CNR No: PHHC011235582026
2026:PHHC:184730

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

****

234 **RERA-APPL-146-2026 (O&M)**
Date of Decision: 05.10.2026

EMAAR INDIA LIMITED …Appellant

Versus

POONAM GOEL AND ANOTHER ...Respondents

And

Sr. No.	Case Number	Appellant(s)	Respondent (s)
2.	RERA-APPL-137-2026 (O&M)	EMAAR India Ltd.	Abhishek Mohal & Anr.
3.	RERA-APPL-139-2026 (O&M)	EMAAR India Ltd.	Priyanka Khanna & Anr.
4.	RERA-APPL-141-2026 (O&M)	EMAAR India Ltd.	Jagmohan Mittal & Anr.
5.	RERA-APPL-146-2026 (O&M)	EMAAR India Ltd.	Poonam Goel & Anr.
6.	RERA-APPL-147-2026 (O&M)	EMAAR India Ltd.	Mrs. Jyotsna Kumar
7.	RERA-APPL-148-2026 (O&M)	EMAAR India Ltd.	Arun Kumar Jain & Anr.
8.	RERA-APPL-150-2026 (O&M)	EMAAR India Ltd.	Kiran Gupta & Anr.
9.	RERA-APPL-169-2026 (O&M)	EMAAR India Ltd.	Manish Bhatnagar
10.	RERA-APPL-170-2026 (O&M)	EMAAR India Ltd.	Alok Sharma & Anr.
11.	RERA-APPL-171-2026 (O&M)	EMAAR India Ltd.	Amba Aircon Pvt Ltd
12.	RERA-APPL-172-2026 (O&M)	EMAAR India Ltd.	Mayank Gangneja & Ors.
13.	RERA-APPL-173-2026 (O&M)	EMAAR India Ltd.	Mr. Prosenjit Sarkar & Anr.
14.	RERA-APPL-174-2026 (O&M)	EMAAR India Ltd.	Alok Sharma & Anr.
15.	RERA-APPL-176-2026 (O&M)	EMAAR India Ltd.	Sameer Batra
16.	RERA-APPL-177-2026 (O&M)	EMAAR India Ltd.	Vijay Kumar Jain & Anr.
17.	RERA-APPL-178-2026 (O&M)	EMAAR India Ltd.	Sanjay Khosla & Anr.
18.	RERA-APPL-179-2026 (O&M)	EMAAR India Ltd.	Himanshu Garg
19.	RERA-APPL-180-2026 (O&M)	EMAAR India Ltd.	Neera Khuntia & Anr.
20.	RERA-APPL-181-2026 (O&M)	EMAAR India Ltd.	Sunil Kumar & Anr.
21.	RERA-APPL-182-2026 (O&M)	EMAAR India Ltd.	Ankita Garg & Anr.
22.	RERA-APPL-183-2026 (O&M)	EMAAR India Ltd.	Monika Sharma And Anr.
23.	RERA-APPL-184-2026 (O&M)	EMAAR India Ltd.	Manish Chawla & Anr.
24.	RERA-APPL-185-2026 (O&M)	EMAAR India Ltd.	Madho Singh Rawat & Anr.
25.	RERA-APPL-186-2026 (O&M)	EMAAR India Ltd.	Harshit Agarwal & Ors.
26.	RERA-APPL-187-2026 (O&M)	EMAAR India Ltd.	Prabodh Praveen & Anr.
27.	RERA-APPL-188-2026 (O&M)	EMAAR India Ltd.	Anita Sharma & Anr.
28.	RERA-APPL-194-2026 (O&M)	EMAAR India Ltd.	Anuj Kumar Taneja & Anr.
29.	RERA-APPL-195-2026 (O&M)	EMAAR India Ltd.	Swati Vishwakarma & Anr
30.	RERA-APPL-196-2026 (O&M)	EMAAR India Ltd.	Akansha Pandey & Anr.
31.	RERA-APPL-197-2026 (O&M)	EMAAR India Ltd.	Kaveri Anand
32.	RERA-APPL-198-2026 (O&M)	EMAAR India Ltd.	Sudhir Grover & Anr.
33.	RERA-APPL-199-2026 (O&M)	EMAAR India Ltd.	Bidisha Biswas & Anr
34.	RERA-APPL-200-2026 (O&M)	EMAAR India Ltd.	Neeraj Chauhan (Huf)
35.	RERA-APPL-201-2026 (O&M)	EMAAR India Ltd.	Parminder Datt & Anr.
36.	RERA-APPL-203-2026 (O&M)	EMAAR India Ltd.	Deepak Joshi
37.	RERA-APPL-152-2026 (O&M)	EMAAR India Ltd.	Neeru Sharma & Anr.
38.	RERA-APPL-153-2026 (O&M)	EMAAR India Ltd.	Sujit Kumar Roy & Anr.
39.	RERA-APPL-154-2026 (O&M)	EMAAR India Ltd.	Divya Suri
40.	RERA-APPL-155-2026 (O&M)	EMAAR India Ltd.	Rajneesh Gautam
41.	RERA-APPL-156-2026 (O&M)	EMAAR India Ltd.	Sunanda Shivpuri
42.	RERA-APPL-158-2026 (O&M)	EMAAR India Ltd.	Amit Bhatnagar & Anr.
43.	RERA-APPL-159-2026 (O&M)	EMAAR India Ltd.	Yatin Sanduja & Anr.

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44.	RERA-APPL-160-2026 (O&M)	EMAAR India Ltd.	Sarabdeep Khanna & Anr.
45.	RERA-APPL-163-2026 (O&M)	EMAAR India Ltd.	Sangeeta Misra
46.	RERA-APPL-164-2026 (O&M)	EMAAR India Ltd.	Sumika Gupta & Ors.
47.	RERA-APPL-165-2026 (O&M)	EMAAR India Ltd.	Ankush Kuthiala & Anr.

CORAM:- HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present:- Mr. Kunal Dawar, Sr. Advocate with
Mr. Rohit Sangam, Advocate,
Ms. Ankita Chaudhary, Advocate and
Mr. Saurav Bajaj, Advocate for appellants-EMAAR India Ltd.

Mr. Aman Bahri, Sr. Advocate with
Mr. Jagdeep Kumar, Advocate, Mr. Bawa Karanveer, Advocate,
Ms. Vralika Bassi, Advocate and Mr. Ritik Gupta, Advocate
for respondent (*in RERA-APPLs No.163, 164, 165, 137, 139, 141, 146, 147, 148, 150, 172, 186, 152, 153, 154, 155, 156, 158, 159, 160 of 2026)*

Mr. J.S. Bhatia, Advocate
for respondent No.2 (*in RERA-APPL-188-2026*)

Mr. V.K. Sachdeva, Advocate and
Mr. Pulkit Sachdeva, Advocate
for respondent (*in RERA-APPL-197-2026)*

Mr. Aditya Jain, Advocate, Ms. Kaanan Jain, Advocate,
Mr. Reviet Malhotra, Advocate &
Ms. Indu Bala, Advocate
for respondents No.1 and 2 (*in RERA-APPL-177-2026)*

Mr. Hardeep Singh Saini, Advocate
for respondent No.1 (*in RERA-APPL-200-2026)*

Mr. Shubhnit Hans, Advocate, Ms. Divya Sareen, Advocate,
Ms. Samriti Bagga, Advocate
for respondent (*in RERA-APPLs No.184, 171, 169 of 2026)*

Mr. Nilotpal Shyam, Advocate, Ms. Shivali, Advocate and
Ms. Tejas Mishra, Advocate *(all through V.C.)*
for respondents *(in RFAs No.181 and 203 of 2026)*

Mr. Neeraj Goel, Advocate for respondent
(*in RERA-APPLs No.178, 176, 179, 185 of 2026)*

Mr. Harshit Joon, Advocate for respondents (*in RERA-APPLs No.173, 182, 183, 194, 195, 196, 201 of 2026)*

Mr. Abhay Jain, Advocate *(through V.C.)*,
Mr. Harsh Sharma, Advocate
Mr. Rishab Jain, Advocate *(through V.C.)*
for respondent (*in RERA-APPL-198-2026)*
Mr. Satya Veer Singh, Advocate and

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Mr. Abhyudaya Paliwal, Advocate
for respondent (*in RERA-APPL -180-2026)*
***

JAGMOHAN BANSAL, J. (ORAL)

1. As common issues are involved in the captioned appeals, with the consent of both sides, the same are hereby disposed of by this common order. For the sake of brevity and convenience, facts are borrowed from ***RERA-APPL-146-2026.***

2. The appellant through instant appeal under Section 58 of the Real Estate (Regulation and Development) Act, 2016 (for short '2016 Act') is seeking setting aside of order dated 02.07.2026 whereby Ld. Haryana Real Estate Appellate Tribunal, Chandigarh (for short 'Appellate Tribunal') has dismissed its appeal against order dated 13.08.2024 passed by Haryana Real Estate Regulatory Authority, Gurugram (for short 'Authority').

3. The appellant-company is a promoter of a real estate project. The appellant allotted a flat in its project named as 'Gurgaon Greens' situated at Sector 102, Gurugram to the respondents. The appellant and respondent entered into Buyer's Agreement dated 22.04.2013. Construction of the tower commenced on 16.06.2013 and as per terms and conditions of the agreement, the flat had to be handed over to the respondent by 16.11.2016. The appellant received occupation certificate on 30.05.2019 and possession was offered to the respondent on 31.05.2019. Total sale consideration of the unit was ₹96,40,123/-. The respondent paid a sum of ₹98,39,686/- to the appellant who handed over complete unit to the respondents on 11.12.2019. Conveyance deed was executed on 03.02.2020. The respondent filed a complaint dated

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15.09.2022 before the Authority under Section 31 of 2016 Act which vide order dated 13.08.2024 allowed aforesaid complaint. Operative part of the order dated 13.08.2024 reads as:-

> *"**H. Directions of the Authority:***
>
> *40. Hence, the authority hereby passes this order and issue the following directions under section 37 of the Act to ensure compliance of obligations cast upon the promoter as per the functions entrusted to the Authority under Section 34(f) of the Act of 2016:*
>
> *i. The respondent shall pay interest at the prescribed rate i.e. 11% per annum for every month of delay on the amount paid by the complainant from due date of possession i.e. 16.11.2016 till the date of offer of possession i.e. 31.05.2019 (inadvertently mentioned in the proceeding of the day as 11.12.2019) after obtaining occupation certificate plus two months or actual handing over of possession whichever is earlier as per proviso to Section 18(1) of the Act read with rule 15 of the rules. Also an amount which has already been given by the respondent as credit compensation shall be deduced/adjusted towards the delay possession charges to be paid by the respondent.*
>
> *ii. The rate of interest chargeable from the allottees by the promoter in case of default shall be charged at the prescribed rate i.e. 11% by the respondent/ promoter which is the same rate of interest which the promoter shall be liable to pay the allottees, in case of default i.e., the delayed possession charges as per section 2(za) of the Act.*
>
> *iii. The respondent is directed to pay arrears of interest accrued, if any, after adjustment in statement of account within 90 days from the date of this order as per rule 16(2) of the rules.*
>
> *41. Complaint stands disposed of.*
>
> *42. File be consigned to the registry."*

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4. The appellant preferred an appeal before the Appellate Tribunal. The appellant primarily raised question of limitation and conclusion of contract. The appellant was of the opinion that it has paid compensation, at the time of handing over possession or execution of conveyance deed, for the delayed possession, thus, there was no question of awarding interest under proviso to Section 18 (1). The appellant further contended that complaint could not be filed beyond a reasonable period of limitation. No limitation has been prescribed under Section 18 & 31, however, as per general principles of limitation, complaint cannot be filed beyond a reasonable period of limitation. An allottee cannot file complaint at any point of time. The Appellant Tribunal by impugned order dated 02.07.2026 has rejected contentions of the appellant. The Tribunal has held that no limitation period has been prescribed under Section 31, thus, no limitation period can be imported under Section 31 of the Act. Provisions of the Limitation Act, 1963 are inapplicable to the proceedings before the Authority and Appellate Tribunal. Relevant extracts of the impugned order read as:-

> *"10. The contention that execution of conveyance deed or delivery of possession extinguishes the rights of the allottees under the Act cannot be accepted. The Scheme of the Act makes it abundantly clear that the status of allottee does not stand obliterated merely because title has been conveyed. Any other interpretation would defeat the beneficial object of the legislation and permit promoter to evade liability despite admitted deficiencies or delays."*
>
> --- ---- ---
>
> *"15. Before parting with the matter, this Tribunal deems it appropriate to make certain observations on the issue of*

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> *limitation in proceedings arising under Section 18 of the Act.*
>
> *16. The preliminary objection regarding limitation raised by the promoter deserves to be rejected. The proceedings in the present matter have been instituted under the Act. A perusal of the scheme of the Act reveals that while the legislature has specifically prescribed period of limitation for filing appeals under Section 44 and for other specified proceedings, no period of limitation has been prescribed for filing a complaint before the Authority under Section 31 of the Act. It is settled principle of statutory interpretation that where the legislature has consciously provided limitation in certain provisions and omitted the same in others, such omission cannot be supplied by judicial interpretation. Consequently, no limitation period can be imported into Section 31 of the Act by implication.*
>
> *17. It is also well-settled that the provisions of the Limitation Act, 1963 are not applicable to proceedings before special Tribunals or authorities unless such applicability is expressly provided by the statute creating the forum. The Act neither incorporates nor makes applicable the provisions of the Limitation Act to complaints instituted before the Authority. In the absence of any express legislative mandate, the provisions of the Limitation Act cannot be invoked to defeat a remedy created under a legislation enacted for protection of allottees and regulation of the real estate sector."*

5. Learned Senior Counsel for the appellant submits that appellant at the time of offer of possession or execution of conveyance deed paid a handsome amount towards delayed possession charges. The allottees happily and voluntarily accepted compensation towards delayed possession charges, thus, they could not file complaint under Section 31 seeking interest as per proviso to Section 18(1). Contract between the

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parties which commenced on the date of allotment concluded on the date of execution of the conveyance deed. Rights and liabilities of both sides, except as specifically provided in the 2016 Act, concluded the moment conveyance deed was executed.

Learned Senior Counsel for the appellant further submits that most of the complaints were filed by respondents beyond a reasonable period of limitation. No limitation period under Section 31 and 18 (1) has been prescribed to file complaint before the Authority, however, no allottee can be permitted to file complaint as per his convenience as well as whims and caprices. If aforesaid Sections are interpreted in such a manner that any allottee can file complaint at any point of time it would create chaos and there would be no end of contract between the parties. It may become source of exploitation and it is against the spirit of law of limitation. As per Section 31, the promoter may also file complaint against an allottee, thus, 2016 Act not only protects interests of the allottees but also of the promoters/real estate agents.

6. *Per contra*, learned counsel for respondents submit that Legislature has prescribed limitation period under different Sections such as Section 14(3) which provides that in case of structural defect or any other defect in the workmanship, the promoter is liable to remove the defect if such defect is pointed out within five years from the date of handing over possession. Section 18(2) provides that promoter shall pay compensation in case loss is caused to the allottee due to defective title of the land. The aforesaid Section further provides that action under this Section shall not be barred by limitation. Section 11(4) provides that

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responsibility of the promoter with respect to the structural defect shall continue even after the conveyance deeds of all the apartments have been executed. The 2016 Act is a piece of beneficial legislation. It has been enacted to protect interest of the allottees. All the provisions of the Act are required to be interpreted in such a manner that interest of allottees are protected. Proviso to Section 18(1) creates statutory liability of the builder to pay interest at the prescribed rate. In case of delayed possession, the promoter has statutory liability to pay interest. The promoter cannot extinguish its liability by paying partial amount in the name of lump sum compensation. The allottees have right to approach Authority if they find that amount of interest already paid is less than actual liability. The promoter cannot deflect from its liability created by proviso to Section 18(1). The allottees have filed complaints post COVID-19 and as per judgment of Hon'ble Supreme Court in Suo Motu Writ Petition (C)No.3 of 2020, period from 15.03.2020 to 28.02.2022 has to be excluded for the purposes of computing limitation.

7. Learned Senior Counsel for the respondent further submits that as per Section 35, the Authority *suo motu* or on a complaint may initiate inquiry into the affairs of any promoter or allottee or the real estate agent. The Authority may call upon any promoter or allottee or real estate agent to furnish information at any time. It shows that inquiry may be initiated against a promoter at any point of time and Legislature has not curtailed right of an allottee by way of prescribing limitation period. The Hon'ble Supreme Court in '***M/s New Tech Promoters and Developers Pvt. Ltd. Vs. State of U.P. & Ors.***', **2021(18) SCC 1** has held in para No.25 that right to seek refund under Section 18(1)(a) is an

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unqualified right. The allottee if does not wish to withdraw is entitled to interest for the delayed period.

The allottees had not voluntarily accepted compensation offered by the appellant. Amount due on account of interest payable under Section 18(1) was much higher than compensation deposited by the appellant in the allottees' account. There are cases where amount deposited by the appellant in allottees' account was not more than 20% of the interest payable under Section 18(1). In such circumstances, it would be unjustified to opine that allottees have waived their right to file complaint seeking interest under Section 18(1).

8. Heard the arguments and scrutinised the record.

9. From the pleadings and arguments of both sides, following questions arise for the consideration of this Court:

i. Whether any respondent/allottee can file complaint under Section 31 read with 18(1) after execution of conveyance deed?

ii. Whether complaint under Section 31 seeking interest payable under Section 18(1) can be filed at any time in the absence of limitation period prescribed under aforesaid Sections?

10. **Question No. 1:** Whether any respondent/allottee can file complaint under Section 31 read with 18(1) after execution of conveyance deed?

10.1 The 2016 Act recognizes agreement executed between a promoter and an allottee. It further creates rights and liabilities of promoters as well as allottees. An agreement which is enforceable by law

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creates contractual rights and liabilities whereas 2016 Act creates rights & liabilities of the stakeholders which are over and above the agreement for sale.

10.2 Section 18 of the 2016 Act provides that if promoter fails to complete or is unable to give possession of an apartment by the specified date, the allottee is entitled to withdraw from the project and promoter is liable to return the amount received by him. Allottee is also entitled to interest and compensation. The allottee in alternative is entitled to claim interest. Section 18 reads as:-

> *"**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*

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> *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."*
>
> [Emphasis supplied]

10.3 A perusal of above quoted Section reveals that if the promoter fails to deliver possession of an apartment by the specified date, he is liable to refund amount received by him. He is also liable to pay interest at such rate as may be prescribed. The allottee has further a right to claim compensation. The aforesaid Section creates absolute right in favour of the allottee to seek refund along with interest and compensation. It creates liability of the promoter to refund the amount received along with interest.

10.4 As per proviso to Section 18(1), in case there is delay on the part of promoter and an allottee does not withdraw from the project, the promoter is liable to pay interest for every month of delay. Interest is payable till the handing over of the possession. The State Government by way of Rules has prescribed rate of interest. Proviso creates mandatory liability of the promoter.

As per Section 19(6), every allottee is liable to pay installments in the manner and within the time as specified in the agreement for sale. As per Section 19(7), an allottee is liable to pay interest for the delay in payment towards any amount or charges to be

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paid under sub-section (6). As per sub-section (8), the liability of interest may be reduced when mutually agreed between the promoter and the allottee. Sections 19 (6), (7) & (8) are reproduced as below:-

> *"**19. Rights and duties of allottees:***
>
> *(6) Every allottee, who has entered into an agreement for sale to take an apartment, plot or building as the case may be, under section 13, shall be responsible to make necessary payments in the manner and within the time as specified in the said agreement for sale and shall pay at the proper time and place, the share of the registration charges, municipal taxes, water and electricity charges, maintenance charges, ground rent, and other charges, if any.*
>
> *(7) The allottee shall be liable to pay interest, at such rate as may be prescribed, for any delay in payment towards any amount or charges to be paid under sub-section (6).*
>
> *(8) The obligations of the allottee under sub-section (6) and the liability towards interest under sub-section (7) may be reduced when mutually agreed to between the promoter and such allottee."*

10.5 A perusal of above-quoted sub-sections reveals that in case of delay in payment, every allottee is liable to pay interest. Liability of interest may be reduced with mutual consent. Proviso to Section 18(1) creates liability of the promoter to pay interest, however, does not provide for waiver by mutual consent. It shows that Legislature has created a substantive right in favour of the allottees. Right has been created to protect the home buyers and create pressure over promoters to complete their projects within time.

As per appellants, the moment conveyance deed is executed and buyer takes possession without demur, liability of the promoter cease

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to exist. Contract executed between the parties comes to an end, thus, a home buyer cannot approach authority under Section 31 and claim interest payable under Section 18(1). Contention of the appellant is misconceived and cannot be countenanced. As per Section 19(8), liability of interest may be mutually reduced, however, there is no provision for reduction of liability under Section 18(1). Liability fastened under Section 18(1) is a statutory liability and a promoter cannot escape from its responsibility on the ground that the buyer has accepted offer of possession and executed conveyance deed. As per proviso to Section 18(1), liability of interest commences from the expiry of stipulated date for completion of the flat and stops on the date of handing over of the possession. Interest liability continues up to the date of handing over the possession and rights of the buyer though starts from the expiry of stipulated delivery date yet crystallizes on the date of handing over of possession. Every allottee has a right to wait till the date of handing over of possession. It is responsibility of the promoter to pay interest for every month of delay. It is not necessary for the allottee to approach the authority. If promoter fails to discharge his liability, the allottee will knock at the doors of the Authority. As total liability of interest crystallizes on the date of handing over of possession, the allottee after taking possession has absolute right to claim interest under proviso to Section 18(1). Contractual terms and conditions cannot override statutory provisions. If as per terms of the agreement, an allottee has accepted offer of possession and executed conveyance deed, it does not mean that he has waived of his right to claim interest. During hearing, the allottees have pointed out that appellant against liability of more than ₹40 lakhs

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has paid a meagre amount of ₹ 5 to 6 lakhs. No allottee has given in writing that he would not claim interest in future and amount offered by promoter is towards full and final settlement of liability. In the absence of categoric waiver of right, the appellant cannot escape from its liability of interest which is statutory in nature. There may be an exceptional case where buyer willingly and with his own volition has agreed to settle interest liability for a smaller amount. Cases in hand do not represent aforesaid situation. Thus, appellants are liable to pay interest despite execution of conveyance deed.

10.6 The appellant has contended that the moment conveyance deed was executed, contract between the parties concluded. Contention of the appellant does not seem to be convincing. Section 14(3) provides that in case any structural defect or any other defect in workmanship, quality or provision of service is brought to the notice of the promoter within a period of five years, it shall be duty of the promoter to rectify such defects within 30 days. Section 14(3) reads as:-

> *"14(3) In case any structural defect or any other defect in workmanship, quality or provision of services or any other obligations of the promoter as per the agreement for sale relating to such development is brought to the notice of the promoter within a period of five years by the allottee from the date of handing over possession, it shall be the duty of the promoter to rectify such defects without further charge, within thirty days, and in the event of promoter's failure to rectify such defects within such time, the aggrieved allottees shall be entitled to receive appropriate compensation in the manner as provided under this Act."*

10.7 Section 18(2) as quoted hereinabove, provides that in case allottees suffer loss due to defective title of the deed, claim for

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compensation shall not be barred by limitation provided under any other law for the time being in force. This Section makes it clear that liability of the promoter in case of defective title is for indefinite period.

11. **Question No.2:** Whether complaint under Section 31 seeking interest payable under Section 18(1) can be filed at any time in the absence of limitation period prescribed under aforesaid Sections?

11.1. Learned counsel for the allottees are of the strong opinion that no limitation period under Sections 18(1) and 31 has been prescribed, thus, application seeking interest may be filed at any point of time. Court cannot import limitation period in the aforesaid Sections. The Legislature as per its wisdom has not prescribed any period of limitation. As per Section 11(4) read with Section 14(3), a promoter is liable to remove structural or any other defect up to five years of the date of handing over possession. No limitation has been prescribed if title of the land is found defective.

11.2 Section 18(1), in case of delay in handing over possession, creates liability of the promoter. Liability of interest is created under proviso to Section 18(1). This liability starts from the expiry of stipulated date of delivery and comes to an end on the date of handing over of possession. The moment an allottee takes possession of the flat, liability of interest stands crystallized. There is no provision of interest on interest. Any allottee can claim interest till the date of taking possession. Section 31 provides for filing of complaint with the Authority or Adjudicating Officer. Section 31 reads as:

> ***31. Filing of complaints with the Authority or the adjudicating officer.*** *(1) Any aggrieved person may file a*

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> *complaint with the Authority or the adjudicating officer, as the case may be, for any violation or contravention of the provisions of this Act or the rules and regulations made thereunder against any promoter allottee or real estate agent, as the case may be.*
>
> *Explanation.—For the purpose of this sub-section "person" shall include the association of allottees or any voluntary consumer association registered under any law for the time being in force.*
>
> *(2) The form, manner and fees for filing complaint under sub-section (1) shall be such as may be prescribed.*

A conspectus of aforesaid Section reveals that under Section 31 any aggrieved person may file a complaint for any violation or contravention of the provisions of this Act or the Rules made thereunder against any promoter, allottee or real estate agent. In Section 31, '*comma'* seems missing in between expressions "*promoter allottee*". As per Section 31 complaint may be filed by any person and against any promoter or allottee or real estate agent. Claim of the respondents that 2016 Act has been enacted to protect interest of the home buyers, thus, no limitation can be read in Section 31 is misconceived because Section 31 authorizes any person to file complaint even against an allottee. Section 19 prescribes duties of the allottees, thus, 2016 Act has been enacted to protect interest of not only home buyers but also of promoters and real estate agents.

11.3 Section 31 does not use expression '*any time*'. It shows that neither has it prescribed a particular period to file complaint nor stipulated that complaint may be filed at any time.

This Court is of the opinion that as per judicial precedents, where no limitation period is prescribed, every action should be initiated

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within a reasonable period. At this stage, it would be appropriate to notice judicial precedents on the issue.

11.4 A three Judge Bench of the Supreme Court in ***'M/s S.B. Gurbaksh Singh v. Union of India and other'*** **(1976) 2 SCC 181** while adverting to power of Revisionary Authority to revise the order of Assistant Commissioner, has held that where no time limit has been prescribed to excise suo motu power of revision, the Revisionary Authority is bound to initiate the proceedings within a reasonable time. So, any unreasonable delay in exercising may affect its validity. What is reasonable time will depend upon the facts and circumstances of each case. A similar view has been taken by Supreme Court in the case of ***'State of Punjab and others v. Bhathinda District Cooperative Milk Producers Union Ltd.'*** **(2007) 11 SCC 363.**

11.5 In ***'Sharda Devi v. State of Bihar and another'***, **(2003) 3 SCC 128,** the Supreme Court while adverting to Sections 18 and 30 of Land Acquisition Act, 1894 (for short '1894 Act') has held that no period of limitation has been prescribed under Section 30 of 1894 Act and where no period of limitation for exercise of any statutory power is prescribed, the power should be exercised within a reasonable period which depends upon the facts and circumstances of each case. The relevant extracts of judgment are reproduced as below:

> *"By reference to limitation Under Section 18 the written application requiring the matter to be referred by the Collector for the determination of the court shall be filed within six weeks from the date of the Collector's award if the person making it was present or represented before the Collector at the time when he made his award or within six weeks of the notice from the Collector under Section 12(2) or within six months from the date*

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> *of the Collector's award, whichever period shall first expire. There is no such limitation prescribed under Section 30 of the Act. The Collector may at any time, not bound by the period of limitation, exercise his power to make the reference. The expression "the person present or represented" before the Collector at the time when he made his award would include within its meaning a person who shall be deemed to be present or represented before the Collector at the time when the award is made. No one can extend the period of limitation by taking advantage of his own wrong. Though no limitation is provided for making a reference under Section 30 of the Act, needless to say, where no period of limitation for exercise of any statutory power is prescribed, the power can nevertheless be exercised only within a reasonable period; what is a reasonable period in a given case shall depend on the facts and circumstances of each case."*

11.6 The Supreme Court in ***The Government of India v. The Citadel Fine Pharmaceuticals, Madras and others, 1989 (42) ELT 515 (SC)*** while referring to Rule 12 of the Medicinal and Toilet Preparations (Excise Duties) Rules, 1956 has held that in absence of any period of limitation, authority has to exercise power within reasonable period. The relevant extracts of the judgment are reproduced as below:

> *"In the absence of any period of limitation it is settled that every authority is to exercise the power within a reasonable period. What would be reasonable period would depend upon the facts of each case."*

11.7 In ***Ibrahimpatnam Taluk Vyavasaya Collie Sangham v. K. Suresh Reddy and Others, AIR 2003 SC 3592***, while referring to Section 50-B(4) of the Andhra Pradesh (Telengana Area) Tenancy and Agricultural Lands Act, 1950, expression "at any time" for exercise of suo motu power was interpreted to mean within "reasonable time". The relevant extracts of the judgment are reproduced as below:

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"9. ...Use of the words 'at any time' in Sub-section (4) of Section 50B of the Act only indicates that no specific period of limitation is prescribed within which suo motu power could be exercised reckoning or starting from a particular date advisedly and contextually. Exercise of suo motu power depended on facts and circumstances of each case. In cases of fraud, this power could be exercised within a reasonable time from the date of detection or discovery of fraud. While exercising such power, several factors need to be kept in mind such as effect on the rights of the third parties over the immovable property due to passage of considerable time, change of hands by subsequent bona fide transfers, the orders attaining finality under the provisions of other Acts (such as Land Ceiling Act). Hence, it appears without stating from what date the period of limitation starts and with what period the suo motu powers is to be exercised, in Sub-section (4) of Section 50-B of the Act, the words 'at any time' are used so that the suo motu power could be exercised within reasonable period from the date of discovery of fraud depending on facts and circumstances of each case in the context of the statute and nature of rights of parties. Use of the words 'at any time' in Sub-section (4) of Section 50B of the Act cannot be rigidly read letter by letter. It must be read and construed contextually and reasonably. If one has to simply proceed on the basis of dictionary meaning of words 'at any time', the suo motu power under Sub-section (4) of Section 50B of the Act could be exercised even after decades and then it would lead to anomalous position leading to uncertainty and complications seriously affecting the rights of the parties, that too, over immovable properties. Orders attaining finality and certainty of the rights of the parties accrued in the light of the orders passed must have sanctity. Exercise of suo motu power 'at any time' only means that no specific period such as days, months or years is prescribed reckoning from a particular date. But that does not mean that 'at any time' should be

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> *unguided and arbitrary. In this view, 'at any time' must be understood as within a reasonable time depending on the facts and circumstances of each case in the absence of prescribed period of limitation."*

11.8 In ***State of H.P. v. Rajkumar Brijender Singh*** **AIR 2004 SC 3218** referring to Section 20 of the H.P. Ceiling on Land Holdings Act, 1973, conferring suo motu power on the Financial Commissioner, interpreting the words "at any time", it was held that such power had to be exercised within a reasonable time. The relevant extracts of the judgment are reproduced as below:

> *"6. ...It is true that Sub-section (3) provides that such a power may be exercised at any time but this expression does not mean there would be no time-limit or it is in infinity. All that is meant is that such powers should be exercised within a reasonable time. No fix period of limitation may be laid but unreasonable delay in exercise of the power would tend to undo the things which have attained finality. It depends on the facts and circumstances of each case as to what is the reasonable time within which the power suo motu action could be exercised. For example in this case, as the appeal had been withdrawn but the Financial Commissioner had taken up the matter in exercise of his suo motu power, well it could be open for the State to submit that the facts and circumstances were such that it would be within reasonable time but as we have already noted the order of the Collector which has been interfered with was passed in January, 1976 and the appeal preferred by the State was also withdrawn sometime in March 1976. The learned Counsel for the appellant was not able to point out such other special facts and circumstances by the reason of which it could be said that exercise of suo motu power after 15 years of the order interfered with was within a reasonable time. That being*

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> *the position in our view, the order of the Financial Commissioner stands vitiated having been passed after a long lapse of 15 years of the order which has been interfered with. Therefore, while holding that the Financial Commissioner would have power to proceed suo motu in a suitable case even though an appeal preferred before lower appellate authority is withdrawn may be by the State. Thus the view taken by the High Court is not sustainable...."*

11.9 As per afore-cited judgments, power should be exercised where no time limit has been prescribed. "*At any time*" cannot be read in a manner that power can be exercised at any point of time. The allottees are claiming that judgments are with respect to power of the Authority and judgments cited by appellant are not relating to period within which right to approach the Authority should be exercised.

Section 18(2), provides that claim for compensation shall not be barred by limitation where an allottee suffers on account of defective title of the land. Section 14(3) creates liability of the promoter to remove structural and other defects pointed out within five years from the date of handing over possession. In case title is defective, there may be irreparable loss. Thus, Legislature has clarified that no limitation period would be applicable. Structural defects are visible within few years and Legislature as per its wisdom has prescribed outer limit of five years. This limit is prescribed for pointing out defects. This limitation is not prescribed for claiming compensation in case defects are not removed.

Section 88 provides that provisions of this Act shall be in addition to and not in derogation of provisions of any other law. Section 88 reads as:-

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> *"88. **Application of other laws not bared-** The provisions of this Act shall be in addition to, and not to derogation of, the provisions of any other law for the time being in force."*

As per aforesaid Section, provisions of Limitation Act, 1963 are not excluded. As per Entry 137 of the Schedule to the Limitation Act any suit, where no limitation period is prescribed, may be filed within three years from the date of cause of action. Despite Section 88, Limitation Act cannot be mechanically applied to proceedings under 2016 Act because for different acts and duties, different periods are prescribed, however, cue espoused with judicial precedents evolving doctrine of reasonable period of limitation may be taken.

11.10 Limitation Act has prescribed period for filing suit, appeals, revisions etc. Object of Limitation Act is to put every litigation to rest. It is a matter of policy and convenience for all the affected parties. In case no limitation period is applied, there would be no end of litigation. There would be no certainty and people would keep on fighting for an indefinite period. Sword of litigation would keep on hanging. Flat buyers except investors embellish dream of their own home. The moment anyone will get possession of the flat, he prefers to enjoy the home instead of involving in litigation. If a flat buyer is permitted to file complaint at any time, it would give impetus to him to involve in litigation which is neither in his interest nor in the interest of justice especially when Courts are already inundated with litigation. Non-filing of complaint within 3 years from the date of taking possession indicates that there is no coercion or mis-representation on the part of promoter and allottee has waived his right to sue. Thus, aforesaid principles need to be applied to complaints

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filed under 2016 Act. If no limitation period is prescribed, the liability of the promoter and in few cases allottees would never come to an end. In case, liabilities arising out of one project are not concluded, promoter would not be sure about his future liabilities and may not be able to commence other projects. There would be complete uncertainty. Thus, there is need to interpret and hold that doctrine of reasonable period of limitation would be applicable to complaints filed under Section 31. It is settled law that there cannot be straitjacket or absolute formula to prescribe reasonable period of limitation. It depends upon facts and circumstances of each case. In one particular case, it may be one year and in another case it may be five years.

11.11 In the case in hand, there are few cases where as per respondents no compensation was paid at the time of handing over possession or execution of conveyance deed. As per appellant, in most of the case compensation for delayed possession was paid at the time of handing over possession or execution of conveyance deed. Ignoring aforesaid fact, in every case where respondent has taken possession of the flat and conveyance deed stands executed, this Court finds that period of three years would be reasonable period to file complaint under Section 31. The said period would start from the date of taking possession. In view of directions of the Apex Court, COVID period commencing from 15.03.2020 and up to 28.02.2022 would be excluded while counting aforesaid limitation period.

12 In the wake of above discussions and findings, questions raised hereinabove are answered as below:-

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i. Handing over of possession or execution of conveyance deed does not take away right of the allottee to file complaint seeking interest under proviso to Section 18(1).

ii. Complaint under Section 31 seeking interest under Section 18(1) should be filed within reasonable period of limitation which would depend upon facts and circumstances of each case.

13. In the backdrop, appeals are dismissed to the extent of question of right of the allottees to file complaint and are allowed to the extent of question of limitation. By this order, a bunch of appeals is adjudicated. Therefore, this Court does not find it possible to examine date of possession, date of conveyance deed and date of filing complaint under Section 31 of each case and thereafter apply reasonable period of limitation as laid down hereinabove. This factual finding needs to be recorded by the Authority. Accordingly, appeals are partially allowed by way of remand to the Authority to ascertain whether complaint was within reasonable period of limitation as contemplated hereinabove.

14. The parties at the first instance are directed to appear before the Authority on 16.10.2026 and thereafter as directed by the said Authority which would endeavour to dispose of all the cases within four months from today.

15. Pending application(s), if any, also stands disposed of.

(JAGMOHAN BANSAL)
JUDGE

October 05, 2026
Deepak DPA

Whether Speaking/reasoned: Yes/No
Whether Reportable: Yes/No

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