

**BEFORE SH. ARUNVIR VASHISTA, MEMBER-II  
THE REAL ESTATE REGULATORY AUTHORITY, PUNJAB AT  
CHANDIGARH**

Complaint No. RERA/ GC No.0305 of 2025

Date of filing: 01.08.2025

Date of decision: **19.05.2026**

Deepak Goyal, resident of # B4/ 68, Ward No.14, Mohalla  
Peelwad, Sunam, District Sangrur, Punjab Pin Code 148028

...Complainant

Versus

SBP Township Private Limited, SBP Group, Plot No.1265-C,  
Sector 82, JLPL, Industrial Area, SAS Nagar, Mohali

... Respondent

Complaint under Section 31 of the Real Estate (Regulation  
and Development) Act 2016.

Present: Complainant in person  
Advocate Tushar Arora, representative for respondent

**ORDER**

The main allegations in this complaint filed under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as "the Act") by complainant against the respondent, relate to delay in handing over the possession of an apartment/ flat in a newly launched project "City of Dreams" of respondent, located at High Ground Road, village Natha, Tehsil, Zirkipur, District SAS Nagar, Mohali. As per the agreement, the promoter had committed to handing over of the possession of the apartment by October 2023. But, till date the project remains incomplete and possession has not been delivered to the complainant despite making more than 90% of the payment to the promoter. Accordingly, the main relief sought for is to issue direction to

respondent to hand over the possession of the flat along-with payment of interest for the period of delay till possession of the same is delivered.

2. Notice of the complaint was served on the respondent who filed a detailed reply in the matter.

3. In the reply filed on behalf of the respondent the factum of booking of the flat in question by the complainant in the project of the case in hand has been admitted and it was submitted that complainant failed to make the due payment despite issuance of various reminders and legal notices to him. Hence, the delay was not attributable to the respondent. Moreover, the project was already complete and many families were residing in their allotted units. A prayer was accordingly made for dismissal of the complaint.

4. While reiterating the contents of complaint, learned counsel for the complainant highlighted the main facts of the case. He pointed out that vide allotment letter dated 04.02.2022 complainant was allotted Unit No.2061 on 2<sup>nd</sup> floor in the project "City of Dreams" of respondent, located at High Ground Road, village Natha, Tehsil, Zirakpur, District SAS Nagar, Mohali. He then pointed out that as per the agreement for sale the respondent was supposed to handover the possession of the flat by October 2023. This stipulation had however been violated by the respondent and even after the delay of almost 3 years, possession of the flat was still not handed over to the complainant and the project was no where near completion which has been delayed indefinitely. Neither any interest for delayed possession nor any compensation has been paid by the respondent to the complainant. The respondent has failed to obtain occupation/

completion certificate in the project and provide basic facilities as on date also though more than 3 years have been lapsed. The respondent failed to offer the possession of the unit and deliver possession within the contractual period and also failed to obtain Occupation Certificate. It amounts to a clear violation of Sections 11 and 18 of the RERD Act, which obligates the promoter to hand over possession only after obtaining completion and occupancy certificates. The interest on delayed possession is a statutory right and cannot be denied on the facts and circumstances of the case, especially when the project itself is incomplete. Therefore, the respondent was liable to pay interest for delayed period on the amount paid by the complainant at the rate prescribed in the Punjab State Real Estate (Regulation and Development) Rules, 2017 for the period of delay till the delivery of possession.

5. On the other hand, learned counsel for respondent submitted that the project of the case in hand was complete in all respects but due to non-adherence in making due payment by the complainant no offer of possession could be made to the complainant. As such the delay was not attributable to the respondent.

6. This bench of the authority has carefully considered the rival contentions of both the parties and perused the record of the case. From the pleadings and arguments of both the parties, it is established on record that possession of the flat has not been delivered to the complainant till today. The complainant has been waiting for possession of his flat for the last about three years and still there was no commitment on behalf of the respondent as to when the possession would actually be delivered. Therefore, it would be manifestly unfair to

the complainant to make him wait for the relief of interest as the duration for handing over possession was not known at that stage since no completion certificate was of course there with the promoter. Although it has been submitted in the reply filed by promoter that the project was complete yet no OC or CC has been brought on record to show that. Rather, nothing has been placed on record by the respondent that could show as to how there was any failure on the part of complainant to deposit the various amounts as per schedule as agreed to between them, as has been contended by the respondent. In the given circumstances, it also cannot be held that the said project was complete. As per the agreement for sale, the promised date of delivery of possession was October, 2023. The complainant has already made more than 90% of the payment towards the sale consideration of the flat to the respondent. It stands established that the respondent promoter has failed to deliver possession of the flat within the agreed time frame as stipulated in the agreement for sale, i.e., on or before October, 2023. The period of delay is, therefore, to be reckoned from October, 2023 (the agreed date of possession till offer is made upon obtaining Occupancy Certificate. It is accordingly held that the arguments raised on behalf of the respondent are not valid; and there has been a delay on the part of the respondent in handing over possession of the flat to the complainant as agreed.

7. Section 18(1)(a) of the RERA Act clearly provides that if the promoter fails to complete or is unable to give possession of an apartment in accordance with the terms of the agreement, the allottee is entitled to interest for every month of delay till handing over of possession. The right to claim interest on the period of delayed

possession is an indefeasible and unqualified right given to an allottee by the statute which cannot be taken away or declined as has been observed by Hon'ble Supreme Court in its landmark decision in **M/s. Newtech Promoters and Developers Pvt. Ltd. Vs. State of U.P. and others in Civil Appeal Nos. 6745-6749 of 2021.** 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:*

XXX                      XXX                      XXX

(2)    XXX                      XXX                      XXX

(3)    XXX                      XXX                      XXX

8. Therefore, this bench of Authority holds that the respondent is in violation of the terms of the agreement as well as the provisions of the RERA Act. Thus, this Bench holds that the respondent has failed to fulfill its obligation of delivering possession within the agreed period, and the complainant is entitled to interest for the delay w.e.f. October 1, 2023. The complainant is entitled to

possession of the allotted unit after completion of development and after obtaining Occupation Certificate, along with interest for the period of delay as prescribed under the RERA Act and Rules made.

9. Accordingly, as an outcome of above discussion, the complaint is accepted and the respondent is accordingly hereby directed to pay interest to the complainant against the paid-up amount at the rate prescribed in the Punjab State Real Estate (Regulation and Development) Rules, 2017 (today's highest MCLR rate plus 2%) for every month of delay from the due date of possession i.e. October 1, 2023 till actual handing over of possession or offer of possession plus two months after obtaining OC/CC from the competent authority alongwith the interest as directed, whichever is earlier, as per Section 18(1) of the Act of 2016 read with rule 17 of the rules. The arrears of such interest accrued from October 1, 2023 till the date of order by this bench shall be paid by the respondent/promoter to the complainant within a period of 90 days from date of this order and interest for every month of delay shall be paid by the promoter to the allottee before 10<sup>th</sup> of the subsequent month. The complainant is directed to pay outstanding dues, if any at the time of handing over of possession, after adjustment of interest for the delayed period. The respondent is further, directed to handover the physical possession of the apartment in question within three months after obtaining OC/CC from the competent authority. The rate of interest chargeable from the allottee by the promoter, in case of default shall be charged at the prescribed rate by the respondent/ promoter which is the same rate of interest which the promoter shall be liable to pay to the allottee, in case of

default i.e., the delay possession charges as per Section 2 (za) of the Act.

10. In case the above payment is not paid by the respondent as directed within the time stipulated under Rule 17 of the Punjab State Real Estate (Regulation and Development) Rules, 2017, the said amount is to be recovered as arrears of Land Revenue by the Competent Authorities as provided/authorized in the Punjab Land Revenue Act, 1887 read with section 40(1) of the Act, 2016. And, then the Secretary of this Authority shall be issuing "Recovery Certificate" as per rules and respondent shall be rendering itself liable for any other coercive action as prescribed by the Act and rules made thereunder. The complainants and the respondent are further 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.



**(Arunvir Vashista),  
Member, RERA, Punjab**