

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

Complaint no. : 6447 of 2024
Date of filing : 23.01.2025
Date of decision : 23.12.2025

1. Surinder Kaur Sahni
2. Harbinder Singh Sahni
Both R/o: -6, Stone Tavern Drive, Clarkburh, New Jersey,
U.S.A.- 08501

Complainants

Versus

1. M/s IREO Residences Company Private Limited
Regd. Office at: C-4, 1st floor Malviya Nagar, New Delhi –
110017
2. Bhupesh Bansal (Managing Director)
Regd. Office at: M/s IREO Residencies Company Private
Limited C-4, 1st floor Malviya Nagar, New Delhi – 110017
3. Rajinder Kumar Yadav (Director)
Regd. Office at: M/s IREO Residencies Company Private
Limited C-4, 1st floor Malviya Nagar, New Delhi – 110017

Respondents

CORAM:

Shri Arun Kumar
Shri P S Saini

**Chairman
Member**

APPEARANCE:

Sh Vikas Kakkar & Ms Madhu Mita Singh (Advocates)
Ms. Shivani Dang (Advocate)

**Complainant
Respondents**

ORDER

1. The present complaint dated 23.01.2025 has been filed by the complainant/allottees 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 proviso 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 complainants, 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	IREO GRAND HYATT, Sector-58, Gurugram
2.	Nature of the project	Residential Project
3.	RERA Registered/ not registered	Not registered
4.	License no. and validity	63 of 2009 dated 03.11.2009 107 of 2010 dated 20.12.2010 60 of 2012 dated 11.06.2012 [At page 17 of complaint]
5.	Unit no.	GA-II-27-04, Tower-3 on 30 th floor [page 13 of complaint]
6.	Unit area admeasuring	4625 sq. ft.

		[page 13 of complaint]
7.	Date of booking/allotment	12.03.2018 [page 13 of complaint]
8.	Due date of possession	31.12.2025 [As per settlement deed dated 27.06.2022 at page 31 of complaint]
9.	Total sale consideration	Rs.6,47,48,474/- [at page 13 of complaint]
10.	Amount paid by the complainant	Rs.5,30,00,000/- [As per settlement deed dated 27.06.2022 at page 31 of complaint]
11.	Offer of possession	Not offered
12.	Settlement deed	27.06.2022 [page 19 of complaint]

B. Facts of the complaint

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

- a. That upon believing respondent's assurances & representations of timely delivery of possession, complainants agreed to buy residential property having Unit No. GA-H-27-04 in a Project known as "Ireo Grand Arch" at Gurugram, however, subsequently, expressing interest in another project developed by the respondent, namely "Ireo Grand Hyatt" at Gurugram, the complainants engaged in discussions with the respondents' officials regarding the transfer of their booking from "Ireo Grand Arch" to "Ireo Grand Hyatt". Despite "Ireo Grand Hyatt" Project not being registered with the Real Estate Regulatory Authority (RERA) at the time of the complainants' expression of interest, the respondent

and its officials provided assurances that the project would obtain the requisite RERA Registration Certificate in due course. Relying on these assurances, the complainants agreed to transfer the booking amount of Rs.3,30,00,000/- originally intended for booking residential property in "Ireo Grand Arch", which was paid on 18.12.2017.

- b.** That the respondents were very well aware of the fact that in today's scenario looking at the status of the construction of housing projects in India, especially in NCR/Gurugram, the key factor which a consumer would see while purchasing his dream home. The respondents therefore used this tool, which is directly connected to emotions of gullible consumers, in its marketing plan and always represented and warranted to the consumers that their dream home will be delivered within the agreed timelines.
- c.** That by 31.07.2018, the complainants assert that an undisputed total sum of Rs.5,30,00,000/- has been remitted to the respondents from the date of the initial booking until the 01.08.2018. This financial transaction was officially acknowledged by the respondents through a formal communication dated 01.08.2018, wherein an acknowledgment receipt validating the receipt of the aforementioned sum was issued.
- d.** That, subsequent to the aforementioned acknowledgment of receipt of Rs.5,30,00,000/-, an additional payment of Rs.47,85,625/- was made by the complainants to the respondents vide Cheque bearing no. 000011 dated 28.02.2019, drawn on UCO Bank in favor of IREO Residences Company Private Limited.

- e. That complainants diligently pursued, sought updates regarding the status of the booked unit through various channels, including emails and personal visits by their representative to the project site, in accordance with their contractual rights and the assurances given by respondents. Despite the complainants' persistent efforts to elicit information regarding the progress of the project development from the officials representing the respondents, they were met with a lack of substantive response. The complainants, compelled by the absence of meaningful communication from the respondents' officials, resorted to numerous inquiries via written correspondence, including emails, seeking clarity on the status of the booked unit. Regrettably, all such endeavors proved futile as the promises, assurances, and representations made by the respondents at the time of booking and subsequently were demonstrably false, eroding the trust and confidence reposed by the complainants in the respondents.
- f. That the respondent vide its emails dated 11.12.2019 again a committed and reassured that the project will be ready by 2021. However, regrettably, akin to previous instances, the respondents failed to honor this commitment, aggravating the complainant's disillusionment and worsening their loss of confidence in the respondents' ability to fulfill their obligations.
- g. That in June 2022, it came to the attention of the complainants that respondents are become incapable for completion of the project, and elected to engage a new real estate developer, i.e., Oberoi Realty



Limited, to take over the responsibility for project's completion. This pivotal decision culminated in the execution of a **Deed of Settlement** between complainants and respondents on 27.06.2022. In the Deed of Settlement it was explicitly admitted by the respondents that they are unable to complete the project and subject to making of payment of Rs.1,28,48,750/- to complainants, a new Builder Buyer Agreement would require be executed between the complainants and the Oberoi Realty Limited by the tentative date as mentioned in Annexure-A of the Deed of Settlement i.e., 31.12.2022, which date already been lapsed and regrettably, this obligation and assurance again as usual remains unfulfilled, constituting a serious breach of the terms delineated within the Deed of Settlement. This failure to adhere to the agreed-upon timeline underscores the respondents' gross negligence and raises concerns regarding their assured intent to deliver the booked unit.

- h.** That pursuant to the terms delineated within the Deed of Settlement, the respondent committed to remit an excess amount totaling Rs.1,28,48,750/- to the complainants, disbursed in two equal installments. The first installment was stipulated to be due upon the execution of the Builder Buyer Agreement. However, despite the lapse of 30 months since the execution of the Deed of Settlement, the Builder Buyer Agreement remains unexecuted, thereby rendering the respondent in breach of their contractual obligations. Regrettably, the complainants have not received even a single installment of Rs.64,24,375/- as per the agreed-upon terms. This non-compliance



underscores the egregious breach of the Deed of Settlement by the respondent and further amplifies the inequities faced by the complainants in this matter.

- i. That the complainants had no option left and the complainants got issued through the complainants' counsel a legal demand notice dated dispatched on 20.04.2024 and called all the respondents jointly/severally to refund the entire amount paid by the complainants to the respondents till dated i.e. Rs.5,77,85,625/- with interest @18% p.a. from respective dated of payment till actual realization and further interest till actual date of payment from respective dates of payment, an amount of Rs.50,00,000/- on account of compensation. Despite service of notice neither it has not been complied with by any of Respondents nor responded at all in same manner as done in past with E-mails time to time written by the complainants.
- j. That despite of several requests made by the complainants from time to time, the respondent company is postponing the matter on one pretext or the other and did not refund of amount of Rs.5,77,85,625/- along with interest and compensation till date to the complainants.
- k. That Mr. Bhupesh Bansal, MD & Mr. Rajinder Kumar Yadav, the Director/Principal officer of the Respondent No.1 Company are the officers in charge and are looking the day to day affairs of the Respondent No.1 Company including but not limited to look after all projects of Respondents, Its Operations, Work in progress, and use of payments received from customers etc., hence both the Respondent

No.2 & 3 are also liable and responsible for all affairs of the company, thus both of them along with Respondent No.1 Company are jointly and severally liable to refund the entire principal amount along with interest and compensation to the complainants.

l. That the cause of action accrued in favor of the complainants when in spite of receipt of substantial amount of Rs. 5,77,85,625/- the respondents failed to perform its part of obligations for timely delivery of possession of the residential property even after lapse of sufficient timeline more than 83 months from date of booking, rather usurped and siphoned the complainants' funds and used for their own personal gains as such deceived the complainants and committed breach of trust. Further cause of action arose when despite numerous requests, the respondents failed to update about projects, its delivery, refund the principal amount with interest and compensation to the complainants. The cause of action is still continuing as despite service of legal demand notice dated 20.04.2024, the respondents paid no heed to the request of the complainants neither responded to legal notice nor refund the amount as claimed in legal notice.

m. That the present complaint is within the prescribed period of limitation.

C. Relief sought by the complainants:

4. The complainants have sought following relief(s).

a. To direct the respondent to refund to the complainants the entire principal amount of Rs. 5,77,85,625/- along with interest as

prescribed under the Act from respective dates of payments made to respondent till the date of actual realization to complainants.

b. Litigation cost may be awarded.

5. 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.

6. The respondent contested the complaint on the following grounds: -

- a.** That the complaint has been filed by the complainants seeking refund of the amount paid by them to respondent no. 1. The complainants had earlier executed **deed of settlement dated 27.06.2022** with respondent no. 1. As per the said deed of settlement dated 27.06.2022, the complainants had opted to continue with the allotment of their unit. The complainants were required to sign certain documents as and when called upon to do so, by respondent no. 1 as per the terms of deed of settlement. Accordingly, respondent no. 1 called upon the complainants' time and again to sign consent letter vide emails dated 20.11.2023, 24.11.2023, 22.12.2023, 11.01.2024 and 19.04.2025 but the complainants did not come forward to do so.
- b.** That instead of complying with the terms and conditions contained in deed of settlement dated 27.06.2022, the complainants chose to obtain refund of the amount paid by them by filing the present absolutely baseless, frivolous and false complaint. Although the claims of the complainants are absolutely misconceived, untenable and the complaint itself is liable to be dismissed being not maintainable but

since respondent no. 1 is comprised of peace-loving persons, it does not wish to be involved in unnecessary litigation so without prejudice to the rights and remedies of respondent no. 1, respondent no. 1 is ready to refund the principal amount received from the complainants i.e. Rs. 5,30,00,000/- in three equal installments of Rs. 1,76,66,667/- each as the complainants have elected to not continue with their allotment in the project in the following manner:-

- i. 1st installment at the time of filing of the present application
 - ii. 2nd installment at the time of filing of the present application,
 - iii. 3rd installment at the time of filing of the present application
- c. That the complainants have paid Rs. 5,30,00,000/- to respondent no. 1. The said fact is clear from confirmation of amount dated 01.08.2018 issued by respondent no. 1 to the complainants in which the amount paid by the complainants i.e. Rs. 5,30,00,000/- is reflecting as well as from Annexure A of Deed of Settlement dated 27.06.2022 attached by the complainants. The complainants have wrongly claimed that a sum of Rs. 5,77,85,625/- has been paid by them which is falsified from the documents relied upon by the complainants themselves.
- d. That as far as the relief of interest sought by the complainants is concerned, it is the complainants who are the wrong doers and have backed out from their commitments, they are estopped from claiming any interest whatsoever from respondent no. 1. No premium of the breach of mutually agreed terms and conditions can be claimed by the complainants. In these facts and circumstances, since respondent no. 1 is not at fault and is refunding the amount paid by the complainants to them, nothing in the present complaint would survive and it would be expedient and in the interest of justice to call upon the complainants to obtain the demand drafts immediately and dispose of

the present complaint. Copies of the said demand drafts bearing nos. 005188 and 005189 for Rs. 88,33,333/- drawn on Kotak Mahindra Bank favoring each of the complainants are attached herewith by the respondent.

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 submissions made by the parties.

E. Jurisdiction of the Authority

8. The Authority has complete territorial and subject matter jurisdiction to adjudicate the present complaint for the reasons given below.

E.I Territorial jurisdiction

9. 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

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)(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.

G. Findings on the relief sought by the complainants.

G. I. To direct the respondent to refund to the complainants the entire principal amount of Rs. 5,77,85,625/- along with interest as prescribed under the Act from respective dates of payments made to respondent till the date of actual realization to complainants.

G.II Litigation cost may be awarded.

12. On consideration of the circumstances, documents, submissions made by the parties, the Authority observes that in light of the background of the matter as captured and the arguments submitted by both parties, the Authority observes that the complainant booked a unit bearing no. GA-H-27-04 in the project named as "Ireo Grand Arch" at Gurugram, however, subsequently, expressing interest in another project

developed by the respondent, namely "Ireo Grand Hyatt" at Gurugram. Lastly, Deed of settlement has been duly executed and mutually signed between the parties on 27.06.2022.

13. The issue which has to be executed by the Authority is whether the present complainant is maintainable under RERA in view of a duly executed and acted upon settlement deed dated 27.06.2022 and entered into by the complainant and respondent.
14. To Adjudicate upon the same, the Authority has carefully examined the settlement deed dated 27.06.2022, which is annexed by the complainant. The Authority observes that it is an undisputed and admitted fact that the complainant and the respondent voluntarily entered into settlement deed dated 27.06.2022.
15. The deed of settlement demonstrate that the complainant acted upon the settlement and acquiesced to its terms through his conduct. The principle of "accord and satisfaction" therefore applies, which in legal terms denotes a mutual agreement that discharges pre-existing obligations through a new contract that has been acted upon.
16. As per established principles under the Indian Contract Act, 1872, once a contract is voluntarily entered into and acted upon by both parties, it assumes binding legal force. A Settlement Deed executed with mutual consent operates as such a contract. It can only be invalidated if it is challenged before a competent **civil court** and declared void on limited and recognized legal grounds such as: Coercion, Fraud, Misrepresentation, Undue influence and Mistake of fact or law. In the

present case, no such challenge has been made before any civil court, nor has the complainant produced any evidence of vitiating factors. There is no allegation supported by affidavit or contemporaneous documentation to establish that the complainant was forced, misled, or defrauded into signing the Settlement Deed. The complainant's signatures appear on every page of the document, further suggesting that the terms were duly acknowledged and accepted at the time of execution. Moreover, there is no evidence of mental incapacity, undue influence, or procedural unfairness in the negotiation or execution of the agreement. The absence of such vitiating elements precludes the Authority from interfering with the terms of a valid private contract. This Authority reiterates that: RERA is a statutory forum for redressal of violations of promoter obligations under the RERA Act. It is not a substitute for a civil court and cannot exercise powers of judicial review over private contracts voluntarily entered into by the parties. Once the dispute has been contractually resolved out of the court and the terms have been acted upon, RERA cannot entertain a fresh complaint to override, vary, or annul such settlement-unless a civil court has declared the settlement deed to be vitiated or void. To allow otherwise would be tantamount to RERA sitting in appeal over valid contracts, which is beyond the legislative mandate and would amount to judicial overreach.

17. Under Section 31 of the Real Estate (Regulation and Development) Act, 2016, this Authority is empowered to adjudicate complaints related to

non-compliance with statutory duties imposed upon promoters under the Act, the Rules, or the Regulations made thereunder. However, where parties voluntarily enter into a private settlement that resolves all outstanding claims, and the same is subsequently acted upon, the Authority cannot reopen or set aside such a settlement unless there is a continuing statutory breach or the agreement itself stands vitiated under law.

18. The complainant is estopped in law from challenging the validity of the same at a later date. To allow otherwise would encourage parties to reopen settled contracts for personal gain, which would be contrary to the principles of commercial certainty, contractual sanctity, and the rule of law. The doctrine of waiver and promissory estoppel squarely applies in this case.
19. After thorough consideration, Authority concludes that the present complaint lacks merit and appears to be an attempt to misuse of legal proceedings for personal gain. This case is an example of litigation pursued in bad faith, aimed at exerting undue pressure on the respondent rather than addressing genuine grievances. Furthermore, under the Real Estate (Regulation and Development) Act, 2016, the legislation is intended to protect allottees who suffer due to the unfair practices of real estate promoters, not to facilitate unjust enrichment at the expense of developers who have acted in accordance with the law.
20. Further on 02.12.2025, the counsel for the respondent states at bar that they are ready to refund the amount paid by the complainants (Rs. 5



Crores 30 Lakhs) and ready to hand over the demand draft in three equal instalments and the same shall be completed by 26.03.2026. The operative part of the order dated 02.12.2025 is reproduced below for ready reference: -

"The counsel for the respondent states at bar that respondent is willing to refund the amount paid by the complainants (Rs.5 Crores 30 Lakhs) and ready to hand over the demand draft in three instalments which shall be completed by 26.03.2026. The first instalment of Rs.1,76,66,667/- shall be paid during the day itself.

The proxy counsel for the complainant on instructions accepts the payment of Rs.1,76,66,667/- in shape of two demand drafts no. 005188 and 005189 dated 25.11.2025, without prejudice to the rights of the complainants for interest and litigation cost."

G.II Litigation cost may be awarded.


21. That Hon'ble Supreme Court of India in civil appeal nos. 6745-6749 of 2021 titled as **M/s Newtech Promoters and Developers Pvt. Ltd. Vs. State of UP & Ors.** has held that an allottee is entitled to claim compensation & litigation charges under sections 12,14,18 and section 19 which is to be decided by the adjudicating officer as per section 71 and the quantum of compensation & litigation expense shall be adjudged by the adjudicating officer having due regard to the factors mentioned in section 72. The adjudicating officer has exclusive



jurisdiction to deal with the complaints in respect of compensation & legal expenses.

22. In the light of the above stated facts and applying aforesaid principles Authority is of the view that the present complaint is disposed of in terms of settlement deed dated 27.06.2022.
23. Complaint stands disposed of.
24. File be consigned to registry.


(P S Saini)
Member


(Arun Kumar)
Chairman

Haryana Real Estate Regulatory Authority, Gurugram

Dated: 23.12.2025