



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. 0452/2024
2. **Name & Address of the complainant (s)/ Allottee** :-
 1. Sh. Ankush Arora,
 2. Ms. Sonali Arora,
[Both at Sabhu Building, 3rd Floor, Kranti Chowk, Near DAV School, New Shimla, Shimla Urban (T), Shimla, HP – 171009]
3. **Name & Address of the respondent (s)/ Promoter** :-
 1. M/s. Aura Builders and Developers,
SCO No. 301-302, 1ST Floor, Sector 38-D, Chandigarh - 160014.
 2. Sh. Aman Sood partner of Aura Builders and Developers
 3. Ms. Sonu Sood partner of Aura Builders and Developers
(Both at House No. 1351, Sector 33-C, Chandigarh - 160020).
4. **Date of filing of complaint** :- 20.12.2024
5. **Name of the Project** :- Aura Homes-1
6. **RERA Registration No.** :- PBRERA-SAS79-PR0706
7. **Name of Counsel for the complainant, if any.** :- Sh. Jasdeep Singh, Advocate
8. **Name of Counsel for the respondent, if any.** :- Sh. Ambrish Sharma, Advocate
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** :- 17.09.2025

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

The present complaint dated 25.12.2024 has been filed by Sh. Ankush Arora and Ms. Sonali Arora (hereinafter referred as the 'Complainants') u/s. 31 of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred as the 'RERD Act, 2016') read with Rule 36 of the Punjab State Real Estate (Regulation & Development) Rules, 2017 (hereinafter referred as the 'Rules') before the Real Estate Regulatory Authority, Punjab (hereinafter referred as 'Authority') relating to the project 'Aura Homes-1' promoted by M/s. Aura Builders and Developers.

2. The brief gist of the complaint, as alleged by the complainant, is that The complainant booked Flat No. 60-E measuring 1530 sq. yards for a basic sale price of ₹45,00,000/-, paying a total of ₹38,25,000/- through multiple installments and executing the Agreement to Sell on 03.02.2023. The flat was intended for the future of the complainant's children studying at Chitrakara University, and possession was assured by the respondent/builder on or before 31.01.2024. The complainant also availed a housing loan of ₹34,41,000/-, out of



which ₹29,25,000/- has already been disbursed to the builder (Annexures C-2 & C-3), with EMIs being regularly paid. Despite repeated follow-ups, the respondent has failed to hand over possession, has not obtained Occupation or Completion Certificates, and has caused an undue delay of 11 months. The payments made by the complainant is as under:-

14 DETAIL OF PAYMENTS			
SR. NO.	DATE OF PAYMENT DEPOSITED / RECEIVED	AMOUNT (Rs.)	CASH / CHEQUE (DETAILS)
1	16/1/23	1,25,000	
2	3/2/23	3,25,000	
3	24/2/23	4,50,000	
4	27/2/23	10,34,100/-	
5	22/6/23	2,23,150/-	
6	29/9/23	7,34,7108/-	
7	24/12/24	4,49,510/-	
TOTAL AMOUNT PAID		38,25,000/-	
8. 29/4/23 - 4,83,525/-			

As a result, the complainant continues to suffer financial loss due to ongoing EMIs and additional rent, and seeks immediate delivery of the flat with all promised amenities along with interest for the delay.

3. In response to the complaint, the respondent filed its reply and stated that the present complaint is frivolous, premature, and filed on the basis of false and sham documents. The complainants booked Flat No. 60-E, Block-A, Aura Homes 1, for Rs. 48,35,250/- and not Rs. 45,00,000/- as claimed, and have defaulted in making timely payments. As on date, Rs. 10,10,250/- towards the flat and Rs. 2,06,932/- as interest remain outstanding. Section 19(6) and 19(7) of RERA clearly mandate that allottees must make payments on time and are liable to pay interest for delayed payments; possession cannot be claimed without full payment. The flat is ready for possession, the project is progressing as per RERA-approved timelines, and the Occupation Certificate can be obtained by the allottee themselves under PAPRA. The complainants have produced sham documents to seek undue advantage and are investors seeking profit, not end users. No delay is attributable to the respondents, and the complainants have caused unnecessary litigation. It is, therefore, prayed that the complaint be dismissed with costs, the complainants be directed to deposit the full amount due for possession, and pay damages for causing unwarranted litigation.

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 undisputed that the complainant booked Flat No. 60-E, Block-A, Aura Homes 1, on 16.01.2023, for a total consideration of Rs. 48,35,250/-, as per the Agreement to Sell executed on 03.02.2023. The complainant has made multiple payments towards the flat, totaling Rs. 38,25,000/- as on 24.12.2024, leaving an outstanding balance of Rs. 10,10,250/- along with interest of Rs. 2,06,932/-. The Agreement provided that possession would be delivered on or before 31.01.2024, subject to timely payment of the full consideration and completion of the project, including issuance of the Occupation Certificate (OC). The complainant availed a bank loan for the purchase of the flat, part of which has been disbursed to the respondent, and he is paying regular EMIs. It is also undisputed that the project is under construction, is RERA-registered, and the expected completion date is 31.12.2025.

8. The complainant submits that despite having made substantial payments, the respondent failed to deliver possession by the assured date of 31.01.2024. Multiple visits were made to the site to demand possession, but no valid offer was made by the respondent. It is contended that due to the delay, the complainant is incurring significant financial losses, including EMI payments to the bank and additional rent for alternate accommodation, which has caused undue hardship. The complainant contends that the respondent's failure to deliver possession constitutes deficiency in service and unfair trade practice under Sections 2(1)(d) and 2(1)(r) of the RERA Act, 2016. Furthermore, the complainant submits that he had booked the flat for residential purposes, specifically for the future of his son studying at Chitkara University, and the respondent had assured timely possession. Accordingly, the complainant prays that the respondent be directed to hand over possession with all assured amenities, fittings, and fixtures and pay interest for the period of delay until valid possession is offered. The complainant has relied upon various Judicial precedents emphasize that possession without OC is invalid and any claim for compensation or interest is contingent upon statutory compliance:

- *Samruddhi Co-operative Housing Society Ltd. v. Mumbai Mahalaxmi Construction Pvt. Ltd.*
- *Wing Commander Arifur Rahman Khan & Ors. v. DLF Southern Homes Pvt. Ltd.*
- *Pioneer Urban Land Infrastructure Ltd. v. Govindan Raghavan*
- *NCDRC: Kamal Kishor & Ors. v. M/s. Supertech Ltd.*
- *Chandigarh State Consumer Disputes Redressal Commission: Sh. Onkar Singh & Ors. v. CREDO Assets Pvt. Ltd.*



9. The respondents contend that the complainant has defaulted in making full payment, with Rs. 10,10,250/- plus interest remaining unpaid. Possession was always conditional upon full payment and issuance of the Occupation Certificate, a statutory requirement under Section 11(4)(b) of RERA and Section 14(1) of the Punjab Apartment and Property Regulation Act (PAPRA), 1995. The respondents submit that the project is progressing in accordance with RERA-approved timelines and that the OC is pending due to statutory formalities, which are not attributable to the respondents. Any delay in possession cannot be deemed a breach until full payment is made and statutory compliance is completed. The respondents also contend that the complainant has relied on sham documents regarding rent and personal circumstances, and has filed the complaint with mala fide intentions to extort undue benefits. Therefore, no interest can be claimed until full payment and statutory formalities, including OC issuance, are completed.

10. Upon perusal of the record, it is noted that while the complainant has made substantial payments, he has not cleared the total consideration of the flat. The Agreement to Sell clearly conditions possession on full payment and issuance of the OC. The respondents have demonstrated that the project is under construction and progressing as per RERA-approved timelines. The OC, a statutory prerequisite, is yet to be obtained, and hence any offer of possession prior to OC issuance would be invalid under law. The complainant's financial losses, including EMIs and rent, arise partly due to his delayed payments. Both parties are bound by the contractual obligations under the Agreement to Sell and statutory provisions of RERA.

11. After careful examination of the facts, pleadings, and the provisions of the Real Estate (Regulation and Development) Act, 2016, it is observed that the complainant has made substantial payments towards Flat No. 60-E, Block-A, Aura Homes 1. The Agreement to Sell executed on 03.02.2023 stipulated that possession of the unit would be delivered on or before 31.01.2024, conditional upon full payment and completion of statutory formalities, including obtaining the Occupation Certificate from the competent authority. It is apparent from the record that the respondents have failed to offer possession as per the terms of the Agreement and have also not obtained the Occupation Certificate, which is a statutory prerequisite under Section 11(4)(b) of the RERA Act and Section 14(1) of the Punjab Apartment and Property Regulation Act, 1995. The Occupation Certificate ensures that the unit is safe, habitable, and compliant with approved plans; without it, possession cannot be validly offered. Law, in essence, safeguards not only contractual rights but also the principles of safety, trust, and fairness, emphasizing that rights are meaningful only when exercised within the bounds of duty and due diligence.



12. In light of these considerations, the complaint is partly allowed. The respondents are directed to complete all necessary formalities and obtain the Occupation Certificate from the competent authority at the earliest. Upon obtaining the Occupation Certificate, they shall offer possession to the complainant in accordance with the Agreement to Sell within a reasonable period. The complainant shall ensure that any outstanding dues are cleared to facilitate lawful possession. Since the delay in offering possession and obtaining the Occupation Certificate is attributable to the respondents, they are liable to pay interest for the period of such delay. This order seeks to uphold the balance between rights and responsibilities, reflecting the deeper principle that justice is not merely the protection of claims but the equitable fulfilment of obligations. True fairness lies in recognizing that each party's rights are interwoven with duties, and only when duties are performed conscientiously can rights be meaningfully realized. Therefore, as per provisions of Section 18 of the RERD Act, 2016 the complainant is entitled to claim possession along with interest upon the delayed period 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."

13. In view of the above, the complaint is **Partly Allowed** and complainant is entitled for interest upon the delayed period w.e.f. 01.02.2024 (i.e. from the due date of possession to be offered) @ 10.85% (i.e. 8.85% SBI's Highest MCLR Rate applicable as on 15.08.2025 + 2%) till the date of valid offer of possession, as per Rule 16 of the Punjab State Real Estate (Regulation & Development) Rules, 2017. The complainant is also directed to pay the balance payment to the respondent at the time of valid offer of possession, if any. The period for payment of interest will be considered from the next month in which possession will be offered by the allottee to the previous month of the date in



which payment has been effected by the promoter. Therefore, the calculation of delayed interest upto 31.08.2025 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
01.02.2024	33,75,490/-	31.08.2025	10.85%	19 Months	5,79,881/-
01.01.2025	4,49,510/-	31.08.2025	10.85%	8 Months	32,515/-
Total	38,25,000/-				6,12,396/-

15. 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.

15. In view of the aforesaid legal provisions and judicial pronouncement, it is hereby directed that the above amount shall be recovered as Land Revenue. The total amount due towards delayed interest upto 31.08.2025 is Rs.6,12,396/- 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.34,584/- per month as interest till the valid & due possession is not offered to the complainants. Further, if any amount due by the complainant at the time of offer of possession, first it will be adjusted as payment from the interest accrued i.e. payable from the promoter at the time of offer of possession.

16. The amount of Rs.6,12,396/- 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.6,12,396/- determined as interest upon the delayed period upto 31.08.2025 and further a sum of Rs.34,584/- 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. The promoter is also entitled to claim interest on late payment made by the allottee. The promoter may raise the demand as



per the agreement and the allottee upon calculation may make the interest payment accordingly as per the provisions of the RERD Act, 2016.

17. The Secretary of this Authority is hereby directed to issue a "Debt Recovery Certificate" immediately and send the same to the 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 "Debt Recovery Certificate" to the Competent Authority for recovery. **Further, Sh. Ankush Arora and Ms. Sonali Arora are held to be Decree Holders and the Respondents i.e. M/s. Aura Builders and Developers as judgment debtors for the purposes of recovery under this order.**


18. No other relief is made out.

19. The proforma of the Agreement seems to not as prescribed under the provisions of RERD Act, 2016 and Rules made thereunder. Therefore, the Director (Legal) of this Authority is directed to put up the file with the order before this Bench separately, to issue necessary notice, after verification of the proforma of the "Agreement to Sale" dated 03.02.2023.

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


Chandigarh
Dated: 17.09.2025




(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. Ankush Arora,
2. Ms. Sonali Arora,
[Both at Sabhu Building, 3rd Floor, Kranti Chowk, Near DAV School, New Shimla, Shimla Urban (T), Shimla, HP – 171009]
3. M/s. Aura Builders and Developers, SCO No. 301-302, 1ST Floor, Sector 38-D, Chandigarh - 160014.
4. Sh. Aman Sood partner of Aura Builders and Developers
5. Ms. Sonu Sood partner of Aura Builders and Developers
(Both at House No. 1351, Sector 33-C, Chandigarh - 160020).
6. The Secretary, RERA, Punjab.
7. Director (Legal), RERA, Punjab.
8. The Complaint File.
9. The Master File.


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