

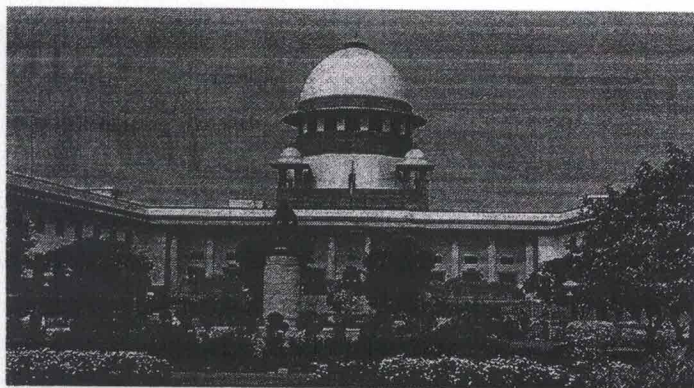
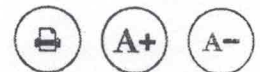
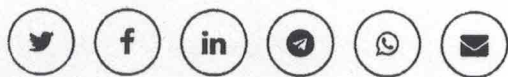


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Builder has to compensate RWA for handing over unfinished project: SC

The long legal battle reflects issues faced by residents in such societies across the country and will be a boost for home buyers, even though more recent state RERA laws cover some of the aspects relating to defaults on promised facilities.

Amit Anand Choudhary TNN September 29, 2021, 09:15 IST



NEW DELHI: Builders cannot get away by handing over maintenance and administration of a housing society to the Residents Welfare Association if the project remains unfinished without all infrastructure and facilities promised to home buyers and will need to compensate RWAs, the

Supreme Court said.

Almost 18 years after a builder handed over a housing project in Noida to the residents' association, a bench of Justices Hemant Gupta and V Ramasubramanian directed company Padmini Infrastructure to pay Rs 60 lakh to the Royal Garden Resident Welfare Association for not building a water softening plant, a second health club, a swimming pool in addition to putting in place a fire fighting system.

The long legal battle reflects issues faced by residents in such societies across the country and will be a boost for home buyers, even though more recent state RERA laws cover some of the aspects relating to defaults on promised facilities. Such disputes between RWAs and builders, some going back several years, continue to clog courts and consumer forums.