

**BEFORE THE HARYANA REAL ESTATE REGULATORY
AUTHORITY, GURUGRAM**

Date of Decision: 01.08.2025

NAME OF THE BUILDER		DLF PVT. LTD.	
PROJECT NAME		"The Grove"	
S. No.	Case No.	Case title	APPEARANCE
1.	CR/6547/2024	Gautam Rana V/S DLF Ltd.	Sh. Ravi Kumar (Advocate) Sh. Ishaan Dang (Advocate)
2.	CR/29/2025	Gautam Rana V/S DLF Ltd.	Sh. Ravi Kumar (Advocate) Sh. Ishaan Dang (Advocate)

CORAM:

Shri Arun Kumar

Chairman

ORDER

1. This order shall dispose of two complaints titled as above filed before this authority under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (in short, the Act) read with rule 28 of the Haryana Real Estate (Regulation and Development) Rules, 2017 (in short, the Rules) for violation of section 11(4)(a) of the Act wherein it is inter alia prescribed that the promoter shall be responsible for all obligations, responsibilities and functions under the provision of the Act or the rules and regulations made there under or to the allottee as per the agreement for sale executed inter se.
2. The core issues emanating from them are similar in nature and the complainant(s) in the above referred matters are allottees of the project,



namely, "The Grove" being developed by the same respondent/promoter i.e., M/s DLF Pvt. Ltd. The terms and conditions of the buyer's agreements, fulcrum of the issues involved in all these cases pertains to cancellation of the unit and other issues.

3. The details of the complaints, reply, unit no., date of agreement, possession clause, due date of possession, total sale consideration, total paid amount and relief sought are given in the table below:

Project Name and Location		"The Grove" in DLF 5 situated in Sector- 54, Gurugram.			
Project Area		5.3073 Acres			
RERA Registered		Registered Vide registration no. 13 of 2022 dated 21.02.2022 Valid upto 31.12.2025			
Possession Clause: -					
7. Possession of the said independent floor for residential usage					
The Promoter agrees and understands that timely delivery of possession of the said independent floor for residential use along with parking to the Allottee and the common areas to the association of allottees or the competent authority, as the case may be, as provided under Rule2(1)(f) of Rules 2017, is the essence of the Agreement.					
Sr. No.	Complaint no. / Title/ Date of Filing / Reply	Unit no. and area	Date of builder buyer agreement	Status of Possession	Total sale consideration and amount paid
1.	CR/6547/2024 Gautam Rana V/S DLF Ltd. DOF 23.01.2025 Reply 02.05.2025	B-14/20A, 1 st floor 1382.770 sq. ft. carpet area 374.878 sq. ft. balcony area 128.867 sq. ft. basement area 134.550 sq. ft. parking area	Application: 08.10.2022 BBA: 10.04.2023 Reminder Letters: 13.04.2023, 03.05.2023, 16.05.2023, 03.06.2023, 07.08.2023 Cancellation Letter: 20.09.2023	Due date of possession: 31.12.2025	TSC: - Rs. 5,03,54,970/- AP: - Rs. 58,15,502/-



2.	CR/29/2025 Gautam Rana V/S DLF Ltd. DOF 23.01.2025 Reply 02.05.2025	B-14/16A, 1 st floor 1382.770 sq. ft. carpet area 374.878 sq. ft. balcony area 128.867 sq. ft. basement area 134.550 sq. ft. parking area	Application: 08.10.2022 BBA: 10.04.2023 Reminder Letters: 13.04.2023, 03.05.2023, 16.05.2023, 03.06.2023, 07.08.2023 Cancellation Letter: 20.09.2023	Due date of possession: 31.12.2025	TSC: - Rs. 5,03,54,970/- AP: - Rs. 58,15,502/-
Note: In the table referred above, certain abbreviations have been used. They are elaborated as follows:					
Abbreviation		Full form			
DOF		Date of filing complaint			
BBA		Builder buyer agreement			
TSC		Total Sale consideration			
AP		Amount paid by the allottee(s)			

4. The aforesaid complaints were filed against the promoter on account of violation of the apartment buyer's agreement and allotment letter against the allotment of units in the project of the respondent/promoter and seeking refund of the paid amount.
5. It has been decided to treat the said complaints as an application for non-compliance of statutory obligations on the part of the promoter/respondent in terms of section 34(f) of the Act which mandates the authority to ensure compliance of the obligations cast upon the promoters, the allottee(s) and the real estate agents under the Act, the rules and the regulations made thereunder.
6. The facts of all the complaints filed by the complainant(s)/allottee(s) are also similar. Out of the above-mentioned case, the particulars of lead case



CR/6547/2024 titled as Gautam Rana V/S DLF Ltd. are being taken into consideration for determining the rights of the allottee(s) qua refund of the allotted unit.

A. Unit and project related details

7. The particulars of unit details, sale consideration, the amount paid by the complainant, date of proposed handing over the possession, delay period, if any, have been detailed in the following tabular form:

S.N.	Particulars	Details
1.	Name and location of the project	"The Grove", DLF 5, Sector-54, Gurugram, Haryana
2.	Nature of the project	Residential Floors
3.	Project area	5.3073 acres
4.	RERA Registered/ not registered	Registered vide no. 13 of 2022 issued on 21.02.2022 up to 31.12.2025
5.	Application dated	08.10.2022 (page no. 28 of reply)
6.	Allotment Letter	21.10.2022 (page no. 43 of reply)
7.	Unit No./Independent Floor	Plot no. B-14/20, Unit no. B-14/20A on 1 st floor (page no. 23 of complaint)
8.	Unit admeasuring area	1382.770 sq. ft. carpet area 374.878 sq. ft. balcony area 128.867 sq. ft. basement area 134.550 sq. ft. parking area

		(page no. 45 of complaint)
9.	Date of builder buyer agreement	10.04.2023 (page no. 21 of complaint)
10.	Possession Clause	7. Possession of the said independent floor for residential usage: The Promoter agrees and understands that timely delivery of possession of the said independent floor for residential use along with parking to the Allottee and the common areas to the association of allottees or the competent authority, as the case may be, as provided under Rule2(1)(f) of Rules 2017, is the essence of the Agreement.
11.	Due date of possession	31.12.2025 (as per possession clause)
12.	Reminder letters	13.04.2023, 03.05.2023, 16.05.2023, 03.06.2023, 07.08.2023 (page no. 131-144 of reply)
13.	Cancellation letter	20.09.2023 (page no. 145 of reply)
14.	Third party rights created	13.02.2024 (page no. 146 of reply)
15.	Total sale consideration	Rs. 5,03,54,970/- (as per payment plan at page 117 of reply)
16.	Total amount paid by the complainant	Rs. 58,15,502/- (as per cancellation letter at page 145 of reply)
17.	Occupation certificate	30.08.2024

		(page no. 157 of reply)
18.	Offer of possession	Not offered

B. Facts of the complaint:

8. The complainant has made the following submissions in the complaint:

- I. That in October, 2022 complainant booked the unit/independent floor bearing no. B-14/20A, Grove at DLF 5, Sector-54, Gurugram, Haryana.
- II. That at that time complainant was asked to pay the initial booking amount of Rs. 10,00,000/- which complainant had paid vide online payment and respondent had acknowledged the same.
- III. That after taking /receiving the aforesaid amount from the complainant, respondent had entered into an agreement to sale, however till date the buyer builder agreement has not been provided by the respondent to the complainant.
- IV. That as per payment schedule, complainant has paid an amount of Rs. 58,15,502/- out of the total sale consideration i.e. Rs. 5,05,54,970/- to respondent.
- V. That at the time of booking as well as signing of the Agreement to sale respondent had promised complainant that respondent would hand over the possession of the property / apartment / unit to the complainant on or before 31/12/2025 from the date of signing and execution of the agreement.
- VI. That the complainant has adopted the construction link payment plan, wherein the respondent has demanded the amount as per construction link plan and on the assurances of the representative of the respondent company.

- VII. That complainant had booked the property in respondent aforesaid residential group housing project to own a house for a standard living to their status and taste but complainant was cheated by respondent by giving the assurance that payment may be demanded as per the construction link plan, however the respondent made various reminder for making the payment, without acknowledging the difficulty face by the complainant.
- VIII. That respondent had taken almost 10% of the amount as per payment schedule from the complainant on the basis of respondent impressive projections and false promises which complainant had drained out from her hard earned savings. Thus, respondent have committed the offence of "Cheating" which is a criminal in nature.
- IX. That respondent after indulging in unfair trade practice had intentionally grabbed the hard earned money of complainant and violated the general principals of the real estate business. Moreover, had given the highly deficient & inadequate services to complainant.
- X. That the complainant bonafidely for his needs and better future purchased the flat/unit in question, further the respondent failed to give the possession of the flat/unit in question on time.

C. Relief sought by the complainant:

9. The complainant has sought the following relief(s)
- Direct the respondent to refund the entire amount along with interest.
10. On the date of hearing, the authority explained to the respondent/promoter about the contraventions as alleged to have been committed in relation to section 11(4) (a) of the Act to plead guilty or not to plead guilty.

D. Reply by the respondent:

11. The respondent has contested the complaint on the following grounds:

- I. That the present complaint is not maintainable in law or on facts.
- II. That the complainant has no locus standi or cause of action to file the present complaint.
- III. That the complainant is estopped by her own acts, conduct, acquiescence, laches, omissions etc. from filing the present complaint.
- IV. That the complainant had made detailed and elaborate enquiries with regard to all aspects of the residential plotted colony known as "The Grove", DLF 5, Sector 54, Gurugram conceptualised and promoted by the respondent. After completely satisfying himself with regard to the specifications of the apartments, competence and capability of the respondent application for booking/provisional allotment had been submitted by the complainant.
- V. That vide allotment letter dated 21.10.2022, independent floor on plot no B-14/20A, on the first floor having carpet area of 1382 sq. ft. and 128 sq. ft. of carpet area in the basement, was provisionally allotted in favour of the complainant.
- VI. That demand letter dated 02.11.2022 calling upon the complainant to remit the instalment payable as per the applicable payment plan.
- VII. That under cover of letter dated 17.11.2022, the buyer's agreement was forwarded to the complainant for execution. The complainant was called upon to execute the buyer's agreement and return to the respondent within 30 days and also to make payment of charges for registration of the buyer's agreement.
- VIII. That despite continuous follow up from the respondent, the complainant delayed execution of the buyer's agreement for reasons



- known to himself. Eventually the buyer's agreement was registered on 10.04.2023.
- IX. That at the time of booking the floor in question, the complainant had agreed and undertaken to make timely payment of sale consideration in accordance with the applicable schedule of payment. However, the complainant, right from the beginning, was extremely irregular in making payment. Consequently, the respondent was compelled to issue demand notices and reminders for payment.
- X. That respondent was under no obligation to send repeated reminders to the complainant calling upon the complainant to make payment of outstanding instalments especially since it was the financial and contractual duty of the complainant to make payment of instalments of consideration in respect of said apartment in a timely and irregular manner.
- XI. That however, the demand notices and reminders continued to be ignored by the complainant. Eventually, the respondent issued final notice dated 07.08.2023 calling upon the complainant to clear his outstanding dues amounting to Rs 75,53,229/- within a period of 30 days from the said letter. The complainant was informed that in case the complainant failed to clear his outstanding dues, the allotment in his favour shall stand cancelled, with forfeiture of booking amount, interest on delayed payments, any interest paid, due or payable and other amounts of a non-refundable nature.
- XII. That despite receipt of the said notice as well as other communication addressed to the complainant from time to time by the respondent, the complainant failed to come forward and clear his outstanding

dues. Hence, the respondent was left with no option but to cancel the allotment in favour of the complainant.

- XIII. That after cancellation of allotment in favour of the complainant, the unit in question has been reallocated to the current allottee.
- XIV. That in so far as the status of construction of the unit is concerned, the Respondent has duly completed construction of the same and made an application for issuance of the occupation certificate on 12.08.2024. The occupation certificate has been issued by the competent authority on 30.08.2024.
- XV. That the respondent has duly fulfilled its obligations under RERA as well as in terms of the buyer's agreement executed with the allottees. The project has been registered under RERA and registration of the project is valid uptill 31.12.2025. There is no default or lapse in so far as the respondent is concerned.
12. Copies of all the relevant documents have been filed and placed on record. Their authenticity is not in dispute. Hence, the complaint can be decided on the basis of those undisputed documents and submissions made by the parties.

E. Jurisdiction of the authority:

13. The authority observes that it has territorial as well as subject matter jurisdiction to adjudicate the present complaint for the reasons given below.

E.I Territorial jurisdiction

14. As per notification no. 1/92/2017-1TCP dated 14.12.2017 issued by Town and Country Planning Department, Haryana, the jurisdiction of Haryana Real Estate Regulatory Authority, Gurugram shall be entire Gurugram district for all purposes. In the present case, the project in question is

situated within the planning area of Gurugram district. Therefore, this authority has complete territorial jurisdiction to deal with the present complaint.

E.II Subject-matter jurisdiction

15. Section 11(4)(a) of the Act, 2016 provides that the promoter shall be responsible to the allottees as per agreement for sale. Section 11(4)(a) is reproduced as hereunder:

Section 11.....

(4) The promoter shall-

(a) be responsible for all obligations, responsibilities and functions under the provisions of this Act or the rules and regulations made thereunder or to the allottees as per the agreement for sale, or to the association of allottees, as the case may be, till the conveyance of all the apartments, plots or buildings, as the case may be, to the allottees, or the common areas to the association of allottees or the competent authority, as the case may be;

Section 34-Functions of the Authority:

34(f) of the Act provides to ensure compliance of the obligations cast upon the promoters, the allottees and the real estate agents under this Act and the rules and regulations made thereunder.

16. So, in view of the provisions of the Act quoted above, the authority has complete jurisdiction to decide the complaint regarding non-compliance of obligations by the promoter leaving aside compensation which is to be decided by the adjudicating officer if pursued by the complainant at a later stage.

F. Findings on the relief sought by the complainant(s):

- i. Direct the respondent to refund the entire amount along with interest.
17. In the present complaint, the complainant booked a unit in the project of respondent namely, 'The Grove' in DLF 5, situated at sector 54, Gurugram. The complainant applied for allotment for allotment of unit vide application dated 08.10.2022 and thereafter vide allotment letter dated 21.10.2022 the complainant was allotted a unit bearing no. B-14/20A on

plot no. B-14/20 situated on 1st floor. Further, the builder buyer's agreement was executed between the complainant and the respondent on 10.04.2023 for the total sale consideration of Rs. 5,03,54,970/- out of which the complainant has made a payment of Rs. 58,15,502/- against the same in all. As per clause 7 of the agreement, the respondent was required to hand over possession of the unit by 31.12.2025. The complainant is seeking refund of the amount paid by him. The respondent has stated that the demand were raised as per payment plan annexed with builder buyer's agreement dated 10.04.2023 and the complainant has made payment of Rs. 58,15,502/- However, various reminder letters were issued on 13.04.2023, 03.05.2023, 16.05.2023, 03.06.2023, 07.08.2023 but despite repeated follow ups the complainant failed to act further and comply with their contractual obligations and therefore the unit of the complainant was finally terminated vide letter dated 20.09.2023.

18. On consideration of documents available on record and submissions made by both the parties, the authority is of the view that Section 18(1) is applicable only in the eventuality where the promoter fails to complete or unable to give possession of the unit in accordance with terms of agreement for sale or duly completed by the date specified therein. The due date of possession as per buyer's agreement was 31.12.2025. The sale consideration of the unit was Rs. 5,03,54,970/- and the complainant has made a payment of Rs. 58,15,502/- against the same in all. As per the payment plan annexed as Schedule C in the agreement dated 10.04.2023 at page 50 of the complaint, the complainant was required to make payments as per the time linked payment plan. But the complainant has failed to make a payment and has only paid Rs. 58,15,502/- to the respondent. The respondent for the payment of outstanding dues issued various reminders

dated 13.04.2023, 03.05.2023, 16.05.2023, 03.06.2023, 07.08.2023 but the complainant failed to honour its obligation to pay the amount on time.

19. So, in such a situation, the plea of the complainant that he is entitled to full refund of the paid-up amount is untenable. In view of the aforesaid circumstances, only refund can be granted to the complainant after certain deductions as prescribed under law.
20. The issue with regard to deduction of earnest money on cancellation of a contract arose in cases of ***Maula Bux VS. Union of India, (1970) 1 SCR 928 and Sirdar K.B. Ram Chandra Raj Ors. VS. Sarah C. Urs., (2015) 4 SCC 136***, and wherein it was held that forfeiture of the amount in case of breach of contract must be reasonable and if forfeiture is in the nature of penalty, then provisions of section 74 of Contract Act, 1872 are attached and the party so forfeiting must prove actual damages. After cancellation of allotment, the flat remains with the builder as such there is hardly any actual damage. National Consumer Disputes Redressal Commissions in CC/435/2019 ***Ramesh Malhotra VS. Emaar MGF Land Limited*** (decided on 29.06.2020) and ***Mr. Saurav Sanyal VS. M/s IREO Private Limited*** (decided on 12.04.2022) and followed in CC/2766/2017 in case titled as ***Jayant Singhal and Anr. VS. M3M India Limited*** decided on 26.07.2022, held that 10% of basic sale price is reasonable amount to be forfeited in the name of "earnest money". Keeping in view the principles laid down in the first two cases, a regulation known as the Haryana Real Estate Regulatory Authority Gurugram (Forfeiture of earnest money by the builder) Regulations, 11(5) of 2018, was framed providing as under-

"5. AMOUNT OF EARNEST MONEY

Scenario prior to the Real Estate (Regulations and Development) Act, 2016 was different. Frauds were carried out without any fear as there was no law for the same but now, in view of the above facts and taking into consideration the judgements of Hon'ble National Consumer Disputes

*Redressal Commission and the Hon'ble Supreme Court of India, the authority is of the view that the forfeiture amount of the earnest money **shall not exceed more than 10% of the consideration amount of the real estate i.e. apartment/plot/building as the case may be** in all cases where the cancellation of the flat/unit/plot is made by the builder in a unilateral manner or the buyer intends to withdraw from the project and any agreement containing any clause contrary to the aforesaid regulations shall be void and not binding on the buyer."*

21. So, keeping in view the law laid down by the Hon'ble Apex court and provisions of regulation 11 of 2018 framed by the Haryana Real Estate Regulatory Authority, Gurugram, and the respondent/builder can't retain more than 10% of sale consideration as earnest money on cancellation but that was not done. So, the respondent/builder is directed to refund the amount received from the complainant after deducting 10% of the sale consideration and return the remaining amount along with interest at the rate of 10.90% (the State Bank of India highest marginal cost of lending rate (MCLR) applicable as on date +2%) as prescribed under rule 15 of the Haryana Real Estate (Regulation and Development) Rules, 2017, from the date of termination/cancellation 20.09.2023 till the actual date of refund of the amount within the timelines provided in rule 16 of the Haryana Rules 2017 *ibid*. [**Note:** During proceedings dated 01.08.2025 the rate of interest was inadvertently mentioned as 11.10% instead of 10.90%].

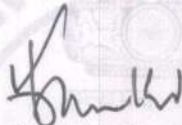
G. Directions of the authority

22. Hence, the authority hereby passes this order and issues the following directions under section 37 of the Act to ensure compliance of obligations cast upon the promoter as per the function entrusted to the authority under section 34(f):
- The respondent/builder is directed to refund the deposited amount in both the cases after deducting 10% of the sale consideration along with an interest @10.90% on such balance



amount, from the date of termination/cancellation till the actual date of refund of the amount within the timelines provided in rule 16 of the Haryana Rules 2017 ibid.

- ii. A period of 90 days is given to the respondent to comply with the directions given in this order and failing which legal consequences would follow.
23. This decision shall mutatis mutandis apply to cases mentioned in para 3 of this order.
24. Complaints stand disposed of.
25. Files be consigned to registry.



(Arun Kumar)

Chairman

Haryana Real Estate Regulatory Authority, Gurugram

Dated: 01.08.2025

HARERA
GURUGRAM