

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

Complaint no.: 2914 of 2024
Date of filing of complaint: 28.06.2024
Date of Order: 27.01.2026

1. Sunil Kumar Jain

2. Anupam Jain

Both R/o: 502 / 23, Heritage City, M. G. Road,
Gurgaon, Haryana - 122009.

Complainants

Versus

M/s Vatika Limited.

Regd. office: Vatika Limited, INXT City Centre,
Ground Floor, Tower -A, Sector-83, Vatika India Next,
Gurugram 122012, Haryana, India

Respondent

CORAM:

Shri Arun Kumar

Shri Phool Singh Saini

APPEARANCE:

Shri Sunil Kumar Jain (Advocate)

Shri Venkat Rao (Advocate)

**Chairman
Member**

**Complainants
Respondent**

ORDER

1. The present complaint has been filed by the complainants/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 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 the project, the details of sale consideration, the amount paid by the complainants, the date of proposed handing over of the possession, and the delay period, if any, have been detailed in the following tabular form:

S. No.	Particulars	Details
1.	Name of the project	"Vatika Tower- Tower-C"
2.	Location of the project	Golf Course Road, Gurugram
3.	Nature of the project	Commercial
4.	Unit and Floor no.	P-91 (As mentioned in receipt issued by respondent-promoter at page no.60 of the complaint)
5.	Unit area admeasuring	750 sq. ft. (Super Area) (As mentioned in BBA at page no.22 of the complaint)
6.	Application form (signed by Sunil Kumar Jain and Sudha Jain)	Received by respondent on 27.03.2015 (page 53-59 of complaint)
7.	Assured return clause [as mentioned in application form]	3.Payment plan Assured return plan: - Monthly Rent. Commitment @Rs.120/- per sq. ft. super area per month Rs.129.73/- (till completion) (As mentioned in application form on page no. 55 of the complaint)
8.	Acknowledgment application form (To Sunil Kumar Jain and Sudha Jain)	of 17.08.2015 (Page 44 of reply)
9.	Assured return clause [as per acknowledgment of application form]	a) Assured monthly commitment of Rs.129.2/- per sq. ft. payable till completion of the project. b) Post completion of the project an amount equivalent to Rs.120/- per sq. ft. super area of the unit per month shall be paid

		as committed return from the date of completion of construction of the said unit, for upto 36 months or till the said unit is put on lease, whichever is earlier. [Emphasis Supplied] (as per acknowledgment of application form at page 44 of reply)						
10.	Assured returns paid	<table border="1"> <tr> <td>To Sudha Jain</td> <td>Rs. 4,37,805/- From July, 2015 till January, 2016. (as mentioned in table provided by respondent at page 48 of reply)</td> </tr> <tr> <td>To Anupam Jain</td> <td>Rs. 16,05,285/- From February, 2016 till October, 2018. (as mentioned in table provided by respondent at page 49 of reply)</td> </tr> <tr> <td>To Sunil Kumar Jain</td> <td>Rs. 20,43,090/- From July, 2015 till October, 2018. (as mentioned in table provided by respondent at page 50 of reply)</td> </tr> </table>	To Sudha Jain	Rs. 4,37,805/- From July, 2015 till January, 2016. (as mentioned in table provided by respondent at page 48 of reply)	To Anupam Jain	Rs. 16,05,285/- From February, 2016 till October, 2018. (as mentioned in table provided by respondent at page 49 of reply)	To Sunil Kumar Jain	Rs. 20,43,090/- From July, 2015 till October, 2018. (as mentioned in table provided by respondent at page 50 of reply)
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To Sunil Kumar Jain	Rs. 20,43,090/- From July, 2015 till October, 2018. (as mentioned in table provided by respondent at page 50 of reply)							
11.	Allotment letter	Not Provided						
12.	Date of execution of buyer's agreement	Not executed						
13.	Possession clause	Not Available						
14.	Due date of possession	17.08.2018 <i>"Fortune Infrastructure and Ors. vs. Trevor D'Lima and Ors. (12.03.2018-SC); MANU/SC/0253/2018</i> Hon'ble Apex Court observed that "a person cannot be made to wait indefinitely for the possession of the flats						

		<p><i>allotted to them and they are entitled to seek the refund of the amount paid by them, along with compensation. Although we are aware of the fact that when there was no delivery period stipulated in the agreement, a reasonable time has to be taken into consideration. In the facts and circumstances of this case, a time period of 3 years would have been reasonable for completion of the contract.</i></p> <p>In view of the above-mentioned reasoning, the date of the acknowledgment of application from on 17.08.2015 ought to be taken as the date for calculating the due date of possession. Therefore, the due date for handing over the possession of the unit comes out to be 17.08.2018</p>
15.	Total Sale Consideration	Rs.1,15,59,000/- (As mentioned in settlement agreement at page 88 of complaint and as mentioned in SOA at page 46 of reply)
16.	Amount paid against the unit	Rs.1,15,59,000/- (As mentioned in settlement agreement at page 88 of complaint)
17.	Settlement agreement	14.10.2022 (As per page no. 87-92 of complaint)
18.	Terms of settlement agreement	In lieu of Unit no.-P91 (admeasuring 750 sq. ft.) for a total sale consideration of Rs.1,15,59,000/-:

		(A) The respondent-promoter offered two alternative unit bearing no. = (i) 509B admeasuring 500 sq. ft. super area for a total value of Rs.38,53,000/- in Project "Business Park" and (ii) 611 admeasuring 1000 sq. ft. super area for a total value of Rs.77,06,000/- in Project "Business Park"
19.	Fresh BBA w.r.t new unit's in terms of settlement agreement	11.10.2022 with Sunil Kumar Jain and Anupam Jain [For unit no. 611 admeasuring 1000 sq. ft. super area for a total value of Rs.77,06,000/- in Project "Business Park-A"] (page 55-88 of reply)
		11.10.2022 with Sunil Kumar Jain and Anupam Jain [For unit no. 509B admeasuring 500 sq. ft. super area for a total value of Rs.38,53,000/- in Project "Business Park-A"] (page 89-122 of reply)
20.	Lease Rent paid to complainants	Form September, 2023 to November, 2024 (page 122-124 of reply)
21.	Occupation certificate (for project - Business Park-A)	30.12.2010 (taken from complaint bearing no. 4114/2024 of the same project)

B. Facts of the complaint:

3. The complainants have made the following submissions:

- i. The builder in question has violated Section 3 of the Real Estate (Regulation and Development) Act, 2016, which mandates that all real estate projects, including ongoing ones, must be registered under the Real Estate Regulatory Authority (RERA). The absence of RERA registration is a serious infraction, as it ensures that the project complies with the regulations and provides transparency and protection to homebuyers. Despite this requirement, the builder failed to obtain and provide the necessary registration for their project, putting the complainants in a precarious position with respect to the project's legality and their investment security.
- ii. That an application dated 27.03.2015 for office space of 750 sq. ft. (vide reference P-91 in response to email dated 26.03.2015 from the respondent company) was executed with Rs.8,00,000/- as booking amount vide customer id No. - 15-04-0229571. Rs.1,15,59,000/- in total was paid with terms of assured returns @ Rs.129.73 per sq. ft. per month till completion and Rs.120/- per sq. ft. per month on the first lease guarantee on a monthly rental commitment till Three years from possession (as per application and email dated 26.03.2015). Mr. Ashutosh, who issued an application form consisting of 7 pages containing particulars of complainants, details of the commercial space booked, commitment of returns and rentals, and terms and conditions of booking.
- iii. That the builder has also violated Section 11(4)(b) of the Real Estate (Regulation and Development) Act, 2016, which requires promoters to explicitly disclose the timeframe for project completion. The terms and conditions of the booking application provided by the builder failed to

specify the completion date, leaving potential buyers without crucial information regarding when they can expect the project to be finished. This omission is a significant breach of the law, as it deprives buyers of a clear timeline and undermines their ability to plan their finances and future accordingly.

- iv. That the builder has further contravened section 13 of the Real Estate (Regulation and Development) Act, 2016, by failing to issue the necessary allotment letter and builder-buyer agreement. This section of the RERA Act mandates that the promoter must provide these documents to the buyers, ensuring that the terms of the sale are transparent and legally binding. Despite multiple communications and assurances from the respondent company, including an email dated June 3, 2015, which was acknowledged by the company on June 4, 2015, promising to issue the allotment letter and the first payout cheque by June 10, 2015, these documents were never provided to the complainants.
- v. That on failure to deliver the allotment letter and builder-buyer agreement represents a significant breach of the RERA Act. These documents are essential as they outline the terms and conditions of the sale, the schedule of payments, and the obligations of both parties. Without these, the buyers are left without legal recourse and clarity regarding their investment, which significantly impacts their rights and protections under the law. The respondent company's repeated promises without follow-through indicate a lack of adherence to statutory obligations, further undermining the trust and confidence of the buyers.
- vi. The builder has violated Section 12 of the Real Estate (Regulation and Development) Act, 2016, by providing false information regarding the

status of the project. During a personal meeting, the complainants were informed that the project would not proceed due to technical issues. Consequently, an email dated May 9, 2017, was sent to the respondent company, requesting a refund or a transfer to another project. However, on May 11, 2017, the respondent company falsely assured the complainants that construction would commence in November 2017. This act of providing misleading information reflects dishonest intentions and is a clear breach of the obligations set forth by RERA to ensure transparency and honesty in real estate dealings.

- vii. Furthermore, this false information has financial and emotional repercussions for the buyers. Believing that construction would start in November 2017, the complainants might have adjusted their financial plans and timelines based on this misinformation. When the promised construction did not commence, the buyers were likely left in a precarious position, unable to plan their next steps or recoup their investment. This situation exemplifies the critical need for promoters to adhere strictly to RERA regulations, ensuring that all communications and information provided are accurate and truthful.
- viii. That the respondent company's failure to respond to continuous requests for updates is a direct violation of Section 11(4)(c) of the RERA Act, 2016. This lack of communication and transparency severely impacts the complainants' ability to monitor their investment, leading to significant financial and emotional strain. It underscores the necessity for strict adherence to RERA provisions to ensure that homebuyers are kept informed, enabling them to make well-informed decisions and maintain confidence in their real estate investments.

- ix. That the builder's abrupt suspension of assured returns on November 9, 2018, citing new laws affecting return-based projects, constitutes a violation of Section 11(4)(a) of the Real Estate (Regulation and Development) Act, 2016. This section mandates that promoters must adhere to the terms and conditions of the agreement made with the allottees. The suspension of the assured returns not only breaches the specific terms of the booking agreement but also undermines the trust and expectations that the buyers had based on the initially agreed-upon conditions.
- x. That the builder has violated section 12 of the Real Estate (Regulation and Development) Act, 2016, by providing misleading communications regarding the cessation of assured returns. Specifically, the emails dated November 30, 2018, December 6, 2018, December 19, 2018, and April 11, 2019, falsely cited regulatory changes as the reason for stopping the assured returns. Section 12 of the RERA Act is designed to protect allottees from false statements and ensure that promoters provide accurate and truthful information about the project and any changes affecting it.
- xi. That the builder has violated Section 11(4)(b) of the Real Estate (Regulation and Development) Act, 2016, which mandates promoters to adhere to the terms of the agreement and disclose the timeframe for project completion. Despite promises made in an email dated November 30, 2018, that construction would commence in April 2019, this commitment was not honored. Additionally, the assured returns were neither paid nor reconciled as promised. This failure to start construction

as scheduled and the neglect to fulfill the financial commitments constitute a serious breach of the obligations under RERA.

- xii. That the builder's non-response to a letter dated December 6, 2018, which requested the allocation of a unit number, a site visit, the RERA registration number, and the issuance of assured return cheques, constitutes a violation of Section 11(4)(a) of the Real Estate (Regulation and Development) Act, 2016. This section mandates promoters to be responsive to allottees' queries and to provide the necessary information as part of their duty to adhere to the terms and conditions of the sale agreement. The non-response also includes the failure to address the issuance of assured return cheques, which is a critical financial matter for the buyers. These cheques represent a significant part of the financial agreement and assurance provided by the promoter. By ignoring this request, the promoter exacerbates the financial uncertainty and distress experienced by the complainants, who rely on these returns as part of their investment strategy. The builder's non-response to emails dated 08.12.2018, 24.01.2019, 25.01.2019 and 12.06.2019, regarding the discontinuation of assured returns constitutes a violation of Section 11(4)(a) of the Act, 2016.
- xiii. That Assured returns are a vital aspect of the financial agreement between the promoter and the buyers, offering a form of financial security during the project's development phase. The sudden discontinuation of these returns without proper communication or explanation severely impacts the buyers' financial planning and trust in the promoter. The repeated emails from the complainants highlight their

concern and need for clarification, which were consistently ignored by the respondent company.

- xiv. That despite previous instances of misleading communications, the company continued its deceit by making further false assurances regarding the commencement of construction and the possibility of reallocating to another unit. This pattern of deception not only breaches the legal obligation to provide accurate and truthful information but also undermines the trust and confidence of the buyers. In the email dated June 21, 2019, the Respondent Company falsely promised the initiation of construction, raising false hopes and expectations among the complainants. Additionally, the mention of reallocating to another unit suggests a lack of commitment to fulfilling the original agreement, further exacerbating the uncertainty and distress experienced by the buyers. Moreover, this repeated pattern of deceit reflects a lack of integrity and accountability on the part of the promoter.
- xv. That advertising the project in the email without addressing the ongoing issues and failures misleads potential investors about the project's status and viability. This continued false advertising perpetuates a false image of the project's success and attractiveness, potentially luring unsuspecting investors into making uninformed decisions. Such deceptive practices not only harm the interests of investors but also erode trust in the real estate sector as a whole. The failure to address the concerns raised in the email dated 24.12.2020, reflects a broader pattern of disregard for the interests and rights of the allottees.
- xvi. That the complainants have endured an extensive period of 90 months, up to October 2022, without any success in their investment endeavors.

Over the past 48 months, the respondent company has failed to fulfill its obligation to pay assured returns, further exacerbating the financial distress experienced by the complainants. Meanwhile, during this same period, similar investments in Gurgaon have appreciated threefold, highlighting a stark contrast in outcomes. Particularly distressing is the situation of one complainant, a senior citizen, who has borne the brunt of the respondent company's fraudulent actions, leaving them in the same position without any progress or return on their investment.

- xvii. That on 14.10.2022, the complainants were coerced into accepting a property swap under duress via a forced settlement agreement, receiving a lower-value property. This action flagrantly violates the principles of fair dealing and breaches both Sections 11(4)(a) and 11(4)(b) of the RERA Act, 2016. The forced property swap not only disregards the complainants' rights but also subjects them to further financial detriment by compelling them to accept a lower-value property in exchange for their investment.
- xviii. That the forced settlement agreement imposed on the complainants compelled them to withdraw from a case they were not even part of (EOW FIR 36 of 2021 dated February 14, 2021), under coercion. This coercive act constitutes a severe violation of Section 19(4) of the Real Estate (Regulation and Development) Act, 2016, which guarantees the right of allottees to claim refund and compensation without undue pressure or coercion.
- xix. That the complainants have been cheated in all possible respects by the respondent company. They were falsely induced to invest, relying on the goodwill and reputation of the respondent company. Based on

assurances received through email, the complainants, who had other investments with the respondent company, believed in the legitimacy of this opportunity. Consequently, complainants were misled into making further investments. The deceit was compounded when, under forced circumstances, the complainants were coerced into accepting a swap for a low-rated property. This fraudulent conduct has caused significant financial and emotional distress, especially for one of the complainants, who is a senior citizen.

- xx. That the complainants seek appropriate relief under the RERA Act, including compensation for the assured returns and committed rentals up to the date the property was swapped. This compensation is not only for the financial loss incurred but also for the mental agony and distress caused by the respondent company's fraudulent actions. The complainants have invested their hard-earned money, and it is only just that they are compensated for the promised returns and rentals on their initial investment. The relief sought will serve to rectify the financial damage and uphold the principles of equity and justice.

C. Relief sought by the complainants:

4. The complainants have sought the following relief(s):
- i. Direct the respondent to pay all outstanding assured returns at the agreed rates per month from October 2018, with 11% interest as per the original agreement until the date of swapping the property on 14.10.2022. The total amount owed, including interest, is calculated to be Rs. 71,45,276/-.

- ii. Direct the respondent company to pay interest at the rate of 11% per annum, compounded annually, from the date of payment, i.e., 01.04.2015, amounting to Rs.1,15,59,000/-, up to the date of swapping the property on 14.10.2022, totaling Rs.1,14,88,060/-, including interest.
 - iii. Direct the respondent company to register the project with the Real Estate Regulatory Authority (RERA) without further delay and ensure compliance with all regulatory requirements as mandated by law.
 - iv. Prohibit the respondent company from selling any further units in the above project without obtaining the necessary registration under the Real Estate (Regulation and Development) Act, 2016 (RERA), desired approvals, and adhering to the other terms of the RERA Act, 2016.
 - v. Direct the respondent to pay compensation in the amount of Rs. 25 lacs for the mental agony and harassment endured by the complainants as a result of the Respondent Company's fraudulent actions.
 - vi. Direct the respondent company to bear the legal costs incurred by the complainants in pursuing this complaint, amounting to Rs.1,00,000/-.
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) of the Act to plead guilty or not to plead guilty.

D. Reply by the respondent:

6. The respondent has made following submissions:
- i. That the present complainant is liable to be dismissed as the claim of the complainants are already settled vide settlement agreement dated 14.10.2022. The settlement agreement dated 14.10.2022 was mutually agreed by the complainants and the respondent and was signed

- voluntarily without any coercion or dismay. The said settlement agreement, the complainants were provided 2 alternate units and the complainant accordingly surrendered all their rights, title, interest and claim against the units for which the complainants are seeking relief in the present complaint. It was agreed in the settlement agreement that the complainant will have no further claims, disputes and differences of any nature whether monetary or otherwise and shall stands waived, deems cancelled and null and void. it was further undertaken by the complainant that he shall not institute any case/suit/complaint before any court of law for recovery of any amount (including assured return)/damages/compensation etc. against the respondent. Further, the complainants are duly receiving the lease rentals for the alternate units.
- ii. That the complainants in around the year 2015, were looking for investment opportunity and have applied Application Form dated 27.03.2015 for a commercial unit admeasuring 750 sq. ft. for a basic sale consideration of Rs. 1,15,59,000/- in the project "Vatika Towers" (hereinafter referred to as "project") situated at Golf Course Road, Gurgaon, Haryana of respondent company. As per **clause 3** of the application form, the complainant was to be paid Rs. 129.73/- per sq. ft. as commitment charges till completion of the project.
- iii. That the respondent company vide letter dated 17.08.2015 has sent an intimation to the complainants acknowledging the application of booking and allocation of priority number. Vide the said letter, the complainants were allotted priority no. 91 against the booking. The said letter again reiterated the terms of commitment charges to be paid Rs. 129.73/- per sq. ft. till completion of the project. Against the said booking, the complainant had paid an amount of Rs. 1,19,87,608/- against the total

sale consideration with the motive of getting commitment charges as per the agreed terms.

- iv. That abiding by the agreed terms, the respondent had paid an amount of Rs. 40,86,180/- as commitment charges to the complainant till October, 2018. However, after coming into force of the Banning of Unregulated Deposits Scheme Act, 2016 (hereinafter referred as 'BUDS Act'), payment of any such returns schemes on deposits without prior approval of the Concerned Authorities are held to be illegal. Thus, in view of the prevailing law, Respondent stopped making the payment of the commitment charges, to its buyers including the complainants and issued a letter of intimation to all the buyers including the complainants informing that the in view of the prevailing laws, the respondent company has stopped the payment of assured return and further, suspended all the return-based sales. Further, the buyers were also informed that the company is in the process amending the documents/agreements already signed among the parties in the light of the prevailing laws.
- v. That despite informing the complainants about the difficulty in paying the commitment charges, the complainant, with ill motive, had filed a complaint before the Economic Offences Wing (EOW), Delhi and on the basis of the complaint, an FIR bearing No. 36 of 2021 dated 14.02.2021 was registered against the respondent and its directors/ officials. The said matter being civil/ contractual in nature, the complainants and respondent after discussion had amicably resolved and settled the disputes by entering into a settlement agreement dated 14.10.2022. The complainants after carefully going through each and all terms and

conditions of the agreement had voluntarily agreed and signed the same without any dismay.

- vi. That vide the said settlement agreement, as per clause 2(a), it was mutually decided and agreed between the parties that the respondent in lieu of previous booking, shall allot 2 office spaces ("alternate units") to the complainants. The details of alternate units allotted to the complainants are as follows:

Allottee Name	Project Name	Unit No.	Area (Sq. Ft.)
Sunil Kumar Jain	Business Park- A	509B	500
Sunil Kumar Jain /Anupam Jain	Business Park-A	611	1000

- vii. That as per clause 4 of the settlement agreement, it was agreed that the respondent will put the alternate units on lease and the lease rentals shall be paid to the complainants every month. And as per clause 5, clause 11 and clause 13 of the settlement agreement, the complainants agreed to withdraw all the pending cases, FIRs etc. Further, the complainants also undertook to not file any case against the respondent with respect to the units booked in Vatika Towers. As per clause 5, clause 11 and clause 13 of the settlement agreement, the complainants agreed to withdraw all the pending cases, FIRs etc. Further, the complainants also undertook to not file any case against the respondent with respect to the units booked in Vatika Towers. From the above-mentioned clauses of the settlement agreement, the complainants have waived off their rights pertaining to the erstwhile units and have now been allotted alternate units for which they are being paid agreed lease rent on routine basis. In terms of the settlement, the complainants withdrew the FIR bearing no. 36 of 2021 dated 14.02.2021 and recorded a statement regarding closure of investigation for the same. Further, the complainant also undertook to

not file any further complaints, appeals etc. before any court of law with respect to the said unit. However, the present complaint has been filed by the complainants with the ill intention to gain undue profits by misleading the Ld. Authority.

- viii. That the complainants in the said settlement deed also undertook that the complainant shall not have any right, title, interest in the said unit and complainants shall not claim the pending commitment charges etc. with respect to the said unit.
- ix. That the complainants and the respondent had already entered into the agreement for sale dated 11.10.2022 ("agreements") for the unit no. 611 and 509 B in Vatika Business Park. As per clause 18.1 of the said agreement, the complainants had authorised the respondent to put the said alternate units on lease. As per clause 18.2, the complainants agreed that they shall receive the lease rentals from the respondent or its subsidiary after deduction of the expenses incurred. Also, as per clause 18.3 of the agreement, the complainants agreed and undertook that during the tenure of the lease, the complainants shall not claim the physical possession and during the said tenure of lease, it shall be in legal possession of the complainants.
- x. That as per the above terms of the agreement, the alternate units allotted to the complainants were to be leased out by the respondent, that in compliance of the said terms, the respondent company is duly making the payment of the lease rentals to the complainant on monthly basis. The complainants have been paid an amount of Rs.13,44,489/- as lease rentals till December 2024. However, despite receiving the said rentals, the complainants have filed the present complaint to mislead the Ld. Authority and to harass the respondent.

- xi. That at the outset, it is pertinent to mention to bring to attention of this Ld. Authority that the present complainant is an afterthought of the complainant to extort illegitimate money from the respondent. The present complainant is liable to be dismissed as is estopped by doctrine of estoppel. The settlement agreement dated 14.10.2022 was mutually agreed by the parties and was signed without any coercion. It was agreed in the settlement agreement that the complainant will have no further claims, disputes and differences of any nature whether monetary or otherwise and shall stand waived, deemed cancelled and null and void. It was further undertaken by the complainant that he shall not institute any case/suit/complaint before any court of law for recovery of any amount (including assured return)/damages/compensation etc. against the respondent.
7. Copies of all the relevant documents have been filed and placed on record. Their authenticity is not in dispute. Hence, the complaint can be decided on the basis of those undisputed documents and submissions made by the parties.

E. Jurisdiction of the Authority:

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

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 the entire Gurugram District for all purposes 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 the 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 with the obligations cast upon the promoters, the allottees, and the real estate agents under this Act and the rules and regulations made thereunder.

11. Hence, given 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.

F. Findings on relief sought by the complainants:

- F.I** Direct the respondent to pay all outstanding assured returns at the agreed rates per month from October 2018, with 11% interest as per the original agreement until the date of swapping the property on 14.10.2022. The total amount owed, including interest, is calculated to be Rs. 71,45,276/-.
- F.II** Direct the respondent company to pay interest at the rate of 11% per annum, compounded annually, from the date of payment, i.e., 01.04.2015, amounting to Rs.1,15,59,000/-, up to the date of swapping the property on 14.10.2022, totaling Rs.1,14,88,060/-, including interest.
- F.III** Direct the respondent company to register the project with the Real Estate Regulatory Authority (RERA) without further delay and ensure compliance with all regulatory requirements as mandated by law.

F.IV Prohibit the respondent company from selling any further units in the above project without obtaining the necessary registration under the Real Estate (Regulation and Development) Act, 2016 (RERA), desired approvals, and adhering to the other terms of the RERA Act, 2016.

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 complainants booked a commercial plot bearing no. P-91 in the project named as "Vatika Tower-C " at Gurugram, however, subsequently, expressing interest in two office spaces bearing no. 509B and 611 in another project developed by the respondent, namely " Business Park " at Gurugram. Lastly, settlement agreement has been duly executed and mutually signed between the parties on 14.10.2022.
13. The issue which has to be executed by the Authority is whether the present complaint is maintainable under RERA in view of a duly executed and acted upon settlement deed dated 14.10.2022 and entered into by the complainants and the respondent.
14. As per settlement agreement dated 14.10.2022, the respondent has offered an amount of Rs.1,15,59,000/- towards the settlement of the amount invested for the purchase of the office spaces in the project "Business Park".
15. As per clauses 7 and 10 of the settlement agreement, the complainants have agreed not to claim any assured return/committed return from the respondent in future and after receiving the settlement amount, the complainants shall not have any right over the said units and the respondent is free to sale or transfer it in any manner in its choice. The relevant paras are reproduced below for the ready reference:

7. "The first party acknowledges and agreed that after enactment and enforcement of BUDS Act, the payment of assured return/committed return under

the regulated financial schemes has become banned and declared as an offence and all such schemes have been banned under the BUDS Act. The first party further acknowledges that in view of the enactment of BUDS Act, the first part shall not be entitled for any amount towards assured return and undertakes not to claim the same from the second party in future."

10. "That after receiving the entire settlement amount and allotment of the abovementioned new units, the first party shall not have any right, title, interest and lien over the said unit and the second party is free to sale/transfer/lease/licensed and/or deal with it in any manner of its choice."

16. To adjudicate upon the same, the Authority has carefully examined the settlement deed dated 14.10.2022, which is annexed by the complainants. The Authority observes that it is an undisputed and admitted fact that the complainants and the respondent voluntarily entered into settlement deed dated 14.10.2022.
17. The deed of settlement demonstrate that the complainants 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.
18. 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 the complainants produced any evidence of vitiating factors. There is no allegation supported by affidavit or contemporaneous documentation to establish that the complainants were forced, misled, or defrauded into signing the settlement agreement. 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.

19. 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.
20. The complainants are 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.

21. After thorough consideration, the 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. Thus, no directions to this effect.

F.V Direct the respondent to pay compensation in the amount of Rs. 25 lacs for the mental agony and harassment endured by the complainants as a result of the Respondent Company's fraudulent actions.

F.VI Direct the respondent company to bear the legal costs incurred by the complainants in pursuing this complaint, amounting to Rs.1,00,000/-.

22. The complainants are seeking relief w.r.t compensation in the aforesaid relief, **Hon'ble Supreme Court of India in civil appeal titled as M/s Newtech Promoters and Developers Pvt. Ltd. V/s State of UP & Ors. Supra** held that an allottee is entitled to claim compensation 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 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.

23. In view of the above-mentioned facts, the Authority is of the view that the complainants have entered into a settlement agreement dated 14.10.2022 with the respondent and relinquished all their rights with regard to the office

spaces booked by the complainants. And as the complainants have entered into the settlement voluntarily and accepted all its terms and conditions, thus, the complainants cannot seek the relief of assured return/committed at the belated stage. Therefore, in view of the settlement agreement dated 14.10.2022, the relief sought by the complainants is not maintainable. Thus, the complaint is hereby dismissed being not maintainable.

24. Accordingly, the present matter stands disposed of.
25. File be consigned to the Registry.



(Phool Singh Saini)
Member



(Arun Kumar)
Chairman

Haryana Real Estate Regulatory Authority,
Gurugram
Dated: 27.01.2026