

BEFORE THE HARYANA REAL ESTATE APPELLATE TRIBUNAL

Appeal No. 464 of 2025

Date of Decision: August 17, 2026

M/s SRV Automotives Pvt. Ltd. having Office at A-11, Chittranjan Park, New Delhi, India, 110019.

... Appellant–Promoter

Versus

Mr. Ajit Singh, R/o Village Gangaicha Ahir, Bikaner, Rewari, Haryana.

... Respondent–Allottee

CORAM:

Justice Rajan Gupta
Dr. Virender Parshad

Chairman
Member (Judicial)

Present: Mr. Venkat Rao, Advocate, with
Mr. Gunjan Kumar, Advocate,
for the appellant.

Mr. S.K. Tripathi, Advocate,
for the respondent.

ORDER:

RAJAN GUPTA, CHAIRMAN

Present appeal is directed against order dated 05.03.2025 passed by the Authority¹ at Gurugram. Operative part thereof reads as under:

“G. Directions of the Authority.

19. Hence, the authority hereby passes this order and issues the following directions under section 37 of the Act to ensure compliance of obligation cast upon the promoter as per the function entrusted to the authority under Section 34(f) of the act of 2016:

I. Cancellation of the unit allotted to the complainant is set aside. The respondent is directed to reinstate the allotment of the complainant. Furthermore, in case third-party rights have been established with respect to the said unit, the respondent is directed to allot an alternative unit of equivalent dimensions within the same project and at the original price agreed with the complainants followed by execution of builder buyer agreement between the parties. Further, the possession of the unit shall be

¹Haryana Real Estate Regulatory Authority, Gurugram.

handed over to the complainant after obtaining of occupation certificate/CC/part CC from the competent authority as per obligations under Section 11(4) (b) read with Section 17 of the Act, 2016 and thereafter, the complainant is obligated to take the possession within 2 months of the occupancy certificate as per Section 19 (10) of the Act, 2016.

II. The respondent is directed to issue a revised statement of account within a period of 30 days from the date of this order. The complainant is directed to pay outstanding dues within a period of next 30 days.

III. The rate of interest chargeable from the allottee by the promoter, in case of default shall be charged at the prescribed rate i.e., 11.10% by the respondent/promoter which is the same rate of interest which the promoter shall be liable to pay the allottee, in case of default i.e., the delayed possession charges as per Section 2(za) of the Act.

IV. The respondent shall not charge anything from the complainant which is not the part of the buyer's agreement."

2. Factual matrix of the case is that the appellant-promoter launched a residential affordable housing project, namely, "Landmark The Homes" in Sector-81, Gurugram, Haryana, wherein respondent-allottee booked a 1BHK unit bearing No. H-0802 on 8th Floor in Tower No. H, having 348.043 sq. ft. as carpet area and 85.336 sq. ft. as balcony area. The said unit was allotted to the respondent-allottee vide allotment letter dated 09.10.2021. Apartment Buyer Agreement was executed between the parties on 06.12.2021. As per Clause 1(iv) of the Affordable Housing Policy, 2013, due date of possession of the unit was 16.11.2025. Respondent-allottee paid Rs. 7,25,188/- against the total sale consideration of Rs.14,34,840/-. Appellant-promoter had raised demands of further instalments from the respondent-allottee vide letters dated 21.03.2023, 09.04.2023 and 24.04.2023 and due to non-compliance by the respondent-allottee, appellant-promoter issued pre-termination notice on 11.05.2023. Thereafter, appellant-promoter had made publication of the same in the public newspaper on 26.05.2023. As the respondent-allottee failed to comply even after the publication, appellant-promoter ultimately cancelled the unit on 11.08.2023, which compelled the respondent-allottee to approach the Authority by filing a complaint No. 4237 of 2023 for setting aside the cancellation and also sought directions to be issued to the appellant-promoter to handover

possession of the booked unit or similar unit. Respondent-allottee had alleged before the Authority that he had sent mails on 02.03.2023 and 27.03.2023 to the appellant-promoter to raise demands and also on various other issues related to the receipt of incorrect demand letters and he was always willing to pay the amount as per the payment plan, but appellant-promoter never replied to the said mails and cancelled the unit arbitrarily.

3. Stand of the appellant-promoter before the Authority was that the appellant-promoter had issued various demand letters to the respondent-allottee and he failed to comply with the said demand letters which resulted in the cancellation of the allotment. It was also contended that the cancellation was done as per the procedure and law provided under the Affordable Housing Policy, 2013, and thereafter, the unit was allotted to the third party.

4. After considering rival contentions of the parties, the Authority disposed of the complaint vide the impugned order, operative part whereof has been reproduced in para 1 of this order.

5. Feeling aggrieved, the appellant-promoter has filed the present appeal contending that the Authority has erred in setting aside the cancellation and further erred in restoring the allotment of the booked unit or alternate unit in case of third-party rights.

6. On the other hand, learned counsel for the respondent-allottee has contended that the Authority has rightly passed the impugned order as appellant-promoter cancelled the unit arbitrarily after issuing various demand letters which were never received by respondent-allottee, neither through post nor through mail. It was also contended that the appellant-promoter never responded to the e-mails which were sent by the respondent-allottee to raise demands followed by other mails with regard to incorrect demand letters.

7. We have heard learned counsel for the parties and carefully examined the record of the case.

8. It is undisputed that the respondent-allottee has paid a substantial amount towards the total sale consideration in accordance with the agreed payment plan. As per the said plan, the next instalment was due within

18 months from the date of allotment, i.e., on or before 09.04.2023. The record shows that the respondent- allottee, by his emails dated 02.03.2023 and 27.03.2023, proactively communicated to the appellant- promoter that he had not received the demand letter and that the demand letter received by him did not pertain to his allotted unit. This correspondence clearly demonstrates the respondent- allottee's bona fide willingness to discharge his payment obligations as per the payment plan, subject to receipt of a valid demand letter pertaining to his allotted unit.

9. The plea of the appellant-promoter that the demand letters, followed by reminders, were duly sent and that the cancellation was effected in accordance with the procedure prescribed under Clause 5(iii)(i) of the Affordable Housing Policy, 2013, is misconceived. The appellant-promoter failed to produce any dispatch report, postal receipt, or delivery confirmation in respect of the alleged demand letters and reminders issued prior to the newspaper publication. In the absence of such corroborative material, the bare assertion that the notices were "sent", cannot be treated as proof of due service, particularly when the respondent-allottee had specifically pleaded non-receipt and placed on record his emails dated 02.03.2023 and 27.03.2023 highlighting this grievance, none of which was responded to by the appellant-promoter.

10. Since there is no proof that the demand letters and reminders were actually served upon the allottee, the condition precedent for treating the allottee as a "defaulter" and for initiating cancellation proceedings under the Affordable Housing Policy, 2013, remains unfulfilled. Accordingly, the cancellation letter dated 11.08.2023 cannot be sustained in law.

11. In the light of the above discussion, we are, of the considered view that the Authority has rightly set aside the cancellation and directed the reinstatement of the allotment. We find no legal infirmity or procedural irregularity in the order passed by the Authority warranting interference by this Tribunal. The appeal is accordingly found to be without any merit and is hereby dismissed.

12. Copy of this order be sent to parties/their counsel and the Authority below.

13. File be consigned to records.

Justice Rajan Gupta
Chairman
Haryana Real Estate Appellate Tribunal

Dr. Virender Parshad
Member (Judicial)

August 17, 2026/mk