

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

**Complaint no.:** 1344 of 2024 &  
1350 of 2024  
**Date of filing of complaint:** 10.04.2024  
**Date of Order:** 27.01.2026

NAME OF THE BUILDER		Citra Properties Limited	
PROJECT NAME		"Mahira Homes 104"	
S. No.	Case No.	Case title	APPEARANCE
1.	CR/1344/2025	Ishant Sharma Vs Czar Buildwell Private Limited	Shri Arun Kumar, Advocate And None for respondent
2.	CR/1350/2024	Arjun Dev Arora Vs Czar Buildwell Private Limited	Shri Arun Kumar, Advocate And None for respondent

**CORAM:**

Shri Arun Kumar  
Shri P S Saini

**Chairman  
Member**

**EX-PARTE ORDER**

1. This order shall dispose of all the 2 complaints titled as above filed before the authority under section 31 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred as "the Act") read with rule 28 of the Haryana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred as "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 its obligations, responsibilities and functions to the allottees as per the agreement for sale executed inter se between parties.

2. The core issues emanating from them are similar in nature and the complainant(s) in the above referred matters are allottees of the project, namely, “**Mahira Homes 104**” being developed by the same respondent/promoter i.e., M/s Czar Buildwell Private Limited.
3. It has been decided to treat the aforesaid complaints as an application for non-compliance of statutory obligations on the part of the promoter/respondent in terms of section 34(f) of the Act which mandates the Authority to ensure compliance of the obligations cast upon the promoters, the allottee(s) and the real estate agents under the Act, the rules and the regulations made thereunder.
4. The facts of the complaints filed by the complainant(s)/allottee(s) are also similar. Out of the above-mentioned case, the particulars of lead case **CR/1344/2024 titled as Ishant Sharma Vs Czar Buildwell Private Limited are** being taken into consideration for determining the rights of the allottee(s) qua the reliefs sought by the complainant-allottees

**A. Unit and project related details**

5. 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. No.	Heads	Information	
1.	Name and location of the project	Mahira Homes, Sector 104, Gurgaon, Haryana	
2.	Nature of the project	Affordable Group Housing	
3.	DTCP license no.	24 of 2020 dated 10.09.2020	
4.	RERA Registered/ not registered	Registration revoked	
5.	Acknowledgment	31.10.2021 [at page 35 of complaint]	N/A
6.	Apartment no.	1305, Tower- 05 B, as per	108, Tower- 05 B, 12 <sup>th</sup> Floor as

		demand letter dated 05.12.2021 [at page 32 of complaint]	per advance receipt dated 14.12.2021 [at page 29 of complaint]
7.	Unit measuring	643.66 sq. ft. (carpet area) [at page 32 of complaint]	Not mentioned
8.	Date of Agreement for Sale	Not executed	
9.	Date of building plan approval	25.10.2021 (taken from another complaint of the same project)	
10.	Date of Environment clearance	27.04.2022 (taken from another complaint of the same project)	
11.	Total sale consideration	N/A	
12.	Amount paid by the respondent	Rs. 6,78,198/-	Rs. 6,78,198/-
13.	Occupation certificate	Not obtained as per DTCP website	
14.	Due date of possession	27.04.2026 [ <b>Note:</b> Due date of possession to be calculated from the date of environmental clearance]	
15.	Offer of possession	Not offered	
16.	Demand letter	05.12.2021 [at page 32 of complaint]	N/A

**B. Facts of the complaint:**

6. The complainant has made the following submissions:

- a. That the complainant was in the need of a residential flat for his own residential purposes and use. In the month of October–November 2021 agents and representatives of the respondents approached the complainant and informed him that respondent is developing a

housing complex known as “**Mahira Homes 104**” situated Sector 104, District Gurugram. The agents and representatives assured the complainant that the respondent company is the builder of repute, they will deliver the project duly completed in all respect within 36 months from the date of booking.

- b. That believing the assurances so given by the agents and representatives to be true and correct, the complainant made an application for allotment to the respondent company on 29.10.2021 and thereby applied for 2-BHK apartment and paid a sum of Rs. 1,29,299.40/- towards the applicant fee and registration fee. Thereafter the respondent company with the assistance of Town and Country Department held a draw wherein the complainant was successful and the respondent company allotted a 2-BHK apartment with balcony bearing No. 1305, Tower T5 having carpet area 643.66 sq. ft. along parking space in the above said housing scheme at the rate of the basic sale price at Rs. 5148/- per square feet and total consideration amount of the flat at Rs. 33,13,610/-. The complainant opted for the time linked payment plan.
- c. That thereafter the respondent company sent a demand letter dated 05.12.2021 and thereby demanded a sum of Rs. 6,62,722/- being due on 18.12.2021 i.e. within 15 days of issuance of allotment and in lieu thereof the complainant paid a sum of Rs. 5,33,899/- vide cheque bearing No. 017188 dated 10.12.2021 drawn on Axis Bank to the respondent company. The complainant also paid a sum of Rs. 15,000/- to the respondent company which the respondent company acknowledged vide receipt No 0169 dated 14.12.2021.
- d. That as it is clear from the facts, the complainant paid a sum of Rs. 6,78,198.40/- in *toto* to the respondent.

- e. That thereafter to the utter shock and surprise of the complainant the respondent company have put the housing project in abeyance and have not started the construction thereof. Despite various visits to the office of the respondent company and finding no positive answer from the employees of the respondent company the complainant herein left with no other option but to cancel the booking and request for the demand/refund of the amount so paid by the complainant to the respondent company.
- f. That accordingly the complainant met the officials concerned of the respondent company and requested them that the complainant wants the refund of his money and accordingly the officials gave a pre-printed dotted application to the complainant. When after going through the application, the complainant requested the officials that this is not the relevant application as the cause for seeking refund is different as mentioned therein, the officials of the respondent company stated that this is the only way of seeking the refund of the amount and that too will be made after deduction of the earnest money i.e. 10% of the total sale consideration amount.
- g. That finding no other option, the complainant was forced in the circumstances so created by the officials of the respondent company to save his hard earned money and thereby made an application dated 27.09.2022 to the respondent company and sought the refund of his hard earned money back.
- h. That to further utter shock and surprise of the complainant the while taking the said application seeking refund of the money so paid by the complainant to the respondent company, the officials concerned of the respondent company further stated to the complainant that without the receipt of the all original documents such as acknowledgement

- slip, receipts, allotment letter and all other concerned papers, no refund will be made and even the said application will not be received by the respondent company. On this, after long discussion and requests the official of the respondent company agreed to give a receipt of those original documents and accepted the application.
- i.** That with dishonest intentions, to cheat its innocent customers, the agents, officials and employees of the respondent company have firstly made false assurances and promises that the respondent company will construct the dream apartment of the complainant and will deliver within 36 months and have received huge amount from its customers, thereafter kept the said housing project in abeyance. Thereafter the respondent company have took the refund application from the innocent complainant and till the filing of the present complaint had not paid or refund a single penny towards the hard earned money to complainant. Not only this, the respondent company have forced the complainant to sign a pre-printed and dotted application for refund which is unfair. Thereby the respondent company had not only have adopted the restricted and unfair trade practice but also have cheated the complainant and caused undue huge and undue losses to the complainant.
  - j.** That throughout the act and conduct of the respondent company is of unlawful and dishonest enrichment at the cost and losses of the complainant, which cannot be accepted in any manner by a person of common senses and the respondent company is liable to refund the same even without deducting the so claimed earnest money deposit along with the interest as prescribed in the RE (R&D) Act, 2016.
  - k.** That in such facts and circumstances the complainant left with no other option but to seek the indulgence of this Authority and this Authority

has got competent jurisdiction to entertain, try and decide the present complaint.

**C. Relief sought by the complainant:**

7. The complainant has sought following relief(s):
  - a. Direct the respondent to immediately refund the amount so paid by the complainant i.e. Rs. 6,78,198.40/- along with interest at the rate as prescribed under the RE (R&D) Act, 2016 from the date of its respective payment till the full and final date of refund.
  - b. Direct the respondents to stop the deficient service as well as the unfair and restrictive trade practices with immediate effect and declare that the contents of the refund application are wrong and biased.
  - c. To direct the respondents to pay the complainant a sum of Rs. 1,00,000/- towards the litigation expenses for this complaint.
8. That notice to the respondent through email was duly served on 2.04.2024 and notice through post received unserved with report "no such person in the address'. On 03.04.2025, final opportunity provided to the respondent to pursue the matter failing matter shall proceed ex-parte. Meanwhile on 11.09.2025, the counsel for the complainant is directed to publish public notice in two local newspapers at his own expenses to put in appearance of the respondent on the next date of hearing. The publication of the same was done on 02.12.2025 by the complainant and same was place on record by the complainant and submitted in registry on 22.01.2026. Despite giving ample opportunities vide hearing dated 18.07.2024, 12.09.2024, 19.12.2024, 03.04.2025, 30.05.2025, 11.09.2025 & 13.11.2025, the counsel or authorized representatives of the respondent neither put in appearance nor did file any reply to the complaint within the stipulated period. Accordingly, the Authority left with no option but to struck off the defence of the respondent and proceed ex-parte against the respondent

and decide the complaint on basis of documents and pleading filed by the complainant which are not disputed.

**D. Jurisdiction of the Authority:**

9. 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**

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.

**D.II Subject-matter jurisdiction**

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.*

10. 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.

**E. Findings on the relief sought by the complainant:**

**E.I Direct the respondent to refund the amount so paid by the complainant i.e. Rs. 6,78,198.40/- along with interest at the rate as prescribed under the RE (R&D) Act, 2016 from the date of its respective payment till the full and final date of refund.**

**E.II Direct the respondents to stop the deficient service as well as the unfair and restrictive trade practices with immediate effect and declare that the contents of the refund application are wrong and biased.**

11. The above-mentioned relief(s) sought by the complainant are taken together being inter-connected.

12. The complainant was allotted a unit in the project of respondent "Mahira Homes 104", in Sector-104, Gurugram vide acknowledgment letter dated 31.10.2021. Though no flat buyer's agreement was executed between the parties but the complainant started paying the amount due against the allotted unit and paid a total sum of Rs.6,78,198/-. As per clause 1 (iv) of the Affordable Housing Policy, 2013, the possession of the apartment is to be delivered within 4 years from the date of approval of building plans or grant of environmental clearance, whichever is later. Clause 1(iv) of the Policy of 2013 is reproduced below for ready reference:

*1. (iv) All such projects shall be required to be necessarily completed within 4 years from the approval of building plans or grant of environmental clearance certificate, whichever is later. This date shall be referred to as the "date of commencement of project" for the purpose of this policy.*

**(Emphasis supplied)**

13. The due date of possession is to be calculated 4 years from the date of environment clearance i.e., 27.04.2022. Therefore, the due date of possession comes to 27.04.2026.
14. It is further observed that the Authority on 27.05.2022 initiated Suo-Motu action against the promoter under Section 35 of the Act, 2016 based upon the site visit report submitted on 18.05.2022 wherein it is clearly stated that the physical progress of the project was approximately 15-20% and progress of construction works did not seem commensurate to the payments withdrawn from the bank accounts. Moreover, on 17.05.2022 the Director Town & Country Planning blacklisted the said developer from grant of license on account due to various grave violations by the promoter company which was subsequently withdrawn by the department on 21.07.2022 subject to fulfillment of certain conditions. Also, on 19.05.2022 all the accounts were frozen by the Authority due to non-compliance of the provisions of the Act, 2016. On 06.11.2023 the Authority initiated suo-motu 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 are frozen therefore, this amounts to discontinuation of business of the respondent.
15. The Authority, considering the above mentioned facts that although the due date of possession has not lapsed yet, section 18 of the Act, 2016 is liable to be under the present circumstances as invoked the promoter is unable to handover the possession as per the terms of the agreement due discontinuance of his business as developer on account of suspension or revocation of the registration under this Act and the complainant is entitled for entire refund of the amount paid to the respondent along with

the prescribed rate of interest. The relevant portion of section 18 is reproduced below:

***"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....."*

**16. Admissibility of refund along with prescribed rate of interest:** The complainant is seeking refund of the paid -up at prescribed rate of interest as provided under rule 15 of the rules. Rule 15 has been reproduced as under:

***Rule 15. Prescribed rate of interest- [Proviso to section 12, section 18 and sub-section (4) and subsection (7) of section 19]***

*For the purpose of proviso to section 12; section 18; and sub-sections (4) and (7) of section 19, the "interest at the rate prescribed" shall be the State Bank of India highest marginal cost of lending rate +2%.: Provided that in case the State Bank of India marginal cost of lending rate (MCLR) is not in use, it shall be replaced by such benchmark lending rates which the State Bank of India may fix from time to time for lending to the general public.*

17. The legislature in its wisdom in the subordinate legislation under the provision of rule 15 of the rules, has determined the prescribed rate of interest. The rate of interest so determined by the legislature, is reasonable and if the said rule is followed to award the interest, it will ensure uniform practice in all the cases.
18. Consequently, as per website of the State Bank of India i.e., <https://sbi.co.in>, the marginal cost of lending rate (in short, MCLR) as on date i.e., 27.01.2026 is 8.80%. Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., 10.80%.
19. Thus, the Authority is of the view that the complainant is entitled to his right under section 18(1)(b) read with 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.6,78,198/- received by it along with interest at the rate of 10.80% 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.
20. 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, under Section 18(1)(b) read with Section 19(4) of the Act of 2016 is entitled to claim the refund of paid-up amount of Rs.6,78,198/- received by the respondent against the unit along with interest at the rate of 10.80% 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.

**E.III Direct the respondents to pay the complainant a sum of Rs. 1,00,000/- towards the litigation expenses for this complaint.**

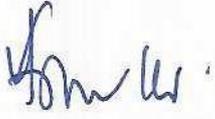
21. That Hon'ble Supreme Court of India in civil appeal nos. 6745-6749 of 2021 titled as **M/s Newtech Promoters and Developers Pvt. Ltd. Vs. State of UP & Ors.** has held that an allottee is entitled to claim compensation & litigation charges under sections 12,14,18 and section 19 which is to be decided 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.

**F. Directions of the Authority:**

22. Hence, the Authority hereby passes this order and issues the following directions under section 37 of the Act to ensure compliance of obligations cast upon the promoter as per the function entrusted to the authority under section 34(f):
- i. The respondent /promoter is directed to refund the amount i.e., Rs.6,78,198/- received by it along with interest at the rate of 10.80% 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.
23. This decision shall mutatis mutandis apply to both complaints.
24. Complaint stand disposed of. True certified copy of this order shall be placed in the case file of each matter.
25. File be consigned to registry.

  
**(P S Saini)**  
Member

  
**(Arun Kumar)**  
Chairman

Haryana Real Estate Regulatory Authority, Gurugram  
**Dated: 27.01.2026**

**HARERA**  
GURUGRAM