

THE MAHARASHTRA REAL ESTATE REGULATORY AUTHORITY  
MUMBAI.

COMPLAINT NO: CC005000000022767.

Arif Ebrahim Contractor.

... Complainant.

COMPLAINT NO: CC005000000022768.

Arif Ebrahim Contractor.

... Complainant.

**Versus**

Palmtree Developments Private Limited.

... Respondents.

MahaRERA Regn: P52100012101.

(PALM WORLD ONE)

**Coram:** Shri B.D. Kapadnis,  
Member-II.

**Appearance:**

Complainant: Adv. Mr. Aslam Shaikh.

Respondents: Adv. Mr. Vivek Kantawala.

**FINAL ORDER**

28<sup>th</sup> July, 2020.

The complainant contends that he booked flat nos. 106 and 203 in the respondents' registered project 'Palm World One' situated at Kharadi, Dist. Pune. The respondents agreed to handover the possession of the flats on or before 31.03.2017, however they failed to handover possession on agreed date. The complainant wants to continue in the project but he claims interest on his investment for delayed possession under Section 18 of the RERA.



2. Advocates of the parties have been heard on virtual platform. The respondents have not filed any reply. Their Ld. Advocate Shri Vivek Kantawala submits that the respondents are doing their level best to complete the project, it is nearing the completion and during the extended period of registration, the respondents shall handover the possession of the flats to the complainant. Mr. Kantawala submits that RERA is prospective in nature and does not permit the reliefs claimed by the complainant. He submits that at the time of registration of the project, the respondents have mentioned the proposed date of completion and it is the material date for giving possession of the flat, the respondents would be liable if the flat is not constructed on or before the revised date. He has also brought to my notice the case of Rohit Chawala (CC006-000000054648) where in para 115 of Neelkamal Realtors Suburban Pvt. Ltd. V/s. Union of India 's judgement has been referred to, holding that it is the duty of Real Estate Regulatory Authority under RERA to see that the projects are completed and in its para 120 Hon'ble High court recorded that provisions of RERA are prospective. He submits that the project is near to its completion and during extended period of registration i.e. till October 2020 it would be completed. If the refunds or interest are allowed at this stage, it would badly affect the project. I find myself unable to agree with the view canvassed by Mr. Kantawala because Hon'ble Bombay High Court in Neelkamal Realtors Suburban Pvt. Ltd. V/s. Union of India has clarified in Para-119 that under the provisions of Section 18 of RERA, the delay in handing over the possession would be counted from the date mentioned in the agreement for sale entered into by the promoter and the allottee prior to its registration under RERA. Under RERA promoter is given facility to revise the date of completion of project and declare the same under Section 4. RERA does not contemplate re-writing the agreement. It is observed by






doubt in my mind that actual date for computing the delay shall be the date of possession mentioned in the agreement and it cannot be computed from the revised date unilaterally declared by the promoter at the time of registration of the project.

3. Section 18 of the RERA provides that on failure of the promoter to handover the possession of flat on agreed date, the allottee gets the option either to continue in the project or to withdraw from it. In this case, the complainant wants to continue in the project. Section 18 further provides that the allottee who wants to continue in the project is entitled to get interest on his investment for the delayed possession till he gets the possession of his flat. Therefore, in this case, I find that the respondents who were under the contractual and legal obligation to handover the possession of the booked flats on or before 31.03.2017, have made themselves liable to pay interest at the prescribed rate on the investment of the complainant i.e. the amount of consideration from 1.04.2017 as the complainant has paid entire consideration amount of the flats on the execution of the agreements for sale of both the flats dated 27.05.2016 itself. The complainant is entitled to get interest on the amount of consideration from 1.04.2017 till getting the possession of flats with occupation/completion certificate. The prescribed rate of interest is 2% above SBI's highest MCLR which is currently 7% p.a. The respondents are liable to pay Rs. 20,000/- towards the cost of each complaint to the complainant. Therefore the order.

#### ORDER

- A. The respondents shall pay interest at the rate of 9% p.a. on the amount of consideration of the flats from 01.04.2017 till handing over the possession of the booked flats.


  
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### ORDER

- A. The respondents shall pay interest at the rate of 9% p.a. on the amount of consideration of the flats from 01.04.2017 till handing over the possession of the booked flats.
- B. The respondents shall also pay Rs. 40,000/- towards the cost of the complaints.
- C. The parties are permitted to adjust their current claims and pay the balance, if any.
- D. The payment shall be subject to the period of moratorium specified by the Authority from time to time.

Uploaded at Mumbai.

Date: 28.07.2020.

  
28.7.2020.  
(B. D. Kapadnis)  
Member-II,  
MahaRERA, Mumbai.