

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

Complaint no. : 6189 of 2024
Date of filing: 13.01.2025
Date of decision : 06.01.2026

Rakesh Khanna

R/o: - N-19, Second Floor, Rajouri Garden
New Delhi-110027

Complainant

Versus

Millennium Diplomats Private Limited.
Regd. Office at: 1004, H-I, JMD Megapolis,
Sector 48 Sohna Road, Gurugram

Respondent

CORAM:

Sh. Arun Kumar
Sh. Phool Singh Saini

Chairman
Member

APPEARANCE:

Ritul Tandon (Advocate)
Apoorvi Gupta (Advocate)

Complainant
Respondent

ORDER

1. The present complaint dated 13.01.2025 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 provision of the

Act or the Rules and regulations made there under or to the allottees as per the agreement for sale executed *inter se*.

A. Unit and project related details

2. The particulars of unit details, sale consideration, the amount paid by the 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	"Diplomats Golf link", Sector 110 Gurugram
2.	Nature of the project	Affordable group housing
3.	DTCP license	100 of 2019 dated 05.09.2019 valid up to 04.09.2024
4.	RERA registered or not registered	322 of 2017 dated 17.10.2017 valid up to 31.12.2021
5.	Unit no.	501 and T-10 (As per page no. 19 of the complaint)
6.	Unit admeasuring	638.73 sq. ft.(carpet area) (As per page no. 19 of the complaint)
7.	Intimation of Allotment letter	18.01.2022 (As per page no. 19 of the complaint)
8.	Date of agreement for sale	Not executed
9.	Possession clause	--
10.	Due date of possession	--

11.	Total Sale Consideration	Rs.27,00,000/- (As alleged by the complainant) No proof attached
12.	Amount paid by the complainant	Rs.8,16,974/- (Total from the receipts at page 25-27 of the complaint)
13.	Occupation certificate	Not obtained
14.	Offer of possession	Not offered
15.	Demand letter	30.10.2023, 13.01.2024, 23.04.2024 (Page 22, 20, 21 of the complaint) 25.06.2024, 03.07.2024 (Page 18 and 19 of reply)
16.	Publication in the Newspaper	13.07.2024 (Page 24 of the reply)
17.	Intimation of cancellation of unit	15.07.2024 (Page 33 of the complaint) 19.07.2024 (As per page no. 42 of the complaint)
18.	Final intimation of cancellation	31.07.2024 (Page 27 of the reply)
19.	Refund cheque by respondent on 09.07.2024	Rs. 7,30,057/- (Page 28 of reply)

B. Facts of the complaint

3. The complainant has made the following submissions: -

- I. That the complainant booked the unit no. t10 - 501, 5th floor; admeasuring carpet area of 638 sq. feet; situated at affordable

housing project "Diplomats Golfink" located at Sector-110, Gurugram, Haryana. Vide allotment dated 18.01.2022 the above-mentioned flat was allotted in favour of the complainant. However, despite repeated requests by the complainants, the respondent never came forward to execute the builder buyer agreement. The total cost of the said flat was Rs.27,00,000/-. The complainant on respective demands paid the amount as and when demanded by the respondent within time allotted. Further the respondent asked the complainant to approach financial institution for the facility of home loan. It was further assured by respondent that the said property/project is free and all encumbrances and there is no legal defect in the property/project or title.

- II. That the respondent raised various demand letters from time to time for instalments as agreed against the consideration of the residential unit and complainant paid total sum of Rs. 8,67,563.50/- against various demand letters issued by the respondent from time to time.
- III. That the respondent issued various demand letters in the year 2022 & 2023 for instalments and the same were duly complied in accordance with demand raised by the respondent. The respondent further raised demands in 2024, latest on 25.06.2024 through email for consolidated amount of Rs. 10,98,835/- with particulars "at the time of casting of 125 slabs" with an instruction to be paid on or before 05.07.2024. The said demand further stated "in case of non-

receipt of due amount within stipulated time, interest will be charged on delay payment as per the Affordable Housing Policy".

IV. That the respondent despite giving a timeline of 05.07.2024 under the said demand letter dated 25.06.2024 for making the payment of the said instalment/demand, issued another email dated 29.06.2024 stating "with reference to your unit in project "diplomats golf link", Sector-110, Gurugram, Haryana, please note, we have not received your payment against the demand letter shared till dated. Kindly clear your outstanding at the earliest as an interest is being charged on the delayed period". Considering the mail dated 25.06.2024 issued by respondent, complainant visited office of respondent and informed that he has applied for home loan from the Canara Bank, Rani Jhansi Road, New Delhi for the said property on which you are hereby requested to give relevant information as and when called from the Bank. Since the respondent never executed any builder buyer agreement with the complainant and only assured that the same will be executed soon, hence the bank required further documents and information from the respondent before approval of the home loan. Subsequently, respondent was informed that the Bank will approach their office for the approval and the basic formalities need to be confirmed from respondent. However, complainant was in utter shock to know that bank officials have called respondent for the approvals and confirmation upon which office bearers of the respondent have denied that "no such aloottee is there by such name

as on date or may be cancelled if any was". Due to which the Bank cancelled the approval of the home loan. When the complainant reached the site and was shocked to know that even the said demands were even raised without reaching the particular milestone as stated in the respective demand letters.

- V. That consequently and without the lapse of time stated in the earlier demand, respondent with ulterior motive and malafide intention again issued a demand letter dated 03.07.2024 with an enhanced demand of Rs. 13,18,664/- for the same no. of slabs i.e. 125, which was also stated in the earlier demand dated 25.06.2024 but with an demanding amount of Rs. 10,98,835/-.
- VI. That despite been given a specific period respondent issued a mail regarding the interest to be charged on the delayed payment. The complainant on 15.07.2024 at 4:58 pm, issued a mail in revert to the aforesaid e-mail stating his inability to pay the current instalments/dues due to family medical emergency and agreed to clear the dues and requested for the updated payment schedule and terms so the same may be complied accordingly. The complainant while awaiting for a fresh schedule of the payment against the said dues, got revert on the same day just after 12 minutes of his mail on 15.07.2024 at 05.07 pm from respondent's end for the cancellation of the unit of complainant. The complainant was in utter shock and disguise that the respondent instead of sending the

scheduled of the payment, cancelled the said unit despite assurance from the complainant to clear the dues.

- VII. That the complainant immediately reverted on said mail dated 15.07.2024 for knowing the reason why such unjustified, illegal, arbitrary and unwarranted cancellation of his unit has been done by respondent. The respondent without considering the earlier mails of the complainant "due to non-payment of the dues, your unit has been cancelled as per the Haryana Government's "Affordable Housing Policy, 2013". The complainant strongly objected on the such act of respondent vide its email on the same day i.e.15.07.2024 at 5:33 pm itself stating firstly providing the specific annexure and section of the Haryana Government's "Affordable Housing Policy, 2013, where cancellation due to non-payment is stated, secondly that no formal notice or reminder has been issued from your end for cancellation, all the notices were of demanding payment and charging interest only. However, respondent instead replying to the said legal objections of complainant and continuous follow-ups from complainant on 19.07.2024 through email at 10:47 am and 12:59 pm raising the same objections, respondent vide their email dated 19.07.2024 on the trail mail of complainant asked complainant to collect the refund cheque once it is ready, for which he will be intimated from respondent's office.
- VIII. That the complainant meet officials of respondent and raised the objections against the wrong cancellation however but in

vain. Despite the said cancellation was completely illegal and against the procedure laid in the Affordable Housing Policy, 2013 and intimating the said procedure to respondent, respondent simply stated that the said cancellation cannot be reverted and they cannot do anything now and accordingly asked complainant to come only when the refund cheque is ready from respondent's end and for which he will be accordingly informed.

- IX. That on 13.08.2024 the respondent refunded the amount of Rs. 7,30,057/- to the complainant out of the total consideration being paid for an amount of Rs. 8,67,563.50/- without any justification that how the said calculation has been gained from their end for deducting the huge amount of Rs. 1,37,506.50/- complainant again visited for the grievances but respondent did not pay any heed towards the said grievances of complainant.
- X. That the complainant got issued legal notice dated 31.10.2024 to the respondent and its directors the same was duly served to them on 02.09.2024 vide consignment details No. ED660508953IN and ED660508975IN, however consignment No. ED660508984IN and ED660508940IN were deliberately refused by the respondent.
- XI. That the respondent completely in violation of clause 5(i) of Haryana Government's "Affordable Housing Policy, 2013, Illegally and wrongly cancelled the unit of complainant in the following manner:-
- a) Firstly, no reminder was issued directing the complainant for depositing the due installments within a period of 15 days from the

date of issue of such notice; b) Secondly, no such list of defaulters was published by respondent in one regional Hindi news-paper having circulation of more than ten thousand in the State for payment of due amount within 15 days from the date of publication of such notice, failing which allotment may be cancelled; However, respondent does not make any publication in the any Hindi news-paper in respect to the said due amount. c) Thirdly, respondent was only entitled to deduct an amount of Rs 25,000/- and the balance amount shall be refunded to the applicant, However, the respondent deducted an amount of Rs. 1,36,917/- without any justification and in complete violation of the afore-stated policy.

XII. That respondent were bound to follow by the procedure being laid down under the afore-stated policy from appointment to cancellation of complainant's unit, However, respondent simply flouted the said government norms and proceeded against the specific procedure laid down by the Government under the policy.

C. Relief sought by the complainant:

4. The complainant has sought following relief(s).
 - i. Direct the respondent to withdraw the cancellation of the unit of the complainant dated 15.07.2024.
 - ii. Direct the respondent to accept the due amount as on date for the consideration of the unit under provisions of Haryana Government Affordable Housing Policy 2013.

- iii. Direct the respondent to compensate the complainant for Rs.5,00,000/- for causing mental agony.
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: -
- i. That That the complainant applied for a unit in the project and with successful draw of lots, the unit no. t10-501, 5th Floor, carpet area 638 sq. ft. was allotted on 18.01.2022 for a basic sale consideration of Rs 27,89,470/- against which an amount of Rs 8,16,974/- was paid by the complainant.
 - ii. That it is pertinent to mention that the complainant has failed to make timely installment/payments as per the agreed schedule. This non-compliance resulted in a breach of contract, leaving the respondent with no option but to cancel the allotment under clause 5 of the Affordable Housing Policy, 2013.
 - iii. That it has been alleged by the complainant that no reminders were issued for cancellation to him just demands were issued, however it is pertinent to mention here that the respondent has on various occasion requested the complainant to make the payment of the pending installments, as the construction at the project site is at full swing & the respondent builder intends to complete the

- project within the stipulated timelines, but same fell on deaf ears as the complainant was adamant on not making any payment .
- iv. That the respondent has acted in good faith and in strict compliance with the law. At every stage, reminders were issued to the complainant to ensure compliance. Despite these efforts, the complainant failed to fulfill payment obligations, leading to the cancellation of the unit. Due to the complainant's failure to make the payment of the due instalment, the respondent was compelled to publish in two newspapers with respect to the cancellation of the allotment of Unit T10-501, and the same was complied with on 13.07.2024, following due process as prescribed under the Haryana Affordable Housing Policy, 2013.
- v. That the complainant, in the complaint, has claimed to have paid an amount of Rs. 8,67,563/- to the respondent. However, it is pertinent to submit that an arbitrary amount of Rs. 50,000/- was deposited on 19.07.2025 by the complainant after the cancellation of the unit. It is further submitted that the outstanding dues against the said unit were substantially higher than the nominal amount deposited by the complainant.
- vi. That depositing such a nominal and arbitrary amount by the complainant cannot be construed as payment toward the substantial outstanding dues, which were significantly higher. The said small deposit does not reflect any bona fide intention to clear

the dues nor can it be treated as indicative of any subsisting interest in the unit after cancellation.

- vii. That the respondent has issued various reminder and a final reminder has sent to the complainant on 03.07.2024 to clear the outstanding due, but the same was not complied with. Leading to cancellation and refund of amount paid by the complainant by way of RTGS on 14.08.2024.
- viii. That it is equally important to mention that on 25.06.2024, a demand letter was issued to the complainant, calling upon him to make payment of Rs. 10,98,835/- in total against all the dues pending till date and including the installment of "*At the time of casting of 125 slabs*", with the payment due by 05.07.2024. Subsequently, another demand letter dated 03.07.2024 was issued for the same installments due, demanding a sum of Rs. 13,18,664/-. The variation in the amounts mentioned in both demand letters does not indicate any inconsistency or arbitrariness on part of the respondent. Subsequent demand letter dated 03.07.2024 was merely a rectified demand, incorporating the interest component that had inadvertently been omitted in the earlier communication. It is further pertinent to mention that no interest whatsoever was charged on the installment of "*At the time of casting of 125 slabs*" that were due for payment by 05.07.2024. The computation of interest reflected in the rectified demand letter dated 03.07.2024 pertained exclusively to the earlier outstanding demands which

the complainant had failed to discharge within the stipulated time.

The inclusion of such interest was therefore lawful, justified, and in accordance with the applicable terms and conditions governing payment obligations.

- ix. That the cancellation is neither arbitrary nor illegal but a necessary step to ensure the financial viability and timely completion of the project. Despite repeated reminders and request for the due instalments, the complainant has failed to pay the pending installments. The complainant alleges that demands raised by the respondent were excessive and premature. However, this is factually incorrect. All demands were in line with the construction-linked payment plan approved under the Affordable Housing Policy, 2013.
- x. That the complainant's delayed payments disrupted the cash flow necessary for the project's timely completion. Despite this, the respondent exercised patience and refrained from cancelling the allotment until repeated defaults made it untenable
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, 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.

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) 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 relief sought by the complainant

F.I Direct the respondent to withdraw the cancellation of the unit of the complainant dated 15.07.2024.

F.II. Direct the respondent to accept the due amount as on date for the consideration of the unit under provisions of Haryana Government Affordable Housing Policy 2013.

12. The above-mentioned relief are being taken together as the findings in one relief will definitely affect the result of the order relief. Accordingly, the same are being taken up together for adjudication.
13. The complainant was allotted unit no. T10-501 having carpet area of 638 sq. ft, in the project "Diplomats Golf Link" by the respondent/builder for a total consideration of Rs.27,00,00/- under the Affordable Group Housing Policy 2013 vide allotment letter dated 18.01.2022. The complainant has paid a sum of Rs.8,16,974/-.
14. It is observed that the complainant has failed to pay the remaining amount as per schedule of payment and which led to issuance of notice for cancellation by the respondent/builder after issuance of notice in the newspaper.
15. Now, the question before the authority is whether this cancellation is valid or not. According to clause 5(iii)(i) of the Affordable Group Housing Policy, 2013 which produce as under:

"If any successful applicant fails to deposit the installments within the time period as prescribed in the allotment letter issued by the colonizer, a reminder may be issued to him for depositing the due installments within a period of 15 days from the date of issue of such notice. If the allottee still defaults in making the payment, the list of such defaulters may be published in one regional Hindi newspaper having circulation of more than ten thousand in the State for payment of due amount within 15 days from the date of publication of such notice, failing which allotment may be cancelled. In such cases

also an amount of Rs 25,000/- may be deducted by the coloniser and the balance amount shall be refunded to the applicant. Such flats may be considered by the committee for offer to those applicants falling in the waiting list".

16. It is observed that the complainant failed to pay the remaining amount as per schedule of payment. The respondent has sent various demand letter dated 30.10.2023, 13.01.2024, 23.04.2024, 25.06.2024, 03.07.2024 and published a notice in the newspaper on 13.07.2024 which led to issuance of notice for cancellation by the respondent. The respondent on various dates has informed the complainant that their unit was cancelled on 15.07.2024, 19.07.2024 and 31.07.2024 respectively. The final cancellation was informed to the complainant on 31.07.2024.
17. The respondent has cancelled the unit as per the provisions of the policy and is valid one. However, the respondent has refunded the amount of Rs.7,30,057/- to the complainant as per the documents available on record. The same is not in compliance as per the as per the provisions of clause 5(iii)(i) of the Affordable Housing Policy, 2013 wherein the respondent is liable to deduct only Rs. 25,000/-. However, in the present case the respondent deducted more than Rs. 25,000/-.
18. Therefore, the respondent is directed to refund the paid-up amount of Rs.8,16,974/- to the complainant after deduction of Rs.25,000/- as per the provisions of clause 5(iii)(i) of the Affordable Housing Policy, 2013 along with interest at the prescribed rate i.e., 10.80% per annum as prescribed under rule 15 of the Rules, 2017, on such balance amount from the date of cancellation i.e., 31.07.2024 till its actual realisation.

The amount of Rs.7,30,057 already refunded by the respondent shall be deducted from the amount so assessed.

F.III Direct the respondent to compensate the complainant for Rs.5,00,000/- for causing mental agony.

19. The complainant is seeking relief w.r.t. compensation in the above-mentioned relief. Hon'ble Supreme Court of India in *civil appeal nos. 6745-6749 of 2021 titled as M/s Newtech Promoters and Developers Pvt. Ltd. V/s 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. Therefore, for claiming compensation under sections 12, 14, 18 and section 19 of the Act, the complainant may file a separate complaint before Adjudicating Officer under section 31 read with section 71 of the Act and rule 29 of the rules.

G. Directions of the authority

20. 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 is directed to refund the paid-up amount of Rs.8,16,974/- to the complainant after deduction of Rs.25,000/- as per the provisions of clause 5(iii)(i) of the Affordable Housing

Policy, 2013 along with interest at the prescribed rate i.e., 10.80% per annum as prescribed under rule 15 of the Rules, 2017, on such balance amount from the date of cancellation i.e., 31.07.2024 till its actual realisation. The amount of Rs.7,30,057 already refunded by the respondent shall be deducted from the amount so assessed.

- 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.

21. Complaint stands disposed of.

22. File be consigned to registry.


(Phool Singh Saini)

Member


(Arun Kumar)

Chairman

Haryana Real Estate Regulatory Authority, Gurugram

Dated: 06.01.2026