out on 26.07.2023, after obtaining the partial completion certificate, and the complainants physically took possession on 27.01.2024, following issuance of the Occupation Certificate on 10.10.2023. The parties were governed by the terms of the Allotment Letter, which included provisions for extension of possession timelines under force majeure, interest adjustments, maintenance charges, and dispute resolution through arbitration.

8. The complainants contend that the Respondent unilaterally increased the area of the flat and raised additional costs without their consent, levied excessive meter and electricity charges despite the unit not being occupied and delayed possession far beyond the contractual date of 17.01.2019. They allege that possession was offered without a valid Occupation Certificate, that the quality of construction is substandard with visible defects, and that promised amenities, such as power backup and clubhouse facilities, have not been provided. The complainants claim that the Respondent's actions constitute unfair trade practices and have caused them significant mental and financial distress. They seek interest on the amounts paid until valid possession with Occupation Certificate, withdrawal of arbitrary charges, rectification of construction defects, provision of promised amenities, and other reliefs.

9. The Respondent, on the other hand, denies all allegations unless specifically admitted. It is emphasized that the flat was initially allotted to another person and was subsequently assigned to the complainants in accordance with due procedure. The Respondent submitted that any delay in possession was occasioned due to force majeure circumstances, particularly the COVID-19 pandemic, which resulted in suspension of construction activities, restrictions on movement of

construction materials, and closure of government offices responsible for granting statutory approvals. It is further stated that possession was offered only after obtaining the partial Completion Certificate and the Occupation Certificate. The complainants voluntarily took possession as full and final settlement against the delayed period, on 27.01.2024 after adjustment of the delayed possession compensation amounting to ₹1,94,213/- in full and furnished a written undertaking not to claim any further amount towards penalty or delay compensation. For ready reference, Annexure C-4 dated 27.10.2023 of the complaint is attached herewith:-



Annexure C-4

To

Date 27-10-2023

The Manager,
Omaxe New Chandigarh Dev. Pvt. Ltd
New Chandigarh

Subject: Delayed possession penalty of Rs. 194123/- to be adjusted.

Dear Sir,

With reference to above cited subject and our discussion held with you and CRM representative, we have allotted unit no. TLC/MYSTIC-A/SEVENTH/702 as per agreement dated 17 July 2015. As per the Omaxe, we are eligible for delayed possession penalty of Rs.194123/- as per agreement & we have made the balance payment after deducting the said amount to the OMAXE on 18th August 2023.

We would request to adjust said amount in our as full and final settlement against the delayed possession penalty for the above said unit. Further, we will not claim in future for delayed possession penalty for the above said unit.

All other terms and conditions of the agreement signed with OMAXE dated 17 July 2015 shall remain the same.

We would request to share zero balance statement after submission of this letter and deliver the above said unit without any further delay within 30 days of this letter. Otherwise, this settlement would be null and void.

Thanks,

Regards

Harvinder Singh

Manpreet Kaur

9.1. The Respondent asserts that the increase in super area and corresponding charges were in accordance with the terms of the Allotment Letter, which clearly stipulates that the super area is tentative and subject to change upon completion of construction. Operational and maintenance charges were payable to a separate legal entity, namely M/s Facility Plus Estate Management Pvt. Ltd., and therefore no liability in this regard can be fastened upon the Respondent. Allegations regarding coercion, substandard construction, deficiency in service, or unfair trade practices are specifically denied as baseless and unsubstantiated.

10. On examination of the record, it is evident that the complainants took possession of the unit only after issuance of the Occupation Certificate, which is a statutory precondition for lawful possession under the Real Estate (Regulation and Development) Act, 2016. The issuance of the partial completion certificate and subsequent offer of possession were fully consistent with the provisions of the agreement executed between the parties. It is further noted that the delayed possession compensation was duly calculated, adjusted, and accepted by the

complainants, who thereafter voluntarily took possession of the unit without any demur. By accepting such adjustment and taking possession, the complainants are estopped from raising any further claim on account of delayed possession.

11. Upon further scrutiny of the documents placed on record, particularly *Annexure C-4* appended with the complaint, it is observed that the complainants had already entered into a **full and final settlement** with the Respondent. The said document explicitly records that the complainants were "fully satisfied" with the terms of the settlement and had accepted possession of the unit after adjustment of delayed possession compensation amounting to ₹1,94,213/-. The act of executing this settlement voluntarily and accepting possession thereunder conclusively demonstrates that both parties had amicably resolved their disputes. Consequently, any subsequent attempt by the complainants to reopen the issue of interest or seek further compensation for delay lacks legal sanctity and contravenes the settled principle that once a matter is finally settled, the parties are bound by its terms.

12. Once a matter has been mutually settled and the complainants have accepted the benefits arising therefrom without any protest, the principle of *estoppel* squarely applies. Entertaining any subsequent claim for additional interest or compensation would not only undermine the sanctity of the concluded settlement but would also amount to reopening a matter that has attained finality. The present complaint, therefore, appears to be an afterthought, filed subsequent to adjustment of the amount already settled and accepted by the complainants themselves.

> ***"19. Rights and duties of allottees:-***
>
> *1 to 7 xxx xxx*
>
> *(8) The obligations of the allottee under sub-section (6) and the liability towards interest under sub-section (7)* ***may be reduced when mutually agreed to between the promoter and such allottee."***
>
> *(Emphasis supplied)*

13. The legislative intent behind Section 19(8) is clear — it recognizes that the relationship between a promoter and an allottee is not rigid but contractual in nature, allowing both parties to arrive at a **mutual settlement** that may **reduce or modify** their respective obligations, including the allottee's claim toward interest for delayed possession. Once such mutual agreement is executed in writing and acted upon, it operates as a valid modification of the original contractual terms. Therefore, the liability of the promoter to pay interest for delay, if any, stands **lawfully reduced or extinguished** to the extent mutually agreed between the parties.

14. In the present case, the complainants have expressly acknowledged full satisfaction of their claims in the written settlement and have received the adjusted compensation of ₹1,94,213/- in lieu of any delay-related dues. Having

voluntarily executed such settlement, the complainants are bound by its terms. As per Section 19(8), their right to claim any further interest stands extinguished upon mutual reduction and settlement of liability. Hence, no residual or continuing cause of action survives in their favour for claiming additional interest or compensation.

15. In view of the above discussion and in consonance with Section 19(8) of the Real Estate (Regulation and Development) Act, 2016, it is held that the obligations of the allottee, including the liability towards interest, stand reduced once a lawful mutual settlement is arrived at between the promoter and the allottee. Such a settlement, being voluntary and mutually binding, overrides the earlier terms of the agreement to the extent modified. Accordingly, the complainants, having accepted possession, settled their dues, and recorded satisfaction in writing, cannot now claim any further monetary relief or compensation.

16. Hence, in light of the executed full and final settlement and the express satisfaction recorded therein, the complaint is **dismissed being devoid of merits**.

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

REAL ESTATE REGULATORY AUTHORITY, PUNJAB

Chandigarh
Dated: 24.10.2025

(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. Sh. Harvinder Singh,
2. Sh. Manpreet Kaur,
   [Both resident of H. No. 607, Ranitalab Road, Opp. Police Post Digiana, Jammu, Jammu & Kashmir – 180010.]
3. M/s Omaxe Chandigarh Extension Developrs Pvt Ltd10, Local Shopping Complex, 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.