

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

Date of filing: 19.07.2024

Date of decision: 16.10.2025

Phool Singh

R/O: - Taneja Farm, Near Boys School, Samalkha, South
West Delhi, Delhi-110037

Complainant

Versus

M/s Czar Buildwell Pvt. Ltd. & Ors.

Regd. Office at: - 301 & 302-A, Global Foyer, Sector-43,
Golf Course Road, Gurgaon-122009

Respondent

CORAM:

Shri Phool Singh Saini

Member

APPEARANCE:

Shri Dhruv Dutt Sharma (Advocate)

None

**Complainant
Respondent**

ORDER

1. The present complaint has been filed by the complainant/allottee 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 allottees as per the agreement for sale executed inter se.

A. Unit and project related details

2. 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 of the project	"Mahira Homes-95"
2.	Project location	Village Dhorka, Sector-95, Gurugram.
3.	Nature of project	Affordable group housing
4.	Area of project	10.44375 acres
5.	HRERA registered/ not registered	Registration revoked
6.	DTCP License	License no. 24 of 2020
7.	Allotment Letter dated	28.02.2022 (Page 15 of complaint)
8.	Flat Buyer's Agreement	03.03.2022 (Page 22 of complaint)
9.	Unit no.	T3-604, 6 th Floor, Tower 3 (Page 15 of complaint)
10.	Possession clause	4. POSSESSION <i>xxxx.....,the Developer proposes to offer possession of the Said Apartment to Stamp Duty and registration charges, the Developer proposes to offer possession of the said Apartment to the Allottee within a period of 4 (four) years from the date of approval of building plans or grant of environment clearance.</i>
11.	Date of Building plan approval	25.10.2021 (As per the information provided by the respondent on website at the time of registration of project)
12.	Date of environmental clearance	27.04.2022 (As per the website of SEIAA, Haryana)



13.	Due date of possession	27.04.2026 (Calculated 4 years from date of environment clearance)
14.	Payment Plan	Time Linked
15.	Sale consideration	Rs.21,01,544/- (Page 16 of complaint)
16.	Amount paid by the complainant	Rs.8,35,693/- (As per SOA on page no. 19 of complaint)
17.	Occupation certificate	Not obtained
18.	Offer of possession	Not offered

B. Facts of the complaint

3. The complainant has made the following submissions: -

- The respondent represented to the complainant that they were constructing a group housing colony on a land admeasuring 6.05 acres situated in the revenue estate of Village Dhorka, Sub-Tehsil Harsaru & Distt. Gurugram situated at Sector- 95, Gurugram, Haryana. The respondent further represented that it has obtained licence bearing no. 24 of 2020 from Director Town and Country Planning, Haryana, Chandigarh for development of an affordable group housing colony under the name and style of "MAHIRA HOMES-95" (hereinafter referred to as the "Project").
- The respondent induced the complainant with tall claims and believing their representations to be true and correct, the complainant applied for allotment of the flat in the said project. The complainant was allotted flat no. T3-604, unit type- 2BHK Type- B, on the sixth floor in Tower T3, having a carpet area of 507.684 sq. ft. in the Project (hereinafter referred to as the "Flat").



- c) A flat buyer's agreement was executed on 30.03.2022 between the complainant and respondent, just to create a false belief that the project shall be completed in time bound manner. The said agreement was registered before Sub-Registrar, Harsaru vide Vasika No. 10683 dated 30.03.2022.
- d) The total sale consideration of the flat was Rs. 21,01,544/- including GST. That prior to the execution of the flat buyer's agreement the complainant had already paid an amount of Rs. 10,50,693/- to the respondent.
- e) As per clause 4 of the flat buyer's agreement, the respondent has promised to offer possession of the flat within a period of 4 (four) years from the date of approval of building plans or grant of environmental clearance whichever is later. As per the information available on the website of Haryana Real Estate Regulatory Authority, the date of building plan approval is 18.09.2020 and accordingly the due date of possession comes to 18.09.2024.
- f) The complainant has made numerous visits to the office of the respondent to get updates about the status of construction but the respondent has been avoiding the complainant on one pretext or the other.
- g) The complainant after getting no satisfactory reply from the respondent visited the site of the project and the complainant was shocked to see that no construction has been started. It has also come to the knowledge of the complainant that the respondent has siphoned off the funds collected from the innocent allottees for its personal use
- h) Due to various grave violations committed by the respondent, this Hon'ble Authority has also initiated suo moto action against the Respondent and has revoked the registration certificate of the Project v.o.d. 11.03.2024. The aforesaid acts of the respondent only suggest



- that the respondent had clear motive to dupe the complainant and other innocent allottees and had no intention to develop the project.
- i) Even though the due date of possession has not lapsed yet, however, in view of the aforementioned circumstances it becomes clear that there seems no possibility of completing the said project by the due date or even beyond it in near future. Further, as per clause 4(G) of the flat buyer's agreement and section 18(1) (b) of the RERA Act, 2016 the complainant is entitled to withdraw from the project and need not wait for the due date of possession to seek full refund.
- j) The conduct of the Respondent has resulted in wrongful loss to the complainant and wrongful gain to the respondent herein, for which the respondent is even liable to be prosecuted under Indian Penal Code. The acts of the respondent are causing great hardship and mental agony to the complainant and the complainant has no other option but to approach this Hon'ble Authority through a complaint for seeking the refund of the amount paid by him along with interest at the prescribed rate.
- k) The present complaint has been filed by the complainant without prejudice to claim further damages suffered by the complainant on account of grave violations committed by the respondent, by filing his claim before the "Adjudicating Officer" appointed under the RERA Act 2016.
- l) The complainant further declares that the matter regarding which the present complaint has been made is not pending before any Court of Law or any other Authority or any other Tribunal(s).

C. Relief sought by the complainant.**4. The complainant has sought following relief:**

- i. Direct the respondent to refund the amount along with prescribed rate of interest i.e. MCLR + 2%.



5. That present complaint was filed on 19.07.2024 and registered as complaint no. 3246 of 2024. The authority issued a notice dated 22.07.2024 to the respondent by speed post and also on the given email address at kumarprince793.com. The respondent was directed to file reply in the registry, subject to cost of Rs.5,000/-. The respondent neither filed reply nor paid the cost imposed on it despite adequate opportunity. Thus, vide proceedings dated 07.08.2025, the defence of the respondent was struck off.
6. Copies of all the relevant documents have been filed and placed on the record. Their authenticity is not in dispute. Hence, the complaint can be decided on the basis of these documents and submission available on record.

E. Jurisdiction of the authority

7. 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

8. 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

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

Section 11(4)(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.

9. 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.
10. Further, the authority has no hitch in proceeding with the complaint and to grant a relief of refund in the present matter in view of the judgement passed by the Hon'ble Apex Court in ***Newtech Promoters and Developers Private Limited Vs State of U.P. and Ors.*** SCC Online SC 1044 decided on **11.11.2021** wherein it has been laid down as under:

"86. From the scheme of the Act of which a detailed reference has been made and taking note of power of adjudication delineated with the regulatory authority and adjudicating officer, what finally culls out is that although the Act indicates the distinct expressions like 'refund', 'interest', 'penalty' and 'compensation', a conjoint reading of Sections 18 and 19 clearly manifests that when it comes to refund of the amount, and interest on the refund amount, or directing payment of interest for delayed delivery of possession, or penalty and interest thereon, it is the regulatory authority which has the power to examine and determine the outcome of a complaint. At the same time, when it comes to a question of seeking the relief of adjudging compensation and interest thereon under Sections 12, 14, 18 and 19, the adjudicating officer exclusively has the power to determine, keeping in view the collective reading of Section 71 read with Section 72 of the Act. if the adjudication under Sections 12, 14, 18 and 19 other than compensation as envisaged, if extended to the adjudicating officer as prayed that, in our view, may intend to expand the ambit and scope of the powers and functions of the adjudicating officer under Section 71 and that would be against the mandate of the Act 2016."

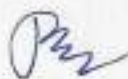
11. Hence, in view of the authoritative pronouncement of the Hon'ble Supreme Court in the matter of ***M/s Newtech Promoters and Developers Private Limited Vs State of U.P. and Ors. (supra)***, the authority has the jurisdiction to entertain a complaint seeking refund of the amount and interest on the refund amount.



E. Finding on relief sought by the complainant

E.I. Direct the respondent to refund the amount along with prescribed rate of interest i.e. MCLR + 2%.

12. The complainant was allotted a unit no. T3-604, Tower-3, in the project "Mahira Homes-95" by the respondent/builder for a total consideration of Rs. 21,01,544/- under the Affordable Group Housing Policy 2013. Buyer's agreement was executed between the parties on 03.03.2022. The possession of the unit was to be offered with 4 years from approval of building plans (25.10.2021) or from the date of environment clearance (27.04.2022) whichever is later. The due date of possession was calculated 4 years from date of approval of environment clearance i.e., 27.04.2022, as per policy, of 2013. Thus, the due date of possession comes out to be 27.04.2026. The complainant paid a sum of Rs.8,35,693/- out of the total sale consideration.
13. It is pertinent to mention that the Authority on 28.05.2022 initiated Suo-Motu action against the promoter under section 35 of the Act, 2016 on the basis of site visit report submitted on 18.05.2022 wherein it is clearly stated that only excavation work for tower 2, 3 & 4 was started at site. Moreover, on 17.05.2022 the Director Town & Country Planning blacklisted the said developer from grant of license on account of submitting forged and fabricated bank guarantees and also forged signatures of the bank officials on the bank guarantees being submitted by CZAR Buildwell Pvt. Ltd which was subsequently withdrawn by the department on 21.07.2022 subject to fulfillment of certain conditions. Also, on 19.07.2022 all the accounts were freezed by the authority due to non-compliance of the provisions of the Act, 2016. Finally, on 06.09.2023 the authority initiated suo-moto revocation proceedings under section 35 of the Act, 2016. Thereafter, the authority vide order dated 11.03.2024 revoked the registration certificate of the project under section 7(1) of the Act, 2016 and accordingly the respondent company shall not be able to sell the unsold inventories in the project and also, the



accounts were frozen therefore, this may decode as discontinuation of business.

14. The Authority considering the above mentioned facts opines that although the due date of possession has not lapsed yet, section 18 of the Act, 2016 is invoked if the promoter is unable to handover the possession of the unit as per the terms of the agreement **due to discontinuance of his business as developer on account of suspension or revocation of the registration under this Act** or any other reason then the complainant shall be entitled for entire refund of the amount paid to the respondent along with the prescribed rate of interest. The relevant portion is reproduced herein below for the ready reference:

"Section 18: Return of amount & 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:.....xxxx"

15. The Authority is of the view that since vide order dated 11.03.2024 the registration certificate of the project stands revoked under section 7(1) of the Act, 2016 therefore, the promoter cannot carry out the business in presence of the said circumstances, also due to the promoter's serious violations, there seems no possibility of completing the said project by the due date. Thus, the Authority is of the view that the complainant is entitled to his right under section 19(4) to claim the refund of amount paid along with interest at prescribed rate from the promoter. Accordingly, the Authority directs the respondent to refund the paid-up amount of Rs.8,35,693/- received by it along



with interest at the rate of 10.85% p.a. as prescribed under rule 15 of the Haryana Real Estate (Regulation and Development) Rules, 2017 from the date of each payment till the actual realization of the amount.

F. Directions of the Authority

19. 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):

I. The respondent/promoter is directed to refund the amount i.e., Rs.8,35,693/- received by it to the complainant along with interest at the rate of 10.85% p.a. as prescribed under rule 15 of the Haryana Real Estate (Regulation and Development) Rules, 2017 from the date of each payment till the actual realisation of the amount.

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.

20. Complaint stands disposed of.

21. File be consigned to registry.


(Phool Singh Saini)

Member

Haryana Real Estate Regulatory Authority, Gurugram

Dated: 16.10.2025