**Awards compensation of Rs 5.04 Crore in lieu of delay in possession of land: Bombay High Court**

Upheld the judgement of the Maharashtra RERA Appellate Tribunal awarding a compensation of Rs 5 Crore to the Respondent-complainant held by **Justice S.C.Gupte** in M**/s Renaissance Infrastructure Vs Shri Parth B. Suchak & Anr. [SECOND APPEAL (ST.) NO.92626 OF 2020].**

The facts that relate to the case arise wherein the respondent in the present matter had purchased six plots of land vide an agreement of sale from the Appellant-promotor in 2009 and was supposed to hand over the possession of the land in 2010 which has yet not been handed over. According to the agreement the Appellant is liable to compensate for loss incurred in rent due to delay of possession which amounted to Rs 5 Crore as of July 2018. The respondent’s claim was upheld by the RERA authority and aggrieved by this decision the Appellant filed for an appeal. As per the provision of law, the Appellant was liable to submit 50 percent of the awarded compensation for an appeal to be heard which was not submitted by the Appellant leading to the dismissal of the application. The Appellants approached the High Court against the compensation awarded and the dismissal of the application.

The Appellant contended that the agreement was not an actual sale of agreement rather it was an agreement stating the share in the Appellants property and thus the Appellant cannot be held liable. Also, it was claimed that the petition filed by the Respondent lacks merit and the order is in the nature of liquidated damages and the adjudicating officer had no jurisdiction to order such damages.

**The Court** observed that, “Prima facie this agreement is nothing, but an agreement for sale between a promoter and an allottee. It may be that the allottee was an erstwhile partner of the promoter firm and the agreement was executed with a view to satisfy the allottee’s claim towards his share in the partnership upon his retirement. That does not, however, make the agreement any the less an agreement for sale. After all, consideration of an agreement for sale, instead of money, may well be any valuable consideration, including satisfaction of the allottee’s share in the promoter’s partnership.”

The other grounds contended are also not sustained as the Appellants were liable to pre-deposit 50 percent of the awarded compensation for an appeal even if the original application lacked merit. The deposits are mandatory in nature. Hence, no substantial question of law was found, thus, the appeal was dismissed giving direction to the Appellant to pay the compensation of Rs 5.04 Crore within four weeks failing which the attached property is to be sold.