



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

1. Complaint No.	GC No. 0145/2024
2. Name & Address of the complainant (s)/ Allottee	1. Sh. Rakesh Verma, R/o House No. 601, Sushma Grande, Zirakpur, SAS Nagar, Mohali, Punjab-140603. 2. Smt. Meena Verma, R/o House No. 2480, Sector 19 C, Chandigarh-160019.
3. Name & Address of the respondent (s)/ Promoter	1. M/s Omaxe New Chandigarh Developers Pvt. Ltd., 10, Local Shopping Centre, Kalkaji, South Delhi, Delhi-110019. 2. Sh. Bhupendra Singh S/o Sh. Sripati Singh, 10, Local Shopping Centre, Kalkaji, South Delhi, Delhi-110019. 3. Ms. Shalini Barathi, D/o Sh. Krishan Chandra Gupta, 10, Local Shopping Centre, Kalkaji, South Delhi, Delhi-110019. 4. Sh. Dheeraj Aggarwal, 10, Local Shopping Centre, Kalkaji, South Delhi, Delhi-110019. 5. Sh. Nishal Jain S/o Sh. Anil Kumar Jain 10, Local Shopping Centre, Kalkaji, South Delhi, Delhi-110019.
4. Date of filing of complaint	27.04.2024
5. Name of the Project	Group Hosing (The Lake)
6. RERA Registration No.	PBRERA-SAS80-PR0040
7. Name of Counsel for the complainant, if any.	Sh. Ravi Kumar Nayak, Advocate.
8. Name of Counsel for the respondents, if any.	Sh. Arjun Sharma, and Sh. Sourav Duvedi, Advocates 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	28.11.2025

**Order u/s. 31 read with Section 40(1) of Real Estate (Regulation & Development) Act, 2016 r/w Rules 16, 24, 25 and 36 of Pb. State Real Estate (Regulation & Development) Rules, 2017**



The present complaint dated 27.04.2024 has been filed by Sh. Rakesh Verma and Smt. Meena Verma (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 along with interest for the delayed period from the respondents relating to a RERA registered project namely 'Group Housing (The Lake)' project at New Mullanpur, SAS Nagar promoted by M/s Omaxe New Chandigarh Developers Pvt. Ltd. (hereinafter referred as the 'Respondent No. 1' for the sake of convenience and brevity).

2. The brief gist of the complaint is that the Complainants booked a Unit bearing Flat No. TLC/EMERALD-C/Twelfth/1203 of the project namely Group Housing (The Lake) developed by M/s Omaxe New Chandigarh Developers Pvt. Ltd. (respondent no. 1). The Unit has a super area of 2300 sq. ft. and a carpet area of 1570 sq. ft. along with two closed parking spaces. The booking was made vide Application No. TLC/1349 dated 30.11.2018, against which a booking amount of Rs.2,00,000/- was paid. The total sale consideration of the Unit in question is Rs.60,78,528/-, out of which the complainants have already paid Rs.56,50,000/- towards the said Unit. An Agreement to Sale was executed on 23.01.2019 whereunder as per Clause 5, the respondents were obligated to offer valid possession after obtaining the completion certificate/occupancy certificate from the Competent Authority. Further, Clause 7.1 of the Agreement stipulated that possession was to be handed over by 31.07.2021, with an additional grace period of 6 months subject to force majeure conditions. The physical possession of the Unit has not been delivered so far by the respondents. The complainants thus sought the following reliefs:-

- i. To direct the respondents to deliver valid offer of possession of the Unit after getting the Completion Certificate an Occupancy Certificate;
- ii. To direct the respondents to pay interest @ 18% per annum on the principle amount paid by the complainants till the date of delivery of possession, as per provisions of the Real Estate (Regulation & Development) Act, 2016 & Rules made thereunder;
- iii. To direct the respondents to execute the conveyance deed in favour of the complainants.

3. Upon receipt of notice, the respondents filed the written reply categorically denying the averments made in the complaint by the complainants. The complainants thereafter filed their rejoinder controverting the contents of the written reply filed by respondents and contending that the same is wholly incorrect and misconceived, and reiterated the contents of their



complaint under Section 31 of the RERA Act, denying all statements contrary thereto.

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. That representatives for parties addressed arguments on the basis of their submissions made in their respective pleadings as summarised above.

6. The counsel for the complainants while arguing the matter stated that the complainants are *bona fide* allottees of Unit bearing Flat No. TLC/EMERALD-C/Twelfth/1203 and despite booking of the said Unit in the respondent no.1's project, the respondents have failed to deliver the possession of the Unit in question and thus have failed to fulfill its obligations as envisaged under the Agreement to Sale. The learned counsel further averred that more than 90% payment has been deposited with the respondents towards the Unit in question, but till date possession has not been delivered to them, which is in stark contravention of the agreement to sale. It was therefore pressed for payment of interest on delayed possession by the respondents from the promised date of possession till the actual date of possession.

7. *Per contra*, the counsel for the respondents argued that the instant complaint is not maintainable in law, which is wholly misconceived and unsustainable. He further argued that the complaint have failed to demonstrate any instance of contravention of any provisions of the RERD Act, 2016. He further argued that the Agreement contained a clause for arbitration in case of any dispute relating to the Agreement. Therefore, the present case falls outside the jurisdiction of the Authority. It was also argued that the respondents no. 2 to 5 are not necessary party in the present complaint since no consideration amount was paid by the complainants to them, and only with mala fide intent to exert undue pressure on the respondent Company, they were arrayed as party to the present complaint. For these reasons, the complaint is liable to be dismissed as being bad for non-joinder of necessary parties. Learned counsel for the respondents further contended that, the deemed date of possession i.e. 31.07.2021 should be extended by 9 months i.e. till 31.05.2022 due to impact of COVID-19 under the force majeure clause as contained in Clause 7.1 of the Agreement.



8. The learned counsel for the complainants further argued that the respondent nos. 2 to 5 being the Directors of the respondent no. 1 are jointly and severally liable for all the actions and omission of the respondent no. 1. In support, reliance was placed on the judgment of the Hon'ble National Commission in the matter of **Vasant Janardan Aher v. Smita Shivajirao Kawale & Ors. 2018(1) CLT 354.**

9. I have duly considered the documents filed and written & oral submissions of the parties i.e., complainants and respondents. It is an admitted fact that the complainant booked a Unit bearing no. Flat No. TLC/EMERALD-C/Twelfth/1203 in the project being developed by the respondent no. 1. In furtherance of the same, the complainants have paid more than 90% of the total sale consideration of the said Unit. A bare perusal of Clause 5 of the Agreement would show that the possession of the unit was to be delivered by 31.07.2021. The grievance of the complainants stems from the respondents' failure to fulfill their commitment regarding handing over of possession as agreed in the Agreement to Sale. It is also undisputed that as on date, physical possession of the Unit has not been handed over to the complainants. 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 31.01.2022 instead of 31.07.2021 (i.e. the promised date of possession as per Agreement).

10. The argument advanced by the learned counsel for the respondents that the respondents no. 2 to 5 being directors of respondent no. 1 are not liable for payment of interest merely because they did not personally receive consideration amount of the Unit finds weightage to the extent that the reliefs sought in the present complaint are primarily and substantially directed against the respondent no. 1-promoter in relation to obligations arising out of the Agreement for Sale and the provisions of the RERD Act, 2016. The complainants have admittedly paid the consideration amount to the respondent no. 1-promoter, and not to the individual directors in their personal capacity. The Agreement for Sale was executed between the complainants and the company alone, and the entire consideration amount was received by the company. There exists no contractual or statutory relationship between the complainants and the directors individually. Under Section 18 of the RERD Act, the obligation to refund or pay interest arises only against the promoter, and not upon the employees acting in their official capacity. No material has been placed on record to establish any independent or personal liability of respondent nos. 2 to



5 in the present case. Thus, the objection regarding mis-joinder of parties is accepted and the present complaint survives only against the respondent no. 1-promoter.

11. The debate about presence of arbitration clause in the agreement excludes the jurisdiction of this Authority has been settled by the Hon'ble Supreme Court of India in "**Emaar MGF Land Vs. Aftab Singh**" (Civil Appeal No. 23512-23513 of 2017). The Hon'ble Apex Court in the said matter held that the presence of an arbitration clause in the agreement between the parties does not oust the jurisdiction of this Authority. Following this judgment, this objection of the respondents is accordingly rejected.

12. The respondent no. 1-promoter has not obtained the Completion Certificate/Partial Completion Certificate or Occupancy Certificate where the present unit of the complainants is situated as on the date of hearing. The complainants have been waiting for possession for more than 4 years beyond the deemed date of possession as stipulated in the Agreement for Sale. Since the construction has been delayed inordinately, therefore, as per provisions of Section 18 of the RERD Act, 2016, the complainants are entitled to claim interest on delayed possession. Section 18 of the RERD Act, 2016 runs as under:-

**"18. Return of amount and compensation.** (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.

(2) The promoter shall compensate the allottees in case of any loss caused to him due to defective title of the land, on which the project is



being developed or has been developed, in the manner as provided under this Act, and the claim for compensation under this subsection shall not be barred by limitation provided under any law for the time being in force.

(3) If the promoter fails to discharge any other obligations imposed on him under this Act or the rules or regulations made thereunder or in accordance with the terms and conditions of the agreement for sale, he shall be liable to pay such compensation to the allottees, in the manner as provided under this Act."

13. In view of the above findings, the complaint deserves to be **Partly Allowed** and this Bench holds that the respondent no. 1-promoter 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 no. 1-promoter is directed to hand over valid physical possession of Flat No. TLC/EMERALD-C/Twelfth/1203 to the complainants after obtaining the Completion Certificate/Partial Completion Certificate or Occupancy Certificate. Further, the respondent no. 1 shall pay to the complainants delay interest @ 10.85% (i.e. 8.85% SBI's Highest MCLR Rate applicable as on 28.11.2025 + 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 no.1 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 on 28.11.2025	No. of months	Interest Amount
31.01.2022	56,50,000/-	30.11.2025	10.85%	46	23,49,929/-

14. 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 exercise of the powers conferred under Section 37 of the Real Estate (Regulation and Development) Act, 2016, the Respondent No.1–Promoter is

hereby directed to issue a Letter of Offer for Possession to the complainant(s) within a period of seven (7) days from the date of receipt of the Occupation Certificate and/or Completion Certificate, or simultaneously with the issuance of such offer to any other allottee of the same project, whichever event occurs earlier. The promoter shall act in a fair, transparent, and lawful manner while issuing the offer of possession. It is further directed that if any amount is payable by the promoter to the complainant(s) at the time of handing over possession, the same shall be adjusted against the amount of Rs.23,49,929/- (Rupees Twenty-Three Lakh Forty-Nine Thousand Nine Hundred Twenty-Nine only) together with interest accrued @ Rs.51,085/- per month from 01.12.2025 till the date of issuance of the offer of possession, as awarded by this Authority. After such adjustment, if any balance amount remains payable, the allottee shall be liable to pay the same strictly in accordance with the terms and conditions of the Agreement for Sale dated 23.01.2019. It is hereby held that any dues payable by the allottee under the Agreement for Sale dated 23.01.2019 and the amount awarded under this order are on the same contractual and statutory footing and are liable to be mutually adjusted, and only the net balance shall be payable by the respective party. The entitlement to interest is further fortified by the provisions of Section 18 of the Act of 2016. It is clarified that although the amount of Rs.23,49,929/- along with interest is recoverable as arrears of land revenue under Section 40(1) of the Act of 2016 read with the Punjab Land Revenue Act, 1887, however, if the said amount is not recovered or paid by the promoter at the time of handing over possession, the same shall mandatorily be set off against any balance amount payable by the allottee, including at the stage of possession, execution of conveyance deed, or otherwise. It is further ordered that till the entire awarded amount along with accrued interest is fully paid or adjusted, the allottee shall not be liable to pay maintenance charges to the promoter. However, this exemption shall not apply in cases where maintenance services are handed over to a Residents Welfare Association (RWA) or any third-party agency other than the promoter, in which event no adjustment shall be claimed against such entity.



16. Proviso to Clause 7.6 of the "Agreement for Sale" provides that the promoter is liable to pay the interest to the allottee at the rate specified in the Rules for every month of delay, till the handing over of the possession of the Said Unit. Similarly, clause 1.4 read with Schedule 'D' binds the allottees to make the payment as per the Payment Plan and any money due is being demanded in view of Clause 1.4 of Agreement for Sale read with Schedule 'D'.

Therefore, payment by allottee and entitlement for interest on late possession are part of the same documents and are required to be acted upon simultaneously. Section 40(1) of the Real Estate (Regulation and Development) Act, 2016 is only an additional advantage giving to the allottee in case no payment is due towards allottee from the promoter. It is in the natural justice that both the amounts (payment of interest to allottee and balance payment to promoter by allottee) are required to be set off against each other in the first go. Clause 7.6 of the "Agreement for Sale" is reproduced hereinafter as follows:-

**"7.6 Compensation-** *The Promoter shall compensate the Allottee in case of any loss caused to him due to defective title of the land, on which the project is being developed or has been developed, in the manner as provided under the Act and the claim for compensation under this section shall not be barred by limitation provided under any law for the time being in force.*

*Except for occurrence of a Force Majeure event, if the promoter fails to complete or is unable to give possession of the Apartment/Plot (i) in accordance with the terms of this Agreement, duly completed by the date specified herein; or (ii) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under the Act; or for (iii) any other reason; the Promoter 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 total amount received by him in respect of the Apartment/Plot, with interest at the rate specified in the Rules within ninety days including compensation in the manner as provided under the Act:*

*Provided that where the Allottee does not intend to withdraw from the Project, the Promoter shall pay to the Allottee interest at the rate specified in the Rules for every month of delay, till the handing over of the possession of the Apartment/Plot."*

17. 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 30.11.2025 is calculated at an amount of Rs.23,49,929/- and the respondent no. 1 is directed to make the payments within 90 days to the complainants and offer valid offer of possession. After, 01.12.2025 the respondent no. 1-promoter is liable to pay an amount of Rs.51,085/- per month as interest till the valid & due possession is handed over to the complainants. Further, if any amount is due towards the complainants at the time of offer of possession, then the said payment will be adjusted towards the amount payable to the allottees-cum-complainants by promoter, it will be adjusted by the promoter as payment received from the allottee payable by the promoter at the time of offer of possession.



18. The amount of Rs.23,49,929/- upto 30.11.2025 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.23,49,929/- determined as interest upon the delayed period upto 30.11.2025 and further a sum of Rs.51,085/- per month, to be payable as interest per month from 01.12.2025 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.

19. The Secretary of this Authority is hereby directed to issue a "Debt Recovery Certificate" after 90 days for an amount of Rs.23,49,929/- as delayed interest upto 30.11.2025 and Rs.51,085/- payable per month as interest from 01.12.2025 onwards; till due possession is handed over. The Secretary 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 complainants & the respondent no. 1 are directed to inform the Secretary of this Authority regarding any payment received or paid respectively so as to take the same into account before sending "Recovery Certificate" to the Competent Authority for recovery. Further, Sh. Rakesh Verma and Smt. Meena Verma are held to be Decree Holders and the Respondent No.1 i.e. M/s. Omaxe New Chandigarh Developers Pvt. Ltd. as judgment debtor for the purposes of recovery under this order. Any amount paid by the judgment debtor to any of the joint decree holder(s) will be duly considered as payment towards the amount payable determined under this order passed u/s 31 of the RERD Act, 2016. Further, the shares of the amount recoverable are joint and not any particular share to anyone of the complainant(s). Therefore, the promoter/judgment debtor is at liberty to pay anyone of both of the complainants in any ratio or the whole payment to anyone of them as per its discretion.



20. No other relief is made out.

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

Chandigarh  
Dated: 28.11.2025



(Rakesh Kumar Goyal)  
Chairman  
RERA, Punjab.

Endst. No. RERA/Pb/PA-CM/2026/147-157

Dated: 23/01/2026

A copy of the above order may be sent to the followings:-

1. Sh. Rakesh Verma, R/o House No. 601, Sushma Grande, Zirakpur, SAS Nagar, Mohali, Punjab-140603.
2. Smt. Meena Verma, R/o House No. 2480, Sector 19 C, Chandigarh-160019.
3. M/s Omaxe New Chandigarh Developers Pvt. Ltd., 10, Local Shopping Centre, Kalkaji, South Delhi, Delhi-110019.
4. Sh. Bhupendra Singh S/o Sh. Sripathi Singh, 10, Local Shopping Centre, Kalkaji, South Delhi, Delhi-110019.
5. Ms. Shalini Barathi, D/o Sh. Krishan Chandra Gupta, 10, Local Shopping Centre, Kalkaji, South Delhi, Delhi-110019.
6. Sh. Dheeraj Aggarwal, 10, Local Shopping Centre, Kalkaji, South Delhi, Delhi-110019.
7. Sh. Nishal Jain S/o Sh. Anil Kumar Jain 10, Local Shopping Centre, Kalkaji, South Delhi, Delhi-110019.
8. The Secretary, RERA, Punjab.
9. Director (Legal), RERA, Punjab.
10. The Complaint File.
11. The Master File.

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