

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

Complaint no. : 3561 of 2025
Date of complaint : 15.07.2025
Date of order : 13.02.2026

Sarabjit Singh,

R/o: - B-1/2, DLF Phase-I, Gurugram-122001.

Complainant

Versus

1. M/s Olive Realcon Private Limited
Having Regd. Office at: Paras Twin Towers,
Tower-B, 6th Floor, Golf Course Road,
Sector-54, Gurugram-122002.

2. M/s Manglam Multiplex Private Limited
Having Regd. Office at: Cabin-1, LGF, F-22,
Sushant Lok Phase-1, Gurugram-122002

Respondents

CORAM:

Arun Kumar

Chairman

APPEARANCE:

Era Khatana (Advocate)
Shriya Takkar (Advocate)

**Complainant
Respondents**

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 there under or to the allottee 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 and location of the project	"Trump Tower", sector-65, Gurgaon
2.	Nature of the project	Group Housing
3.	Project area	56.05 acres
4.	DTCP license no.	234 of 2007 dated 16.10.2007 valid up to 15.10.2017 52 of 2009 dated 28.08.2009 valid up to 27.08.2024 35 of 2010 dated 06.05.2010 valid upto 05.05.2025
5.	RERA Registered/ not registered	Registered vide no. 375 of 2017 issued on 28.11.2017 up to 31.12.2024
6.	Allotment letter	28.06.2018 [page 35 of complaint]
7.	Unit allotted	24B, Tower No.1, 24 th Floor [As per page 51 of complaint]
8.	Unit admeasuring area	2840 sq. ft. (carpet area) [As per page 51 of complaint]
9.	Date of builder buyer agreement	01.03.2019 [As per page 46 of complaint]
10.	Possession Clause	8. <i>ORPL agrees and understands that timely delivery of possession of the apartment along with car parking space to the allottee(s) and the common areas & facilities to the association of apartment owners or the competent authority, as the case may be, as provided under the Act and Rule 2(1)(f) of the HRERA Rules, is the essence of the Agreement.)</i> [on page 61 of complaint]
11.	Due date of possession	31.12.2024 (as per possession clause)
12.	Total sale consideration	Rs.8,69,40,176/- (as per BBA on page 95 of complaint)

13.	Total amount paid by the complainant	Rs.1,22,23,654/- (as per payment receipt at page no. 112 and page no. 116-121 of complaint) Rs.1,02,23,654/- (as per cancellation letter on page 149 of complaint)
14.	Occupation certificate	Not obtained
15.	Offer of possession	Not offered
16.	Notice	16.02.2022 (page 269 of reply)
17.	Final Notice	16.03.2022 (page 271 of reply)
18.	Cancellation	04.05.2022 (page 274 of reply)

B. Facts of the complaint

3. The complainant has made the following submissions:
 - I. That the complainant applied for the allotment of a unit bearing No. 24B, measuring 2,840 sq. ft. on 24th floor in the project of the respondents named "Trump Towers", Sector- 65, Gurugram for a total consideration of Rs.8,58,18,376/-. Afterwards, the respondents allotted the said apartment vide allotment letter dated 28.06.2018 and executed the agreement of sell dated 01.03.2019 in the favour of the complainant.
 - II. That the complainants paid a cumulative amount of Rs.1,22,23,654/- in differed occasion as per the payment schedule C of agreement of sale.
 - III. That in 2020 the world was hit by Covid-19 pandemic and the complainant was facing financial difficulties due to heavy business losses suffered during the COVID-19 pandemic. As a result, the complainant was not in a financial position to make the pending payments to the respondents. It is respectfully submitted that, as per

the agreement for sale, particularly the payment schedule marked as Schedule C, the complainant's payment obligations were linked to the completion of construction on a floor-wise basis. However, the construction work of the project was completely stopped during the pandemic due to government restrictions and the overall impact of COVID-19. Therefore, since the construction did not progress as per the agreed schedule, the complainant did not make further payments.

- IV. That despite multiple notifications and directives issued by both the State and Central Governments during the period from 2020 to 2021, mandating a complete curfew and prohibiting all construction activities in light of the COVID-19 pandemic, the respondent continued to carry out floor-wise construction activities at the project site in blatant violation of the said governmental orders. Furthermore, during the year 2021, the respondent issued several payment reminder notices dated 23.02.2021, 19.03.2021, 23.03.2021, 12.07.2021, 10.08.2021, 1.09.2021, 21.09.2021, 19.10.2021, 8.11.2021, 8.12.2021 to the complainant, demanding payment towards construction-linked installments in accordance with the terms of the agreement to sale. Such actions by the respondent not only constitute a willful disregard of the binding governmental restrictions but also amount to coercive and unlawful conduct against the complainant during a period when construction activities were explicitly suspended by law.
- V. That the respondent issued four payment reminder letters, all dated 23.02.2021. The first letter demanded Rs.1,55,21,859/- allegedly upon completion of the 3rd floor slab, including a previous balance of Rs.1,12,30,940/-. The second letter demanded Rs.1,12,30,940/- for allegedly completion of the upper basement slab, including a previous



balance of Rs.69,40,021/-. The third letter demanded Rs.2,41,03,697/- upon allegedly completion of the 12th floor roof slab, which included a previous balance of Rs.1,98,12,777/-. The fourth letter demanded Rs.1,98,12,778/- for the allegedly completion of the 6th floor roof slab, including a previous balance of Rs.1,55,21,859/-. These reminders clearly show that the respondent continued construction work during the COVID-19 period and completed the 12th floor roof slab. The respondent arbitrarily raised a total demand of Rs.7,06,69,274/- through these four letters, and exerting undue pressure on the complainant to make payments before their due dates. However, it is pertinent to note that as per payment Schedule C of the agreement of sale, there is no requirement for the complainant to make payments upon the completion of the 3rd floor slab, the upper basement slab, or the 12th floor roof slab. Further, under Schedule C, upon completion of the 6th floor roof slab, the complainant was liable to pay only 10% of the total consideration, amounting to Rs.85,81,838/-. However, the respondent demanded only Rs.42,90,918/- which does not align with the terms set out in the agreement. This conduct clearly shows that the respondent did not adhere to the payment milestones prescribed in Schedule C of the agreement of sale and made arbitrary and unlawful demands for payments not supported by the contractual terms.

- VI. That on 23.03.2021, the respondent issued a payment request for an amount of Rs.2,83,94,615/-, which included a previous balance of Rs.2,41,03,697/-, allegedly upon completion of the 18th floor roof slab. Which is the another prove to show that the respondent already completed the 18th floor during the period of Covid 19. However, as per Schedule C of the agreement of sale, the amount payable by the complainant upon completion of the 18th floor roof slab is



Rs.85,81,838/-. It is further noted that the respondent demanded only Rs.42,90,919/- along with previous amount. This demand is inconsistent with the terms of the agreement and lacks transparency, as the respondent did not clarify the basis or reasoning for seeking only half the amount due under the stated milestone. The respondent, issued payment request letter dated 12.07.2021 for a sum of Rs.3,26,85,534/- on completion of 24th floor roof slab. However, as per the payment schedule marked as Schedule C in the agreement of sale date 1.03.2019, there is no requirement for the complainant to make any payment at this stage. The agreement clearly states that the next payment, after the completion of 18th floor roof slab, is due only upon completion of the 30th floor roof slab. Therefore, the respondent's demand and issuance of a payment receipt at the 24th floor stage is premature, contrary to the terms of the agreement, and without any legal or contractual basis. Such action is arbitrary and amounts to a breach of the agreed payment schedule and also this floor completion was done during the Covid 19 curfew when the construction of completely banned. Thereafter, the respondents issued a payment receipt dated 21.09.2021 in favour of the complainant for an amount of Rs.3,69,76,453/- purportedly towards the completion of the 30th floor roof slab. Subsequently, the respondents issued another payment demand vide receipt dated 08.12.2021, seeking a further sum of Rs.4,12,67,372/-, allegedly on account of the completion of the 36th floor roof slab. However, it is pertinent to note that as per the payment schedule marked as Schedule C of the agreement of sale, there is no provision or stipulated milestone for payment upon the completion of the 36th floor roof slab.

Accordingly, the said demand was contrary to the agreed terms and conditions of the agreement.

- VII. That the respondent issued a notice dated 16.02.2022 and final notice dated 16.03.2022, giving a last opportunity to the complainant to clear the alleged outstanding amount of Rs.4,12,67,372/- for the unit. However, the respondent failed to explain how this amount was calculated or how the complainant was liable to pay it. It is important to mention that earlier, the respondent had issued payment receipts showing amounts that were even higher than the said amount. Therefore, the respondent has not provided a clear and proper calculation of the alleged dues, making the demand vague, unjustified, and without proper basis. The respondents on 23.02.2022 falsely reflected the false statement of account wherein the respondent mentioned that the complainant has only made the payment of Rs.1,02,23,654/- despite knowing that the complainant has paid a cumulative amount of Rs.1,22,23,654/-.
- VIII. That on 04.05.2022, the respondent issued a cancellation letter to the complainant, through which the respondent unilaterally cancelled the allotment of the said property. The respondent claimed that the cancellation was due to the complainant's failure to pay an amount of Rs.4,12,67,372/- for the unit. As a result, the respondent stated that the complainant no longer had any right, interest, title, lien, or claim over the said property, and that all original receipts and the allotment stood cancelled due to the alleged non-payment. The respondent also unlawfully forfeited the entire amount actually paid by the complainant by adding unjustified charges such as delayed payment charges, brokerage, GST, and other amounts claimed to be forfeitable.

- IX. That as per Clause 8.1 of the said agreement, the respondents expressly undertook that the allotment of the subject property could only be terminated in the event of a Force Majeure and the respondents will refund the entire amount to the complainant. However, in contravention of the said clause, the respondents unilaterally and unlawfully terminated the complainant's allotment, without informing the complainant and without giving refund to the complainant.
- X. That the complainant has suffered mental agony and the financial hardship due to the action of the respondents of terminating the allotment of the said apartment.
- XI. That the complainant sent the legal notice dated 16.02.2023 to the respondents stating that the respondent arbitrarily cancelled the allotment of the said property without informing and giving any opportunity of being heard, which was against the principle of natural justice and the violation of the terms and condition of the agreement to sell dated 01.03.2019. The complainant further stated that there were various discrepancies in the statement recorded by Respondents pertaining to the payments made by the complainant and that certain payments made by the complainant is not reflected in the statement. However, it is pertinent to note that the respondents gave assurance to the complainant that they will change the payment entries. However, failed to do so. The complainant also requested the respondent to withdraw the cancellation letter dated 04.05.2022.
- XII. That the respondents, in their reply dated 28.03.2023, wrongly claimed that they had received only Rs.1,02,23,654/- from the complainant. However, the complainant had actually paid a total amount of Rs.1,22,23,654/- which was fully received by the

respondents. This evidently proved that the respondents have given false information about the payment. The respondents also refused to withdraw the cancellation letter, stating that the property had already been sold to a third party.

C. Relief sought by the complainant:

4. The complainant has sought following relief(s).
 1. Direct the respondent to refund the paid-up amount along with interest at prescribed rate.
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 has contested the complaint on the following grounds:
 - i. That the present complaint was filed by the complainant on 15.07.2025 i.e. after a period of 3 years, 2 months and 11 days from the date of cancellation of allotment by way of intimation of termination dated 04.05.2022. The complainant by way of the present complaint is seeking refund of the entire amount deposited by them and the same is liable to be dismissed at the very threshold being time barred.
 - ii. That the complainant after conducting his due diligence and independent market research approached the respondent for booking of residential apartment in the project "Trump Towers, Delhi NCR", at Village Maidawas in Tehsil & District Gurugram, Residential Sector 65, Gurugram Manesar Urban Complex, Gurugram, Haryana vide application form and made part payment of Rs.25,00,000/- towards booking amount. In due consideration of the commitments by the complainant to make timely payments, the respondent allotted

residential unit no. 24B on 24th floor for sale consideration of Rs.8,58,18,376/- plus other applicable charges vide allotment letter dated 28.06.2018. It is submitted that the complainant had initially opted for a specific payment plan amongst the various payment plans floated by the respondent. Thereafter, the complainant requested that the payment plan be changed to construction linked payment plan. The construction linked payment plan was shared with the complainant allottee vide email dated 06.07.2018. Accordingly, the respondent company re-issued the allotment letter with the construction linked payment plan.

- iii. That the complainant not only defaulted in making timely payments but had also failed to submit the executed copies of the buyer's agreement and come forward for the registration process. The respondent vide email dated 04.02.2019 followed by reminder email dated 28.02.2019 requested the complainant to provide suitable time for the registration of the buyer's agreement as per his convenience and availability. Vide the said email, the complainant was duly informed that an amount of Rs.21,493/- was payable towards registration fee for agreement registration. After constant follow ups with the complainant, the buyer's agreement was executed between the parties on 01.03.2019 and the same was duly registered. The buyer's agreement set out the rights and liabilities of the parties.
- iv. That in furtherance of the demand letter dated 29.05.2019 and the subsequent reminders issued by the respondent, the complainant belatedly made part payment towards his outstanding dues in three tranches- Rs.10,00,000/- on 20.08.2019, Rs.5,00,000/- on 16.12.2019 and Rs.10,00,000/- on 17.02.2020 which were duly acknowledged and received by respondent. That the complainant still had an outstanding

balance amounting to Rs.69,40,021/- payable to the respondent. The respondent company raised demands as per payment plan opted by the complainant on the achievement of the relevant construction milestone. However, the complainant failed to make the timely payments of the said demands issued and thus, was in default of his contractual obligations.

- v. That the respondent in order to maintain the transparency and to keep the allottees in the loop, time and again shared the construction update over emails with all its allottees including the complainant herein. Owing to the financial difficulties of the complainant, and upon the complainant's request, the respondent purely as an accommodation, raised the payment demands at a later stage, notwithstanding that construction of the project was actively ongoing after taking all necessary precautions and strictly complying with the guidelines issued by the Government. It is submitted that the complainant vide email dated 03.02.2021 was duly informed that the construction of the 13th floor slab of Tower 1 and 14th Floor slab of Tower 2 stood completed in Jan, 2021. The fact that the complainant was facing financial difficulties has been duly admitted by him in Para 11 of the complaint. Thereafter, the respondent raised demands due on completion of upper basement slab, completion of 3rd floor roof slab, completion of 6th floor roof slab and on completion of 12th floor roof slab together vide demand letters dated 23.02.2021 and requested the complainant to make good the amounts stated thereinunder. The aforesaid demands were also shared with the complainant vide email dated 24.02.2021.
- vi. That since the complainant failed to make the payment the respondent No.1 issued Reminder 1 dated 19.03.2021 requesting the complainant



to make good the pending dues. The respondent as per the payment plan opted by the complainant raised the next demand vide demand letter dated 23.03.2021 which was due on "Completion of 18th Floor Roof Slab" for an amount of Rs.42,90,918/- that was payable on or before 13.04.2021. Vide the said demand letter the complainant was also requested to make good the previous dues of Rs.2,41,03,696/- which were payable immediately. That the said demand was also sent to the complainant vide email dated 23.03.2021. Since, the complainant failed to make good the due amounts therefore, the respondent company issued Reminder 1 dated 19.04.2021 requesting the complainant to make good the pending dues.

- vii. That the respondent vide demand letter dated 12.07.2021, raised the demand due on "Completion of 24th Floor Roof Slab" vide demand letter dated 12.07.2021 for an amount of Rs.42,90,918/- on or before 31.07.2021 and also requested the complainant to clear the previous dues to the tune of Rs.2,83,94,615.36/- immediately. Due to non-payment from the end of the complainant, the respondent issued Payment Request Reminder-1 dated 10.08.2021 and subsequently, Payment Request Reminder-2 dated 01.09.2021, calling upon the complainant to clear the outstanding dues. However, despite repeated requests and opportunities, the complainant has consistently defaulted in making the requisite payments and was in default of his contractual obligations. Further, the respondent, as per the payment plan opted by the complainant, raised the next demand due "On Completion of 30th Floor Roof Slab" vide demand letter dated 21.09.2021 for an amount of Rs.42,90,918/- that was due on or before 12.10.2021. Further, the complainant was also requested to clear the previous outstanding dues of Rs.3,26,85,534/- immediately. Since, the

complainant failed to make any payment towards the payment said request and the previous outstanding demands, the respondent issued Reminder-1 dated 19.10.2021, followed by Reminder-2 dated 08.11.2021 and Reminder-3 dated 23.11.2021, thereby requesting the complainant to clear the outstanding dues immediately.

- viii. That the respondent thereafter raised the demand letter dated 08.12.2021 raised the demand due on "completion of 36th Floor Roof Slab" and requested the complainant to pay an amount of Rs.42,90,918/- that was payable on or before 29.12.2021 and also pay the previous pending dues. It is submitted that despite various reminders, the complainant failed to come forward to clear his outstanding dues. Since, the complainant failed to clear his dues, therefore, the respondent company again issued Reminder-1 dated 10.01.2022, followed by Reminder-2 dated 27.01.2022 requesting the complainant to make good the payment default. In lieu of persistent defaults and non-payment by the complainant despite issuance of reminder letters dated 10.01.2022 and 27.01.2022, the respondent was issued notice dated 16.02.2022 again requesting the complainant to remit the outstanding dues of Rs. 4,12,67,372/- at the earliest to avoid cancellation of allotment under the buyer's agreement. Despite the above-mentioned notice dated 16.02.2022, the complainant did not come forward to pay the pending dues therefore, the respondent issued final notice dated 16.03.2022 giving one last and final opportunity to complainant to come forward and clear the remaining dues. However, the complainant failed to adhere to this opportunity and continued to breach the terms of the buyer's agreement. Since, the complainant despite constant follow ups and reminders was not coming forward to deposit the outstanding payments, the respondent

company having being left with no other option was constrained to issue cancellation notice dated 04.05.2022 cancelling the allotment of the complainant and forfeiting the amount deposited.

- ix. That the allotment of the complainant was cancelled in accordance with clause 11.3 of the buyer's agreement on account of persistent default in making payments despite issuing several communications dated 23.02.2021, 19.03.2021, 23.03.2021, 19.04.2021, 12.07.2021, 10.08.2021, 01.09.2021, 21.09.2021, 19.10.2021, 08.11.2021, 23.11.2021, 08.12.2021, 10.01.2022, 27.01.2022, 16.02.2022, 16.03.2022 for making good the pending dues. However, the complainant despite sufficient time and ample opportunities failed to clear his dues as consequence of which the respondent was constrained to terminate his allotment vide cancellation letter dated 04.05.2022 and forfeit the amount deposited as per agreed terms. It is further submitted that all the payments request letters raised by the complainant is as per the payment plan opted by the complainant, the complainant intentionally failed to make payments of the due amounts. The complainant was in default of his contractual obligations as well as obligations under Sec 19(6) and 19(7) of RERA Act, 2016.
- x. That the complainant despite being well aware that timely payments was the essence of the transaction failed to make good the due amounts. Owing to the financial difficulties of the complainant, and upon the complainant's request, the respondent company, purely as an accommodation, raised the payment demands at a later stage, notwithstanding that construction of the project was actively ongoing. It is submitted that the complainant vide email dated 03.02.2021 was duly informed that the construction of the 13th floor slab of Tower 1 and 14th Floor slab of Tower 2 stood completed in Jan, 2021.

- xi. That the complainant had defaulted in making payment on time contrary to agreed terms. It is submitted that various reminders were issued to and follow ups were made with the complainant for complying with his legal obligations under the buyer's agreement to make further payments. Even after repeated demands, the complainant was not ready to come forward and comply with their obligations to make payments as a consequence of which the respondent cancelled the allotment of the complainant. Hence complainant is not entitled to get any relief from this Authority.
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 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.

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.

F. Findings on the objections raised by the respondents.

F.1 Objections regarding complaint being barred by limitation.

12. The respondents have contended that the present complaint is not maintainable and barred by the law of limitation. The Authority observes that the cause of action arose in May, 2022, when the cancellation letter was issued to the complainant. However, post cancellation of the unit, the respondent has failed to refund the refundable amount to the complainant so far, which clearly shows a subsisting liability. Moreover, the deductions made from the paid-up amount by the respondent are not as per the Haryana Real Estate Regulatory Authority Gurugram (Forfeiture of earnest money by the builder) Regulations, 11(5) of 2018. Further, the law of limitation is, as such, not applicable to the proceedings under the Act and has to be seen case to case. The Authority observes that respondent should not be allowed to get unfair advantage of its own wrong, as it should have refunded the amount after cancelling the unit in question, but it failed to do so till filing of this complaint. Allowing the respondent for such practices may set a wrong precedence in the real estate industry.

Therefore, in view of the above, the objection of the respondents w.r.t. the complaint being barred by limitation stands rejected.

G. Findings on the relief sought by the complainant.

G.1 Direct the respondents to refund the paid-up amount along with interest at prescribed rate.

13. The complainant has submitted that he has applied for the allotment of a unit bearing No. 24B, measuring 2,840 sq. ft. on 24th floor in the project of the respondents named "Trump Towers", Sector- 65, Gurugram for a total consideration of Rs.8,58,18,376/-. Afterwards, the respondents allotted the said apartment vide allotment letter dated 28.06.2018 and executed the agreement of sell dated 01.03.2019 in the favour of the complainant. He further submits that in 2020 the world was hit by Covid-19 pandemic and the complainant was facing financial difficulties due to heavy business losses suffered during the COVID-19 pandemic. As a result, the complainant was not in a financial position to make the pending payments to the respondents. The respondents have submitted that the allotment of the complainant was cancelled in accordance with clause 11.3 of the buyer's agreement on account of persistent default in making payments despite issuing several communications dated 23.02.2021, 19.03.2021, 23.03.2021, 19.04.2021, 12.07.2021, 10.08.2021, 01.09.2021, 21.09.2021, 19.10.2021, 08.11.2021, 23.11.2021, 08.12.2021, 10.01.2022, 27.01.2022, 16.02.2022, 16.03.2022 for making good the pending dues. However, the complainant despite sufficient time and ample opportunities failed to clear his dues as consequence of which the respondent was constrained to terminate his allotment vide cancellation letter dated 04.05.2022 and forfeit the amount deposited as per agreed terms. It is further submitted that all the payments request letters raised by the respondent is as per the payment plan

opted by the complainant, but the complainant intentionally failed to make payments of the due amounts. Now, the question before the authority is whether the cancellation issued vide letter dated 04.05.2022 is valid or not.

14. On consideration of documents available on record and submissions made by both the parties, the Authority is of the view that the unit in question was allotted to the complainant under construction linked payment plan, vide buyer's agreement dated 01.03.2019. As per the payment plan, the respondent vide 'payment request letter' dated 08.12.2021, requested the complainant to remit the demand on account of "completion of 36th floor roof slab" amounting to Rs.42,90,919/- along with previous outstanding of Rs.3,69,76,452.96/- on or before 29.12.2021. Thereafter, two reminders dated 10.01.2022 and 27.01.2022 were issued to the complainant to pay the outstanding dues. However, the complainant did not come forward to clear the outstanding dues, therefore the respondent was constrained to issue notice and final notice dated 16.02.2022 and 16.03.2022 respectively, giving last and final opportunity to the complainant to comply with his obligation to make payment of the amount due, but the same having no positive results and ultimately leading to cancellation of unit vide letter dated 04.05.2022. The Authority observes that Section 19(6) of the Act of 2016 casts an obligation on the allottee to make necessary payments in a timely manner. Hence, cancellation of the unit in view of the terms and conditions of the payment plan annexed with the buyer's agreement dated 01.03.2019 is held to be valid. But while cancelling the unit, it was an obligation of the respondent to return the paid-up amount after certain deductions as prescribed under the Haryana Real Estate

Regulatory Authority Gurugram (Forfeiture of earnest money by the builder) Regulations, 2018, which provides as under:

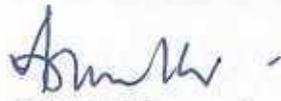
"5. AMOUNT OF EARNEST MONEY

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."

15. The Authority observes that although the complainant is entitled to refund of the balance amount after deduction as above, but it would be inequitable and unjust to direct the respondents to pay interest from the date of cancellation i.e. 04.05.2022, particularly in light of the fact that breach of the contract has been done on part of the complainant. Accordingly, the Authority finds it appropriate to allow interest at prescribed rate on the balance refundable amount from the date of filing of complaint by the allottee i.e. 15.07.2025 till its actual realization.
16. Keeping in view the aforesaid factual and legal provisions, the respondents/promoter are directed to the respondent is directed to refund the amount received by it from the complainant after deducting 10% of the sale consideration of Rs.8,69,40,176/- being earnest money along with an interest @10.80% p.a. (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 on the refundable amount, from the date of filing of complaint by the allottee i.e. 15.07.2025, till its realization.

G. Directions of the authority: -

17. Hence, the Authority hereby passes this order and issue the following directions under Section 37 of the Act to ensure compliance of obligations cast upon the promoter as per the functions entrusted to the authority under sec 34(f) of the Act: -
- i. The respondents/promoter are directed to refund the amount received by it from the complainant, after deducting 10% of the sale consideration of Rs.8,69,40,176/- being earnest money along with an interest @10.80% p.a. (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 on the refundable amount, from the date of filing of complaint by the allottee i.e. 15.07.2025, till its realization.
 - ii. A period of 90 days is given to the respondents to comply with the directions given in this order and failing which legal consequences would follow.
18. Complaint as well as applications, if any, stands disposed of accordingly.
19. File be consigned to the registry.


(Arun Kumar)
Chairman

Haryana Real Estate Regulatory Authority, Gurugram

Dated: 13.02.2026