



Real Estate Regulatory Authority, Punjab

First Floor, Block-B, Plot No. 3, Sector-18 A, Madhya Marg, Chandigarh – 160018
Phone No. 0172-5139800, email id: pschairrera@punjab.gov.in & pachairrera@punjab.gov.in

Before the Bench of Sh. Rakesh Kumar Goyal, Chairman.

- | | |
|--|---|
| 1. Complaint No. | GC No. 0231/2025 |
| 2. Name & Address of the complainant (s)/ Allottee | Ms. Reeta Kumari
c/o Sh. Daya Ram, Shastri Colony,
The & PO Ghumarwin, Distt. Bilaspur, HP
Bilaspur (Himachal Pradesh) – 174021 |
| 3. Name & Address of the respondent (s)/ Promoter | 1. Sh. Ajay Singh Pundir
Malwa Project Pvt. Ltd.
3439, Sector 27D, Chandigarh – 160019

2. Malwa Projects Pvt. Ltd.
Rahul Jain, 3439, Sector 27D,
Chandigarh - 160019 |
| 4. Date of filing of complaint | 10.06.2025 |
| 5. Name of the Project | Escon Primera Phase-1 |
| 6. RERA Registration No. | PBRERA-SAS79-PR0529 |
| 7. Name of Counsel for the complainant, if any. | Complainant in person. |
| 8. Name of Counsel for the respondents, if any. | Sh. Raja Paramdeep Saini, Advocate for the respondent. |
| 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 | 15.01.2026 |

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 has been filed under Section 31 of the Real Estate (Regulation and Development) Act, 2016 by the complainant seeking directions against the respondents for handing over possession of Apartment No. 234, 2nd Floor, Tower-I, in the project “Escon Primera Phase-I” situated at Village Chhat, Airport Ring Road, PR-7, Zirakpur, District SAS Nagar, Mohali, Punjab, along with interest for delayed possession and other consequential reliefs.

2. It is an undisputed fact that an Agreement for Sale was executed between the complainant and Respondent No.2 in respect of the said apartment. It is further undisputed that as per Clause 7.1 of the Agreement, the promoter committed to hand over possession of the apartment by December 2023, subject to *force majeure* conditions and compliance of contractual obligations by the allottee. It is also not in dispute that the complainant has paid an amount of



₹77,17,127/- towards the sale consideration. For ready reference, the payments made the complainant, as submitted by the complainant, is as under:-

14. DETAIL OF PAYMENTS						
SR. No.	PARTICULARS (Receipt Nos.)	DEBIT	CREDIT	DATE	AMOUNT Rs.	BALANCE Rs.
1	316/ 29-07-2021		68,50,000	29-07-2021	1,00,000	67,50,000
2	325/ 03-08-2021		67,50,000	03-08-2021	5,50,000	62,00,000
3	465/ 30-09-2021		62,00,000	28-09-2021	43,71,570	18,28,430
4	506/ 19-10-2021		18,28,430	18-10-2021	18,70,305	- 41,875
5	2963/ 05-09-2024		-41,875	03-09-2024	56,179	- 98,054
6	3314/ 01-09-2025		-98,054	30-07-2025	2,78,380	- 3,76,434
7	3495/ 28-09-2025		- 3,76,434	17-08-2025	2,91,125	- 6,67,559
8	0141/ 14-09-2025		- 6,67,559	17-08-2025	1,31,068	- 7,98,627
9	TDS, Challan No. 35982, 25-07-2025			25-07-2025	68,500	
	TOTAL <i>Amount deposited by</i>	SEVENTY SEVEN LACS, SEVENTEEN THOUSAND, ONE HUNDRED AND TWENTY SEVEN			77,17,127 (Including TDS)	

2.1 It is further an admitted position that possession of the apartment was not handed over by December 2023. For ready reference, relevant clause of the agreement is attached as under:-

7.1 Schedule for possession of the said Apartment- The Promoter agrees and understands that timely delivery of possession of the Apartment is the essence of the Agreement. The Promoter, based on the approved plans and specifications, assures to hand over possession of the Apartment in December 2023, unless there is delay or failure due to war, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature affecting the regular development of the real estate project ("Force Majeure"). If, however, the completion of the Project is delayed due to the Force Majeure conditions then the Allottee(s) agrees that the Promoter shall be entitled to the extension of time for delivery of possession of the Apartment, provided that such Force Majeure conditions are not of a nature which make it impossible for the contract to be implemented. The Allottee(s) agrees and confirms that, in the event it becomes impossible for the Promoter to implement the project due to Force Majeure conditions, then this allotment shall stand terminated and the Promoter shall refund to the Allottee(s) the entire amount received by the Promoter from the allotment within ninety days from the date of termination of allotment. After refund of the money paid by the Allottee(s), the Allottee(s) agrees that he/ she shall not have any rights, claims etc. against the Promoter and that the Promoter shall be released and discharged from all its obligations and liabilities under this Agreement.

2.2 It is also admitted that an email dated 30.07.2025 was sent to the complainant offering possession alongwith Occupancy Certificate dated 29.04.2025. For ready reference, email dated 30.07.2025 as well as Occupancy Certificate has been attached hereunder:-



14

esconprojects.com Mail - 'Offer of possession' of your apartment No. 234 in Tower I in ESCON PRIMERA PHASE-1 Village Ch...

Gmail

ANNEXURE R-3
Escon Primera <sales@esconprojects.com>

'Offer of possession' of your apartment No. 234 in Tower I in ESCON PRIMERA PHASE-1 Village Chhat Airport Road, Zirakpur.

2 messages

Escon Primera <sales@esconprojects.com>
To: Reeta Kumari <reetak700@gmail.com>

30 July 2025 at 11:36

Dear Sir / Madam,
"Greetings of the day"


It is with great pride and happiness that we are sending this communication to you; issuing to you the 'offer of possession' of your apartment No. 234 in Tower I in ESCON PRIMERA, Zirakpur, which is ready in all respects, for possession.

Please pay pending payments as per Annexure -A attached herewith and also pay cost of registration, cost of electrical connection etc. to the concerned Government department. Once all these formalities including the payments as per annexure -A, registration of the apartment, electricity connection etc. are taken care of; you are requested to kindly come and sign the possession documents as well. It is clarified that getting the apartment registered is legally compulsory without any exception. It is only thereafter that we shall be in a position to physically handover possession of your apartment to you.

In case the formalities required to be fulfilled by you after the 'offer of possession' are not fulfilled and physical possession is not taken over by you, within 15 days from the date of this letter, we shall be left with no other option to charge holding charges @ Rs. 10,000.00 per month on your apartment; besides the interest and other charges/taxes. The holding charges and late payment interest and other charges/taxes shall continue till you do not take the physical possession of the apartment. The holding charges shall be used to ensure that your apartment is kept generally clean and also that there are no breakage, pilferage etc. In case any such thing occurs, we shall take care of the same, on your behalf. Kindly note that the maintenance charges for your apartment shall commence from 01-08-2025, irrespective of your having taken actual physical possession of the apartment. It is clarified that, the agreement to sale, executed between us now stands irrevocably discharged from the date of this letter, except for the clauses that relate to maintenance.

However, it is our earnest suggestion to you to take physical possession on the designated date, after the formalities are fulfilled by you.

Thank You,
For MALWA PROJECTS PVT. LTD.

 **Annexure A 234.pdf**
730K

30 July 2025 at 11:56

Escon Primera <sales@esconprojects.com>
To: Reeta Kumari <reetak700@gmail.com>
Cc: sbi.11876@sbi.co.in

[Quoted text hidden]

NT=.../mail.google.com/mail/u/0/?ik=aa74c30e40&view=-t&search=all&-ermid=thread-a-r-2637452814902272&siml=msd-a-r-7745335711214...



**Permission for occupancy or use of building
New Construction**

From

The Commissioner/ Executive Officer,
Municipal Corporation/ Council/ Nagar Panchayat/Improvement Trust,
Zirakpur

To

MSMALWAPROJECTSPVTLTD
Zirakpur

No. **PB/SAS/ZIRAK/2941/COMP/OFFLIN** dated **29-04-2025**

Reference No. **PB_SAS_ZIRAK_2941_COMP_OFFLIN_form_d.pdf**

Whereas **SHIPRA BHATIA** has given notice of completion of the building described below, the building / part of building has been completed as per sanctioned plan or is in deviation from the sanctioned plan and has deposited the composition fee Rs 122.00 vide receipt no dated 29-04-2025 I hereby:-

1. Grant permission for the occupation and/ or use of the said building/ part of building; or
2. Refuse permission for the occupation and / or use of the said building/ part of building for reason give below:-

Building Category of Building **Residential Group Housing**

Area **748325.95 Square Feet**, Name of road **State highway.**
Tower number- I, J, K, L, M, N, O and W

Site No **ESCON PRIMERA PR-7 AIRPORT ROAD, VILLAGE CHATT, ZIRAKPUR** House No
KHATONI NO-214,218.



As per report by Technical Officers of building branch and Technical approval by STP vide letter no 1888 dated 24.07.2025 with legal opinion by Advocate General, Punjab, subject to the condition that applicant will comply all conditions as per technical approval by STP and submit requisite fees as per undertaking.

JAGJIT SINGH
JUDGE
Digitally signed by JAGJIT SINGH JUDGE
Date: 2025.07.30
14:12:19 +05'30'



3. The grievance of the complainant is that despite substantial payment of the sale consideration and repeated follow-ups, possession was not handed over within the agreed timeline of December, 2023. It is pleaded that the offer of possession dated 30.07.2025 was issued without issuance of a final demand letter, without proper settlement of accounts, and without addressing the complainant's entitlement to interest for delayed possession. It is further pleaded that upon visiting the site on 06.08.2025, after prior intimation to the respondent, the complainant found that the apartment was incomplete and not in a habitable condition, with deficiencies including defective fittings, broken tiles, seepage, incomplete whitewashing and unhygienic conditions. These deficiencies were communicated to the respondent through emails along with photographs and video recordings. It is pleaded that possession of an incomplete apartment cannot be considered valid possession under the Act. It is, however, a matter of record that the complainant ultimately took over possession of the apartment on 20.11.2025. The respondent had issued an offer of possession on 03.11.2025, which was endorsed by the complainant on 20.11.2025 with the remarks, "Received possession on dated 20th Nov, 2025; keys will be received on 24th Nov, 2025."

escon primera
HOLISTIC LIVING

Salina@esconprojects.com | Reshmi@esconprojects.com | www.esconprojects.com | +91 98555-35111 | +91 98594-25111

Date: 03.11.2025

To,
Mrs. Reeta Kumari D/o Sh. Daya Ram

SUB.: Handing Over of Vacant Physical Possession of Apartment No. 234 in Tower I in ESCON PRIMERA PHASE-1, Village Chhat Airport Road, Zirakpur.

Dear Sir / Madam,
We welcome you to your dream home at ESCON PRIMERA PHASE-1; with all the best wishes.

We take this opportunity to confirm having handed over the peaceful, complete and vacant physical possession of your apartment; according to agreed terms and conditions of Agreement for sale Dated: 15.09.2021. Thus, there is nothing pending on our part in your apartment.

As committed in the Agreement for sale, we have earmarked parking slot number 10 & 11 for your apartment. All the consents or undertaking shall be valid till the completion of all the phases of Escon Primera complex.

Kindly bear in mind that the breakage at the time of shifting due to rough handling of material shall have to be borne by you and damage so caused to the building shall have to be paid by you. Please note that the sale deed / conveyance deed / registration shall have to be executed compulsorily. Prior to taking physical possession of the apartment. The compliance of the Indian Stamp Act is compulsory and shall be done at the earliest. As already agreed; the costs and expenses from the sale deed / conveyance deed / registration shall be borne exclusively by you; including all the required taxes, fees, levies etc as are applicable on the same.

The allottee shall apply electricity connection to the concerned department of Punjab of its own for its apartment and promoter shall provide or assist any paper formalities in case need arise. The physical position shall be handed over to the allottee only after the electricity connection has been received by it.

The promoter reserve the right to amend the location of parking slots to ensure convenience and functionality for all its allottees and no objection in this regard would be entertained.

Thank You,
For MALWA PROJECTS PVT. LTD.
For Malwa Projects Pvt. Ltd.
Director

Received & Accepted by *[Signature]*
on dated 20.11.2025
Keys will be received on 24th Nov, 2025
[Signature]

Promoted by: MALWA PROJECTS PVT. LTD. Escan Primera

Follow us on



4. The respondents, in their reply, raised objections regarding maintainability on the ground of mis-joinder of parties, alleging that Respondent No.1 is merely an employee. The respondents further contended that the complainant herself delayed payments cumulatively by 1044 days and, therefore, under Clause 7.3 of the Agreement read with Section 19(7) of the Act, the promoter was entitled to extension of time for handing over possession. The respondents also sought exclusion of time on account of COVID-19 extension, alleged *force majeure* conditions due to heavy rainfall during 2023, and delay in issuance of Occupation Certificate by the Municipal Corporation, Zirakpur. It was pleaded that possession was validly offered on 30.07.2025 and eventually taken on 20.11.2025, and therefore no compensation is payable.

5. The complainant filed a detailed rejoinder denying the allegations of delayed payments and reiterating that all payments were made as and when demand letters were raised and that interest and delayed charges demanded by the promoter were already paid. The complainant specifically denied having been informed of any *force majeure* event contemporaneously and asserted that no documentary proof of such events was ever shared. The complainant further asserted that the responsibility of obtaining Occupation Certificate lies solely upon the promoter and delay on that count cannot be shifted upon the allottee. It was also clarified that possession was not taken earlier only because the apartment was incomplete and not in a habitable condition, which fact was duly communicated and supported by documentary evidence.

6. This Bench of Authority has carefully examined the pleadings, rejoinder, documents placed on record and submissions of both parties.

6.1 As regards the objection of mis-joinder of Respondent No.1, this Authority finds that the Agreement for Sale is admittedly between the complainant and Respondent No.2. However, the presence of Respondent No.1, being an



employee of the promoter, does not vitiate the proceedings, particularly when the promoter company is before this Authority and no independent relief is claimed against Respondent No.1. The objection is technical in nature and is accordingly rejected.

6.2 Upon consideration of the rival submissions and perusal of the material available on record, this Authority finds that the contention of the respondents regarding alleged cumulative delay of 1044 days in payment of instalments by the complainant, so as to claim extension of time for handing over possession under Clause 7.3 of the Agreement is not sustainable. It is an admitted position on record that the Occupation Certificate for the project was issued by the Competent Authority on 29.04.2025, which clearly establishes that construction of the project stood completed by the said date and there was no legal impediment thereafter in offering possession. Despite issuance of the Occupation Certificate, the respondents issued the offer of possession only on 30.07.2025, i.e. after a gap of approximately three months, for which no plausible explanation has been furnished. The complainant, upon inspection of the site on 06.08.2025 after due intimation, found several deficiencies including defective fittings, broken tiles, seepage, incomplete whitewashing and unhygienic conditions, which were promptly communicated to the respondents through emails. The respondents have not been able to rebut these assertions with any convincing evidence and, on the contrary, proceeded to carry out repairs and rectification of the deficiencies pointed out by the complainant and offered possession on 03.11.2025, which was taken over by the complainant on 20.11.2025. The respondents have also failed to demonstrate any direct nexus between the alleged delayed payments by the complainant and the completion of construction or issuance of the Occupation Certificate. Mere reference to cumulative delay in payments, without establishing that such default actually hindered construction or justified extension beyond the date of completion, cannot be accepted as a valid ground to deny the



complainant's statutory entitlement. Accordingly, it is held that the plea of extension of time on account of alleged delayed payments by the complainant is hereby rejected.

6.3 With regard to the plea of *force majeure* on account of the COVID-19 pandemic, this Authority records a specific finding that the Agreement for Sale governing the present dispute was executed on 31.03.2023, i.e. much after the period of nationwide COVID-19 lockdowns and the general extensions granted by statutory authorities on account thereof. Therefore, this no relief or extension of time can be granted to the respondent on account of COVID-19, and the said plea is rejected as legally untenable and devoid of merit.

6.4 Regarding delay in issuance of the Occupation Certificate, this Authority is of the considered view that obtaining statutory approvals, including Occupation Certificate, is a statutory obligation of the promoter under the RERD Act, 2016 and does not automatically absolve the promoter of liability under Section 18 of the RERD Act, 2016, especially when the allottee has no role in such process and when possession was contractually committed much earlier.

6.5 At this stage, it is necessary to record a specific finding with regard to the repeated reference made in the pleadings, correspondence and written arguments of the respondent to an alleged Agreement dated 15.09.2021. Despite such repeated assertions, neither party has placed on record any agreement executed on 15.09.2021. No such agreement has been filed along with the reply, written arguments or annexures by the respondent, nor has the complainant relied upon any such document. On the contrary, the only agreement brought on record and admitted by both parties is the Agreement for Sale executed on 31.03.2023, which governs the rights and obligations of the parties. In the absence of any documentary evidence of an agreement dated 15.09.2021, this Authority holds that no reliance can be placed on the said alleged agreement. Accordingly, for the



purpose of adjudication of the present complaint, the Agreement for Sale dated 31.03.2023 is taken to be the valid, subsisting and binding agreement between the parties. Moreover, even assuming for the sake of argument that any prior understanding or agreement dated 15.09.2021 ever existed between the parties, the execution of the Agreement for Sale dated 31.03.2023, being a subsequent and formal contract, would operate to supersede and override any such earlier arrangement. It is a settled principle of law that a later agreement between the same parties on the same subject matter prevails over any prior agreement. Therefore, the rights, obligations and liabilities of the parties are required to be examined solely in the light of the Agreement for Sale dated 31.03.2023, which alone continues to hold legal validity.

6.6 The respondents have raised an objection regarding the maintainability of the complaint on the ground of mis-joinder of parties by contending that Respondent No.1 is merely an employee. Upon consideration, the Authority finds merit in the said contention to the extent that the reliefs sought in the present complaint are primarily and substantially directed against the promoter in relation to obligations arising out of the Agreement for Sale and the provisions of the Real Estate (Regulation and Development) Act, 2016. Under the RERA framework, statutory duties and liabilities in respect of development, possession, refund, and compliance vest upon the promoter, and not upon employees acting in their official capacity. No specific averment or material has been placed on record to establish any independent or personal liability of Respondent No.1. Accordingly, the Authority holds that Respondent No.1, being an employee, bears no liability in the present proceedings, and the complaint survives only against the promoter.



6.7 Further, upon a cumulative appreciation of the pleadings, documentary evidence and rival submissions, this Bench of Authority finds that the delay in handing over possession of 1044 days, as alleged by the respondent, of

the allotted unit is squarely attributable to the respondents. It is an admitted and established fact that the Occupation Certificate for the project was obtained by the respondents on 29.04.2025. Despite completion of the project and removal of statutory impediments, the respondents issued an offer of possession on 30.07.2025, which, as borne out from the material on record, was not accompanied by proper settlement of accounts and was in respect of an apartment that was not complete or habitable. The complainant, upon inspection of the site on 06.08.2025 after due intimation, found several deficiencies including defective fittings, broken tiles, seepage, incomplete whitewashing and unhygienic conditions, which were promptly communicated to the respondents through emails. The respondents have not been able to rebut these assertions with any convincing evidence and, on the contrary, proceeded to carry out repairs and rectification of the deficiencies pointed out by the complainant.

6.8 This Bench of Authority further finds that only after removal of the said deficiencies did the respondents issue handing over of vacant physical possession on 03.11.2025, pursuant to which the complainant accepted and took over possession on 20.11.2025. It is a matter of fundamental fairness that possession of a residential unit cannot be reduced to a mere formality of handing over keys or issuance of a letter, but must represent the culmination of the allottee's long-standing expectation of a habitable home. An apartment that is incomplete, deficient or unfit for occupation cannot, by any rational or equitable standard, be regarded as valid possession. A home is not a commercial commodity to be delivered in parts; it is a space meant for dignified living. The obligation of a promoter, therefore, does not conclude with raising walls and obtaining approvals, but extends to ensuring that the unit offered is safe, functional and ready for human habitation. An allottee invests her lifetime hard-earned savings, often drawn from years of sacrifice and financial planning, with the hope of securing shelter and stability for herself and her family. To compel such an allottee to accept a deficient



apartment, merely to curtail the promoter's liability, would amount to placing form above substance and would erode the very purpose for which protective legislation governing real estate transactions exists.

6.9 Measured against these principles of equity, reason and fairness, this Authority is of the considered view that the offer of possession dated 30.07.2025, admittedly issued when the subject unit was suffering from multiple deficiencies, incomplete works, and lack of essential finishing, cannot be construed as lawful, valid, or effective possession in the eyes of law, as possession under the Act is not a mere symbolic or paper formality but denotes delivery of an apartment that is complete in all respects, fit for habitation, and capable of being actually occupied and used by the allottee without inconvenience, hardship, or deprivation of basic living standards. In the present case, the record clearly establishes that such meaningful, lawful, and habitable possession was handed over only on 20.11.2025, after rectification of deficiencies, and therefore reliance by the respondents on a premature or illusory offer of possession is untenable and contrary to the object and intent of the Act, particularly when the committed date of possession was 01.01.2024.

6.10 In view of the above finding, the respondents, having failed to deliver a complete and habitable unit by the committed date of possession, are held liable under Section 18 of the Act to compensate the complainant for the entire period during which she was deprived of the use and enjoyment of her apartment, and accordingly, the respondents are directed to pay interest for delayed possession for the period commencing from 01.01.2024 till 20.11.2025 at the rate prescribed under the Act; it is further directed, in consonance with the continuing statutory obligations of the promoter under Sections 14 and 18 of the Act, that all deficiencies, defects, or shortcomings pointed out at or before the time of handing over possession shall be duly rectified by the promoter, and possession shall be deemed to be lawfully offered only when the unit/flat is handed over in a neat,



clean, and habitable condition, duly painted, finished, and completed in all respects, strictly in accordance with the specifications, quality standards, sanctioned plans, layout, and amenities as stipulated in the Agreement for Sale, with no concealed or latent defects in construction, workmanship, materials, layout, or finishing, and the promoter shall ensure, through its qualified technical personnel, that all electrical, plumbing, carpentry, and finishing works—including wiring, switches, sockets, sanitary fittings, water supply, drainage, wardrobes, doors, windows, flooring, painting, and other fixtures—are properly installed, fully functional, and free from defects (as per Agreement for Sale), so as to enable the complainant to occupy and reside in the unit without any inconvenience or further requirement of rectification.

6.11. Further, this Authority finds that the issue relating to the validity of an offer of possession made without essential services is no longer *res integra*. In an analogous matter concerning the Greater Mohali Area Development Authority and the allottees, namely Rupali S. Verma & Anr., the RERA Authority, Punjab vide order dated 31.05.2022, held that an offer of possession made when essential electrical works were incomplete could not be treated as a valid offer of possession, particularly in the absence of any fresh possession letter issued after completion of such works. The said findings were upheld by the RERA Appellate Tribunal, Punjab vide order dated 14.08.2023, and thereafter by the Hon'ble High Court of Punjab & Haryana in RERA-APPL-11-2024 decided on 23.07.2024, holding that no substantial question of law arose and that concurrent findings of fact warranted no interference. The Special Leave Petition (Civil) Diary No. 56857/2025 filed thereagainst was dismissed by the Hon'ble Supreme Court of India on 16.01.2026, thereby affirming the legal position that an offer of possession without completion of essential services is invalid and that a fresh possession letter is mandatory after rectification of deficiencies. The said principle squarely applies to the facts of the present case.



6.12. In view of the above facts and circumstances, this Bench of Authority holds that possession of the apartment was delayed beyond the committed date of December 2023 and such delay cannot be wholly justified on the grounds raised by the promoter. The complainant is therefore entitled to interest for delayed possession in terms of Section 18(1) of the RERD Act, 2016, which 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.”

7. Accordingly, the complaint is **partly allowed**. The promoter is directed to pay interest to the complainant for the period of delay commencing from January, 2024 till 20.11.2025 i.e. date of valid offer of possession, applicable @ 10.80% (i.e. 8.80% SBI's Highest MCLR Rate applicable as on 15.12.2025 + 2%) as per Rule 16 of the Punjab State Real Estate (Regulation & Development) Rules, 2017. The period for payment of interest will be considered from the next month in which payment was effected by the allottee to the previous month of the date in



which payment has been effected by the promoter. Therefore, the calculation is calculated as follows:-

Sr. No.	Interest payable from	Principal Amount paid	Interest calculated till	Delay in months	Interest payable
A	B	C	D	E	F
1	01.01.2024	68,91,875.00	31.10.2025	22	13,64,591.00
2	01.10.2024	56,179.00	31.10.2025	13	6,573.00
3	01.08.2025	2,78,380.00	31.10.2025	3	7,516.00
4	01.09.2025	2,91,125.00	31.10.2025	2	5,240.00
5	01.09.2025	1,31,068.00	31.10.2025	2	2,360.00
6	01.08.2025	68,500.00	31.10.2025	3	1,850.00
Sub-Total		77,17,127.00			
Total interest for delayed period					13,88,130.00

8. 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.

9. In view of the aforesaid legal provisions and judicial pronouncement, it is hereby directed that the interest shall be recovered as Land Revenue as provided u/s. 40(1) of the RERD Act, 2016. Accordingly, the Secretary is instructed to issue the requisite Debt Recovery Certificate and send it after 90 days as per Rule 17 of the Punjab Real Estate (Regulation & Development) Rules, 2016 to the relevant Competent Authorities under the Punjab Land Revenue Act, 1887 for due collection and enforcement in accordance with law.

10. Further the interest of Rs.13,88,130/- the rate of interest has been applied @ 10.80% (i.e. 8.80% SBI's Highest MCLR Rate applicable as on 15.12.2025 + 2%) as per Rule 16 of the Punjab State Real Estate (Regulation & Development) Rules, 2017. Hence, the promoter is liable to pay a **total amount of Rs.13,88,130/- entitled to interest** upon the delayed period.



11. The amount of **Rs.13,88,130/-** 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.13,88,130/-** determined as interest amount as per Para no. 6 & 7 of this order, 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.


12. 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, Ms. Reeta Kumari is held to be Decree Holders and the Respondent i.e. M/s. Malwa Projects Pvt. Ltd. as judgment debtor for the purposes of recovery under this order. A copy of the Debt Recovery Certificate be given to the complainant as well as respondents for their information and necessary action.**

13. No other relief is made out.

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

Chandigarh
Dated: 15.01.2026





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

Endst. No./CP/RERA/PB/PA/Sec.31/126-132**Dated:- 21/01/2026**

A copy of this order is hereby forwarded to the following for their information and necessary action:-

1. Ms. Reeta Kumari c/o Sh. Daya Ram, Shastri Colony, The & PO Ghumarwin, Distt. Bilaspur, HP Bilaspur (Himachal Pradesh) – 174021
2. Sh. Ajay Singh Pundir, Malwa Project Pvt. Ltd., 3439, Sector 27D, Chandigarh – 160019.
3. M/s. Malwa Projects Pvt. Ltd., Rahul Jain, 3439, Sector 27D, Chandigarh - 160019
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.