

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

Complaint no. : 4233 of 2024
Date of filing : 04.09.2024
Date of decision: 30.09.2025

Edge Condominium Welfare Association

R/o: The Edge Towers, Ramprastha City, Sector 37 – D,
Gurugram, Haryana – 122 505

Complainant**Versus****M/s Ramprastha Promoters & Developers Pvt. Ltd.**

M/s Ramprastha Estates Private Limited

Both Regd Office at: lot No. 114, Sector-44, Gurgaon,
Gurgaon, Haryana – 122 002.

Respondents**CORAM:**

Shri Arun Kumar
Shri Ashok Sangwan

**Chairman
Member****APPEARANCE:**

Ms. Sonal Anand (Advocate)
Ms. Gayathri Mansa and Shri Vishal Majumdar
(Advocates)

**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 provisions of the Act or the Rules and regulations made thereunder or to the allottee as per the agreement for sale executed *inter se*.

A. Facts of the complaint

2. The complainant-association has made the following submissions: -

- i. That the complainant/Edge Condominium Welfare Association is the duly registered residents' welfare association registered on 01.05.2018 with the District Registrar, Gurugram, Haryana vide Registration No. 03304. The present complaint is filed by its President, Sh. Vijay Rana, who has been duly authorized by the complainant society vide its resolution dated 29.04.2024.
- ii. The brief facts of the matter are that the respondent launched, developed and promoted the project – Edge Towers from 2007 onwards, subsequent to which, the buyers applied for their respective allotments in the project and the respective apartment buyer's agreements were signed and executed between the flat buyers and the respondent. *As per the Clause 22 (h) of the Apartment Buyer's Agreements signed by the respective allottees of the Project, the Respondent collected a Maintenance Security Deposit @ Rs. 50/- per sq. ft. of the super area of the respective Apartment and that the corpus so collected was supposed to be handed over by the Respondent to the Society, as and when is formed.* Pursuant to the said clause, the respondent collected an amount of approx. **Rs.4.92 Crores** from the apartment owners.
- iii. That the project as of date has 8 towers, which have been completed and additional 7 towers are under construction. For the completed 8 towers, it

received the occupation certificate on 13.02.2018 (For Towers I, J, K, L and M) and on 13.02.2020 (For Towers H, N and O).

- iv. That prior to the registration of the apartments in favour of respective owners, the respondent made them sign one-sided maintenance agreements, appointing the respondent and its agencies for providing the maintenance services in the project. Subsequently, the respondent signed and executed the respective conveyance deed(s) with the allottees for their respective units in the project. Both of these documents reiterated the maintenance / IFMS clauses.
- v. That the above agreement was also against the law and hence void *ab-initio* in light of the Haryana Apartment Ownership Act, 1983 and other administrative Orders issued by the Director, Town and Country Planning, directing that the maintenance of Group housing projects/condominiums is to be handed over to the RWA. Needless to add, the maintenance deposit(s) in whatsoever nomenclature given which is collected by the developer is to be handed over to the society who is responsible and authorized to thereafter look after the maintenance of the complex.
- vi. That the same is further re-iterated/clarified by the Director, Town and Country planning, Haryana vide Memo No. PF-40/B/JE/(BR)2012 dated 10.10.2012.
- vii. Thereafter, on 21.02.2013, taking note of the various malpractices by the certain colonizers and developers to delay the handover of the complex and the maintenance the DTCP, Haryana issued a directive to various colonizers

and developers vide memo no. STP(G)/2013/421-2456 dated 21.02.2013 directing them to handover the maintenance to the Society immediately upon grant of the OC.

- viii. That as the project neared completion, the various buyers / residents of the project got together to form their society in order to take care of their interests and also take over the maintenance of the project. The society so formed applied for registration of a Society to be called as "Edge Condominium Welfare Association" / the Society, which was approved by the district registrar of societies vide its letter dated 01.05.2018. Hence, as per the apartment buyer's agreement, the Haryana Apartment Ownership Act, 1983 and specific circulars of the DTCP, the respondent was statutorily bound to handover the maintenance services as well as the corpus collected by it to the complainant society the day it was formed.
- ix. That during that time, the allottees started to move in their respective units, pursuant to which, they noticed that despite paying exorbitant payments for the maintenance, the upkeep of the project by the respondent/his maintenance agency was extremely poor, due to which, the project required major repair works to be done. The key discrepancies / lapses in the maintenance of the project are *inter alia as follows*:
- a. STP is non-operational: For the same, various emails were sent by the residents to the Haryana State Pollution Control Board;
 - b. Pending PNG connections in various units;

- c. Fire-fighting system is not working – needless to say, the same is a major safety hazard for the residents of the project. Additionally, the respondent has not provided any information on the fire NOC of the project, despite numerous requests.
- d. There is no AMC for the elevators, due to which, few of them have broken down;
- e. Numerous transformers are not working;
- f. Neither any dedicated garbage dumping yard has been provided in the project, nor there is any segregation of the same is done in the project by the respondent;
- g. Extremely poor housekeeping;
- h. Untrained security personnel deployed by the concerned security agency appointed by the respondent for the project;
- i. Stray animals and rodents in large number inside the Project;
- j. Various unfinished works in the project for which OC has already been given, such as the clubhouse and children's play area is still incomplete;
- k. Frequent power cuts in the Project due to inadequate DHBVN and DG backup loads;
- l. Frequent water crises: For the same, various emails were sent by the residents to the Deputy Commissioner, Gurugram;
- m. Substantial damage has been caused to the concrete structures due to seepages and water leakages – Also, no structure audit has been performed ever by the respondent, as per procedure
- x. That moreover, the builder had got installed prepaid meters of electricity and maintenance in the project, in order to ensure that every resident is

compelled to pay the exorbitant charges for maintenance, and non-payment would result in the disconnection of the electricity of their respective units automatically.

- xi. That resultantly, due to the above shortcomings, various emails were sent on behalf of the residents as well as the complainant to the respondent, however, to no avail.
- xii. That as no heed was paid by the respondent to the complaints/grievances of the residents of the project, in 2022, the complainant made numerous complaints to the office of the Senior Town Planner, Gurugram raising their grievances against the respondent and seeking the handover of the maintenance of the project from the builder/respondent. Further, specific complaints were also made to the office(s) of various State Authorities, highlighting the various discrepancies/issues faced by the residents of the project and seeking action on the part of these agencies against the builder.
- xiii. That on 12.01.2021, a joint meeting was held between the members of the complainant and the respondent under the Chairmanship of the Senior Town Planner, Gurugram, whereby, the respondent had agreed to handover the maintenance to the complainant (and also the respective RWAs of the other 2 projects also) on/before 25.01.2021. As the builder had failed to do the needful, in March 2021, again a meeting was held in the office of the Senior Town Planner, Gurugram, whereby, the respondent was again directed to handover the maintenance to the complainant, however, the respondent yet again failed to do so. In this regard, various reminders were

sent to the respondent *inter alia* vide emails dated 15.01.2021, 21.01.2021, 28.01.2021, 22.03.2021, 23.03.2021, 25.03.2021, 01.04.2021, 13.04.2021, 28.05.2021, 29.05.2021, 01.06.2021 and 21.06.2021.

- xiv. That basis the complaints made by the complainant to the state authorities, a meeting was held on 23.07.2021 between the parties in the presence of the SDM, GMDA CE and the Hon'ble Registrar Tehsil, whereby, the various issues of the residents of the project were discussed.
- xv. That on 21.04.2022, the complainant sent a representation to the Senior Town Planner, Gurugram, highlighting the various discrepancies of the respondent in the project, to which, vide letter dated 07.05.2022, the Senior Town Planner, Gurugram directed the respondent to resolve the issues of the complainant/residents within 15 days. Yet, the respondent failed to do the needful.
- xvi. That thereafter, various reminders by the complainant were sent to the respondent *inter alia* vide email dated 12.05.2022, however, to no avail. As the lifts of the project were malfunctioning, the complainant sent email 25.05.2022 to the Chief Electrical Inspector Office for the same, pursuant to which, the builder had agreed to rectify the defects within 10 days. For the handover of the maintenance, the complainant had sent reminder dated 29.05.2022, 19.06.2022 and 25.06.2022 to the builder. However, he failed yet again.
- xvii. That due to the severe water crisis and faulty STP in the project, on 29.06.2022, the complainant made a representation to the Deputy

Commissioner, Gurugram, post which the same was forwarded to the office of the Sub-Divisional Officer (C), Gurugram, who then vide its letter dated 08.07.2022, directed the Haryana State Pollution Control Board to submit a report and vide letter dated 08.07.2022 asked the builder the details about the STP. The builder yet failed again. Even as of date, the STP of the project is not working, due to which the sewage water from the project is being discharged into the Badshahpur drain, which then merges with the Yamuna river. The same has been recently reported on 27.04.2024 in a daily newspaper.

- xviii. That thereafter, on 26.07.2022, a meeting was held under the Chairmanship of the Ld. Senior Town Planner, Gurugram, wherein, the respondent was also supposed to be present, however, he deliberately did not attend the same. Despite this, the Ld. Senior Town Planner telephonically directed Sh. Arvind Walia, one of the Directors of the respondent, to make necessary arrangement to handover the day-to-day maintenance to the complainant society within 20 days while also directing that the maintenance services shall be functional in all respect till the completion of the handover process. He further directed the respondent to send the compliance report to his office along with the copy of the deed of declaration filed by the respondent within 30 days. However, till date, the respondent has failed to comply with the specific directions of the Ld. Senior Town Planner, Gurugram and failed to hand over the maintenance services to the complainant.

- xix. That due to the lapses of the respondent viz. not changing the burnt CTPT meters, the Dakshin Haryana Bijli Vitran Nigam disconnected the electricity connection of the project on 23.04.2024 in scorching heat, leaving the residents of the project, comprising of approx. 1300 families in a miserable condition for several hours in the scorching season. The same has been widely reported in various local newspapers.
- xx. That as the builder/respondent had failed to hand over the maintenance of the complex to the complainant as per the specific directions of the Senior Town Planner, Gurugram, having no other option, the complainant was compelled to approach the Hon'ble Punjab and Haryana High Court vide a Writ Petition titled, "Edge Condominium Welfare Association v. State of Haryana & Ors." bearing CWP-11518-2024, pursuant to which, vide Order dated 17.05.2024, the Division Bench of the Hon'ble High Court categorically recorded the statement of the Ld. Advocate General, Haryana who was present before the Hon'ble Court that in the event, any representation on behalf of the complainant RWA is made on this issue, the same shall be considered and dealt with by the competent authority, in accordance with law, as expeditiously as possible
- xxi. That in light of the Order dated 17.05.2024 passed by the Hon'ble High Court, vide a detailed written representation dated 25.05.2024, the complainant conveyed the entire sequence of events, along-with the concerned Annexures to The Senior Town Planner, Gurugram, Haryana,

with a copy to the The Director, Town and Country Planning and also, The District Town Planner, Gurugram (Planning).

xxii. That thereafter, considering the written representation dated 25.05.2024 of the complainant, the senior town planner held meetings on 26.06.2024 and also, on 04.07.2024, from the complainant and also, the respondent, wherein, the respondent, despite notice, deliberately did not appear on either of the dates, showing utter disregard for the public authorities as well as the orders passed by them. Resultantly, the STP vide letter dated 09.07.2024 sent a report to the Director, Town & Country Planning, Haryana, highlighting the various issues faced by the residents of the project while advising the complainant to approach this Hon'ble Forum for redressal of their issues.

xxiii. That as of date, the respondent – builder continues to retain the maintenance corpus and also, the maintenance services of the project, wherein, innocent people are suffering at hands of the respondent, whereby, despite categorical directions of the state bodies against the respondent builder multiple times to hand over the maintenance to the complainant RWA, he has deliberately failed to do so and neglected the specific orders and directions. The respondent has no respect for the directions of the State Authorities as also, the Hon'ble Punjab and Haryana High Court, leading to a situation where about 640 residents of the project/The Edge Towers are suffering and being deprived of their basic right to life in light of the inaction of the state bodies who have miserably

failed to fulfil and abide by its duties and obligations towards the residents of the project by wilfully violating the directions issued to him by your office, as a result of the same, the complainant is today heavily suffering.

xxiv. The cause of action in favour of the complainant arose

- a) When the complainant society was duly registered by the district registrar of societies, Haryana vide his letter dated 01.05.2018;
- b) When on 26.07.2022, Ld. Senior Town Planner, Gurugram directed the respondent to make necessary arrangement to handover the day-to-day maintenance to the complainant society within 20 days while also directing that the maintenance services shall be functional in all respect till completion of the handover process and directed the respondent to send the compliance report to his office along with the copy of the deed of declaration filed by the respondent within 30 days;
- c) When on 23.04.2024, the Dakshin Haryana Bijli Vitran Nigam disconnected the electricity connection of the project;
- d) When on 17.05.2024, when the order was passed by the Hon'ble Punjab and Haryana High Court in the Writ Petition titled "**Edge Condominium Welfare Association v. State of Haryana & Ors.**" bearing CWP-11518-2024;
- e) When on 09.07.2024, the STP sent a report to the Director, Town & Country Planning, Haryana;
- f) The cause of action again is continuing as despite his own assurances, the mandate of the law and specific directions of the Ld. Senior Town

Planner, Gurugram, the respondent continues to arbitrarily withhold the maintenance services and also, the maintenance corpus, while leaving the residents of the project in peril.

B. Relief sought by the complainant:

3. The complainant has sought following relief(s):

- i. Pass an order directing the respondent to recognize the complainant as the valid resident's welfare association for an each and every purpose;
- ii. Pass an order directing the respondent to hand over the maintenance services to the complainant;
- iii. Pass an order directing the respondent to furnish the audited account statement of the IFMS funds as well as the monthly maintenance funds since the formation of the complainant i.e. year 01.05.2018;
- iv. Pass an order directing the respondent to furnish audited account statement of monthly maintenance paid by the residents since the formation of the complainant i.e. year 01.05.2018;
- v. Pass an order directing the respondent to hand over the IFMS funds to the complainant with immediate effect;
- vi. Pass an order directing the respondent to delink the prepaid maintenance meter from electricity;
- vii. Pass an order directing the respondent to transfer the physical possession of all the assets being used to run various services in the complex;
- viii. Pass such order or further orders as may be deemed fit and proper in the facts and circumstances of the case.

4. 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.

C. Reply by the respondent

5. The respondent has contested the complaint on the following grounds: -
- i. The Authority does not have jurisdiction to entertain the present Complaint: That prima facie the reliefs sought by the complainant herein above are not maintainable before this Hon'ble Authority and therefore, this Hon'ble Authority does not have jurisdiction to entertain the present dispute at hand. That in terms of the Section 31 of the Real Estate (Regulation and Development) Authority Act
 - ii. That the society is not admissible as a Resident Welfare Association and is also not eligible to be treated as a Welfare Association keeping in view the provisions of the Haryana Ownership Act
 - iii. That the supposed Welfare Association cannot be considered to be representative of all allottees pertaining to 15 towers of the project "The Edge" and therefore, the maintenance services cannot be vested with such an association, specifically when, there exists no privity of contract between the so-called welfare Association and the large number of allottees. Therefore, any corpus pertaining to all the allottees cannot be handed over to the so-called Welfare Association.

iv. Without prejudice to the above, it is stated that the project "Edge" has 15 towers, and so far, admittedly, 11 towers have received Occupation Certificate in three phases;

- a) Occupation Certificate with respect to, Towers I, J, K, L and M was received on 13.02.2018.
- b) Occupation Certificate with respect to, Towers H, N and O was received on 13.02.2020.
- c) Occupation Certificate with respect to, Towers E, F and G was received on 09.07.2024.
- d) Occupation Certificate with respect to Tower A to D, is yet to be received.

Therefore, the handover maintenance of the common areas and the corpus of IFMS cannot be prematurely handed over to the Complainant in absence of adequate representation of Allottees pertaining to all the 15 towers of project "The Edge".

- v. That on the completion of the towers A-D, the Respondent shall file a deed of declaration wherein the common areas shall be reflected. It is submitted that once the common area of the entire development is on record, necessary steps can be taken for creation of a duly represented welfare association for the purpose of handover.
- vi. That the answering respondent herein further reserves its right to make any such additional submissions and place on record any such additional material evidence at an appropriate time or as and when any additional submissions/documents are produced by the complainants.

vii. That furthermore, the answering Respondent herein most respectfully seeks the leave of this Hon'ble Authority to file a detailed Reply/Written Statement in the interest of justice at an appropriate stage.

6. All other averments made in the complaint were denied in toto.
7. 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 undisputed documents and submission made by the parties.

D. Jurisdiction of the authority

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

D. I Territorial jurisdiction

9. As per notification no. 1/92/2017-1TCP dated 14.12.2017 issued by Town and Country Planning Department, the jurisdiction of Real Estate Regulatory Authority, Gurugram shall be entire Gurugram District for all purpose with offices situated in Gurugram. 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.

D. II Subject matter jurisdiction

10. 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) 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.

11. 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 complainants at a later stage.

E. Findings on the relief sought by the complainants.

E.I Pass an order directing the respondent to recognize the complainant as the valid Resident's Welfare Association for an each and every purpose.

12. This issue pertains to the jurisdiction of the Registrar firms and Societies which is the competent Authority for registration and recognition of societies including RWAs. Therefore, the complainants may approach the competent authority in case of any grievance in this regard.

E.II Pass an order directing the respondent to hand over the maintenance services to the complainant.

E.III Pass an order directing the respondent to furnish the audited account statement of the IFMS funds as well as the monthly maintenance funds since the formation of the complainant i.e. year 01.05.2018;

E.IV Pass an order directing the respondent to furnish audited account statement of monthly maintenance paid by the residents since the formation of the complainant i.e. year 01.05.2018;

E.V Pass an order directing the respondent to hand over the IFMS funds to the complainant with immediate effect;

13. The above-mentioned reliefs no. E. I to E.V as sought by the complainant is being taken together as these reliefs are interconnected.

14. In terms of the provisions under Section 17(2) of the Act, 2016, it is provided that

"After obtaining the occupancy certificate and handing over physical possession to the allottees in terms of sub-section (1), it shall be the responsibility of the promoter to handover the necessary documents and plans, including common areas, to the association of the allottees or the competent authority, as the case may be, as per the local laws:

Provided that, in the absence of any local law, the promoter shall handover the necessary documents and plans, including common areas, to the association of the allottees or the competent authority, as the case may be, within thirty days after obtaining the ¹[completion] certificate"

15. In view of the above, the respondent/promoter is directed to handover the maintenance of the project and transfer the unutilized IFMS deposit to the association of allottees within a period of thirty days from the date of uploading this order. The respondent is further directed to give justification of expenditure incurred out of the IFMS deposit to the association and if any expenditure is found to be in conflict with the permissible deductions as per law, the same shall also be transferred to the association. The respondent shall

handover necessary documents and plans including common areas, to the association of allottees or the competent authority, as the case may be, within 30 days after obtaining the completion certificate in terms of proviso to section 17(2) of the Act of 2016

E.VI Pass an order directing the respondent to delink the prepaid maintenance meter from electricity;

16. This issued pertains to the jurisdiction of power utility i.e. DHBVN which regulates the recovery of electricity tariff and metering.

The complainants may approach the competent authority for the redressal of their grievance in this regard.

E.VII Pass an order directing the respondent to transfer the physical possession of all the assets being used to run various services in the complex

17. In terms of Section 17(1) of the Act, 2016, it has been provided that;

17. (1) The promoter shall execute a registered conveyance deed in favour of the allottee along with the undivided proportionate title in the common areas to the association of the allottees or the competent authority, as the case may be, and hand over the physical possession of the plot, apartment of building, as the case may be, to the allottees and the common areas to the association of the allottees or the competent authority, as the case may be, in a real estate project, and the other title documents pertaining thereto within specified period as per sanctioned plans as provided under the local laws:

Provided that, in the absence of any local law, conveyance deed in favour of the allottee or the association of the allottees or the competent authority, as the case may be, under this section shall be carried out by the promoter within three months from date of issue of occupancy certificate.

18. Further, the promoter is obligated to file the Deed of Declaration in terms of Section 2 of Haryana Apartment ownership Act, 1983 which provides for execution and registration of declaration within a period of 90 days after obtaining occupation certificate/part occupation certificates.

In view of the above, the respondent is directed to handover the common areas/facilities in terms of the Deed of Declaration within a period of 90 days.

F. Directions of the Authority:

19. Hence, in view of the factual as well as legal positions detailed above, the complaint filed by the complainant seeking above reliefs against the respondents is decided in terms of paras 13 to 18 above. Ordered accordingly

20. Complaint stands disposed of.

21. File be consigned to registry.



(Ashok Sangwan)
Member



(Arun Kumar)
Chairman

Haryana Real Estate Regulatory Authority, Gurugram

30.09.2025