BEFORE THE HARYANA REAL ESTATE REGULATORY AUTHORITY, GURUGRAM

Complaint no.	**:**	**6153 of 2024**
Date of complaint	**:**	**13.12.2024**
Date of order	**:**	**07.04.2026**

Sewa Singh
Dharamvir Singh
Both R/o: - Village Talwara P.O
Mandi Gobdindgarh, Punjab-147301 **Complainants**

Versus

M/s Orris Infrastructure Private Limited
Office at: H.D Trade Centre, Sohna Road, Gurugram **Respondent**

CORAM:
Shri Arun Kumar **Chairman**
Shri Phool Singh Saini **Member**

APPEARANCE:
Manual Mittra(Advocate) Complainants
Charu Rustagi (Advocate) Respondent

ORDER

1. The present complaint has been filed by the complainant/allottee under section 31 of the Real Estate (Regulation and Development) Act, 2016 (in short, the Act) read with rule 28 of the Haryana Real Estate (Regulation and Development) Rules, 2017 (in short, the Rules) for violation of section 11(4)(a) of the Act wherein it is *inter alia* prescribed that the promoter shall be responsible for all obligations, responsibilities and functions under the provisions of the Act or the Rules and regulations

made thereunder 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 and location of the project	"Floreal Towers", Sector 83, Gurugram
2.	Nature of the project	Commercial complex
3.	Project area	9.052 acres
4.	DTCP License and validity	260 of 2007 dated 14.11.2007 valid up to 13.11.2024
5.	Name of the licensee	M/s Seriatim Land and Housing Pvt. Ltd.
6.	RERA Registered/ not registered	Not-registered
7.	Unit no.	734, 7th Floor & Tower-B (As per page no. 43 of the complaint)
8.	Unit area admeasuring	1500 sq. ft. (Super area) (As per page no. 43 of the complaint)
9.	MoU for assured return	11.09.2008 (As per page no. 34 of the complaint)
10.	Assured Return clause	*2.After receipt of consideration of Rs.45,00,000/- (Forty Five Lac only)* ***the developer shall give an***

		investment return @68/- per sq. ft. per month i.e., Rs.1,02,000/- *(One Lac Two Thousand only)* ***with effect from 1st October, 2008 on or before 7th day of every month for which it is due up to the first 36 months after completion of the building or till the date the said office space is put on lease, whichever is earlier.*** (As per page no. 36 of the complaint)
11.	Date of space buyer's agreement	27.04.2009 (As per page no. 42 of the complaint)
12.	Date of sanction of building plan	Not provided
13.	Possession clause	***10.1 Schedule for Possession of the said unit*** *The company based on its present plans and estimates and subject to all just exceptions,* ***contemplates to complete construction of the said building/said unit within the period of 36 months from the date of execution of the space buyer agreement by the company or sanction of plans or commencement of construction whichever is later,*** *unless there shall be delay or there shall be failure due to reasons mentioned in clauses (11.1), (11.2), (11.3) and clause (38) or due to failure of allottee(s) to pay in time the price of the said unit along with all other charges and dues in accordance*

		with the schedule of payments given in Annexure I or as per the demands raised by the company from time to time or any failure on the part of the allottee(s) to abide by any terms or conditions of this space buyer agreement.
14.	Due date of possession	24.04.2012 [Note: Due date to be calculated from date of space buyer agreement as the date of sanction of building plan, is not available.]
15.	Total sale consideration	Rs.63,93,610/- (As per statement of account at page 34 of reply)
16.	Amount paid by the complainant	Rs.45,00,000/- (As per SOA annexed with offer of possession dated 30.04.2018 on page no. 34 of the reply)
17.	Payment of Assured return	1,19,34,000/-. Upto June 2018 (As stated by respondent at page no. 2 of the copy of assured return)
18.	Occupation Certificate	16.08.2017 (Tower-A, Ground floor to 18th floor, Tower-B, Ground floor to 2nd floor) (As per page no. 63 of the complaint)
19.	Offer of constructive possession	30.04.2018 (As per page no. 32 of the reply)

20.	Demand letter for payment	04.07.2018 (Page no. 42-43 of reply)
21.	Pre cancellation letter	12.09.2022 (page no. 116 of reply)
22.	Cancellation letter	12.12.2022 (Page no. 118 of reply)

B. Facts of the complaint:

3. The complainant has made the following submissions: -

I. That the respondent was developing and setting up commercial towers by the name of "floreal towers" comprising of tower 'a' and Tower 'B' over an area of 9.052 acres situated at Village Kherki Dhaula, Sector-83, Gurugram, Haryana.

II. That the complainants showed their interest in buying/purchasing a unit in the aforementioned commercial colony/towers namely floreal towers being developed by the respondent.

III. That the respondent had given false assurances and promises to deliver the possession of the unit within 03 years as well as giving monthly assured return to the complainant(s).

IV. That on 11.09.2008, the respondent and the complainants entered into a Memorandum of Understanding dated 11.09.2008 for a proposed office space admeasuring aggregate tentative super are of 1500 sq. ft. in floreal tower, Sector-83, Gurugram, Haryana for a total sale consideration of Rs. 45,00,000/-.

V. That according to clause 2 of the above-mentioned MOU dated 11.09.2008, the respondent had to give monthly assured return of Rs. 1,02,000/- with effect from 01st October 2008 on or before 7th day of every month for which it is due up to the first 36 Months after completion of the building or till the date the said office space is put on lease, whichever is earlier.

VI. That the respondent was continuously paying the monthly assured return till December 2016 and stopped paying thereafter and has not paid even a single installment against assured return/committed return since January 2017 thereby violating the terms and conditions of the said MOU dated 11.09.2008.

VII. That even though the MOU clearly mentions that the respondent is bound to give/pay monthly assured return up to the first 36 Months after completion of the building or till the date the said office space is put on lease, whichever is earlier, the respondent has deliberately failed to do so.

VIII. That thereafter, on 27.04.2009, the respondent and the complainants entered into a space buyer agreement. According to clause 1.1 of the above-mentioned space buyer agreement dated 27.04.2009, the complainants were allotted unit no. 734 on the 07th floor in tower b having an approximate super area of 1500 sq. ft. for a total sale consideration of Rs. 45,00,000/-.

IX. That according to clause 10.1 of the above-mentioned space buyer agreement dated 27.04.2009, the respondent was bound to give possession of the said unit to the complainant within 36 months from the date of execution of the said space buyer agreement. Therefore, the date of possession was 27.04.2012.

X. That in 2012, when the complainants approached the respondent for taking possession of the said unit in accordance with the terms of the space buyer agreement dated 27.04.2009, the complainants were shocked to know that the project is far from being completed.

XI. That thereafter, the respondent had asked for more time to complete the said project and hand over the possession and also offered to continue paying monthly assured return to the complainant in accordance with the MOU dated 11.09.2008 till the first 36 Months after completion of the building or till the date the said office space is put on lease, whichever is earlier.

XII. That the complainants, to protect their hard-earned money agreed to the request of the respondent and granted some more time to the respondent to grant legal and peaceful possession of the said unit.

XIII. That the respondent was continuously paying monthly assured return to the complainant till December 2016 only and stopped paying monthly assured return thereafter.

XIV. That when the complainants tried to approach the respondent for claiming their legal dues and rights in the form of monthly assured return as well as for possession of the said unit, the respondent never gave any satisfactory answer and thereafter started ignoring the complainant.

XV. That even after that, the complainants did not stop chasing the respondent and tried all his efforts to get in touch with the respondent through various telephonic communications but all their efforts went in vain as the respondent was persistent in ignoring the complainants.

XVI. That on 16.08.2017, the respondent received the occupation certificate from the Director, Town & Country Planning Department, Haryana for the said project i.e after almost 64 months from the due date of possession according to the space buyer agreement.

XVII. That thereafter, on 17.08.2017 the respondent issued a Letter to the complainants informing them of having received the OC from the concerned government authority.

XVIII. That when the complainants approached the respondent for possession, it was verbally communicated by the respondent to the complainants that offer of possession will be made soon, although till date, the respondent has not offered possession of the said unit to the complainant.

XIX. That the respondent never had the intention to complete the said project as it has been almost 16 long years that the complainants had paid the entire sale consideration for buying a unit in the said project and the respondent till date has not given possession of the said unit to the complainants. Moreover, the respondent paid the last instalment of monthly assured return in December 2016 and hasn't paid even a single instalment thereafter thereby violating the terms of MOU dated 11.09.2008 as well as the space buyer agreement dated 27.04.2009.

XX. That the complainants being completely unaware of such fraudulent and lucrative schemes being adopted by all the real estate giants/builders to usurp and dupe innocent public of their hard-earned money, believed the fake and false assurances and promises of the respondent which has kept his hard-earned money at stake.

XXI. That not only did the respondent failed to give possession of the said unit to the complainant(s) till date, the respondent also never had the intention to pay monthly assured return to the complainant(s).

C. Relief sought by the complainant:

4. The complainant has sought following relief(s):

   I. Direct the respondent to make legal and complete offer of possession as well as registry of the said unit at the earliest after receiving all the necessary government licenses and approvals from the competent authority.

II. Direct the respondent to pay delayed possession compensation at the prescribed rate of interest to the complainant.

III. Direct the respondent to pay the pending assured return of Rs.1,02,000/- per month due for 44 months (from January 2017 till August 2020) amounting to Rs.44,88,000/- (according to clause 2 of the MOU dated 11.09.2008).

IV. Direct the respondent to pay an additional amount of Rs.2,00,000/- to the complainants towards litigation cost.

V. Direct the respondent to waive off any maintenance charges, cost of parking or any other charges that the respondent may have charged since the respondent has not offered possession till date.

5. On the date of hearing, the authority explained to the respondents/promoters about the contraventions as alleged to have been committed in relation to section 11(4) (a) of the Act to plead guilty or not to plead guilty.

D. Reply by the respondent

6. The respondent has contested the complaint by filing reply on the following grounds: -

I. That in the present complaint, the complainants were allotted unit no. 734, 8th floor, tower a (office space), admeasuring 1500 sq. ft. in the project 'floreal towers', located at sector-83, Gurugram, Haryana for a consideration of Rs. 63,93,610/- as the said unit in question was subject to escalation.

II. That the Memorandum of Understanding was executed between the parties on 11.09.2008 and the Space Buyer Agreement between the parties took place on 27.04.2009 wherein as per Clause 10.1 of the buyer agreement, the respondent was supposed to hand over the possession within a period of 36 months from the date of execution of the space buyer agreement or sanction of plans or commencement of construction whichever is later.

III. That the respondent vide letter dated 26.12.2014 was informed that the construction of the project in question is complete and the payment of the assured return amount shall continue as per the MOU dated 11.09.2008 and also apprised the complainants that the respondent has engaged M/s Cushman & Wakefield to lease the unit of the complainants.

IV. That there was a change in the zoning plan due to which the area/ size of the units was also increased but not more than 10% and the land owner Company, i.e., Seriatim Land and Housing Pvt. Ltd. had sent a letter regarding the approval from Director General Town and Country Planning Haryana vide letter dated 14.03.2014 wherein grant of occupation certificate was requested since the project in question was complete and to deposit compounding charges as per prevailing policies.

V. That on 22.05.2014 a letter was received from DTCP, Haryana by Seriatim wherein the amount of the compounding fees was informed and vide letter dated 06.09.2014, Seriatim informed DTCP regarding making payment of the requisite fees along with the details.

VI. That again the respondent as well as Seriatim vide letters dated 17.11.2014 and 21.04.2016 respectively requested for grant of occupation certificate but the same was issued by the statutory authority only on 16.08.2017.

VII. That it is pertinent to note that the final approval of the building plans/ zonal area was received by the respondent on 24.01.2017 and 25.01.2017 by the DTCP, Haryana.

VIII. That the complainants were offered constructive possession vide letter dated 30.04.2018 along with statement of account for remittance of the outstanding amount accrued upon the complainants.

IX. That immediately after the receipt of the OC, the complainants were apprised about the fact that the OC has been duly received by the respondent and the complainants were thereby offered possession vide letter dated 30.04.2018 and requested the complainants to comply with all the possession formalities and execution of the conveyance deed. The complainants were provided with a statement of account bearing the outstanding the amount of Rs. 16,18,210/- which was accrued outstanding on the part of the complainants wherein the Assured Return for the months January to March 2017 were adjusted in the total outstanding amount.

X. That it is pertinent to note that the project in question was completed by 14.03.2014 and the respondent had the liability of making the payment of the Assured Return 36 months after the completion of the building and thus, the respondent had completely complied with its part of the contract and given the payment of the Assured Return till March 2017.

XI. That it is further pertinent to note that since the complainants were not approaching the respondent in order to take the possession of the unit in question and also to execute the lease related documents, including but not limited to GPA, etc., and therefore, the respondent issued a letter dated 04.07.2018 in favour of the complainants wherein the respondent decided to benefit the complainants further by adjusting a further amount of Assured Return amounting to Rs. 13,77,000/- for a period of April 2017 to June 2018 and thus, the complainants are in receipts of total amount of Rs. 1,21,00,600/- as part of assured return to the complainants from October 2008 to June 2018.

XII. That it is pertinent to note that the complainants were not coming forward to take the possession of the unit in question however, the complainants preferred to file a complaint before the court of Sh. Yash Garg, Ld. District Magistrate, Gurugram, Haryana submitting that the complainants falls under the category of Depositors under the Haryana Protection of interest of Depositors in Financial Establishment Act, 2013 and to register FIR against the respondent under Section 405, 406, 422, 120B of the Indian Penal Code.

XIII. That it if pertinent to note that the complainants were not approaching the respondent in lieu of taking possession of the unit in question, or execution of documents for putting the unit on lease, and were further not complying with the terms of the MOU dated 11.09.2008 and SBA dated 27.04.2009, etc., whereas the respondent was getting burdened with maintaining the unit in question. It is also submitted that the complainants had ignored all the communications with the respondent due to which the respondent is duty bound to levy the delay penalty accrued on the outstanding amount along with holding charges since the complainants were not coming forward to take the possession of the unit in question and not complying with the clauses of the MOU and SBA.

XIV. That the respondent was constraint to issue pre-cancellation letter dated 12.09.2022 in favor of the complainants so that the complainants comply with the terms and clauses of the MOU dated 11.09.2008 and SBA dated 27.04.2009, however the request of the respondent went to deaf ears of the complainants and the respondent was left with no option but to cancel the unit in question which was allotted in the name of the complainants vide cancellation letter dated 12.12.2022. The respondent had cancelled the unit in question in the name of the complainants since the complainants was neither coming forward to take the possession of the unit nor the complainants executed any GPA so that the unit of the complainants could be put on lease. It is further submitted that the complainants were not willing to execute the conveyance deed, separate maintenance agreement and hence, the unit of the complainants was duly cancelled and after adjustment of the already paid amount of the assured return, the respondent was not under the burden of making refund to the complainants on the basis of the clauses/ terms of the MOU dated 11.09.2008.

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 those undisputed documents and submissions made by the parties.

E. Jurisdiction of the authority

The respondent raised a preliminary submission/objection that the authority has no jurisdiction to entertain the present complaint. The objection of the respondent regarding rejection of complaint on ground of jurisdiction stands rejected. 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

8. 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**

9. 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 complainants at a later stage.

F. **Findings on relief sought by the complainants.**

F.I Direct the respondent to make legal and complete offer of possession as well as registry of the said unit at the earliest after receiving all the necessary government licenses and approvals from the competent authority.

F.II Direct the respondent to pay delayed possession compensation at the prescribed rate of interest to the complainant.

F.III Direct the respondent to pay the pending assured return of Rs.1,02,000/- per month due for 44 months (from January 2017 till August 2020) amounting to Rs.44,88,000/- (according to clause 2 of the MOU dated 11.09.2008).

F.IV Direct the respondent to pay an additional amount of Rs.2,00,000/- to the complainants towards litigation cost.

F.V Direct the respondent to waive off any maintenance charges, cost of parking or any other charges that the respondent may have charged since the respondent has not offered possession till date.

11. The above-mentioned relief sought by the complainant are being taken together as the findings in one relief will definitely affect the result of the other relief and the same being interconnected.

I. Assured returns

12. The complainants are seeking unpaid assured returns on monthly basis as per memorandum of understanding dated 11.09.2008 at the rates mentioned therein. It is pleaded that the respondent has not complied with the terms and conditions of the said memorandum of understanding.

13. The money was taken by the builder as a deposit in advance against allotment of immovable property and its possession was to be offered within a certain period. However, in view of taking sale consideration by way of advance, the builder promised certain amount by way of assured returns for a certain period. So, on his failure to fulfil that commitment, the allottee has a right to approach the authority for redressal of his grievances by way of filing a complaint. The builder is liable to pay that amount as agreed upon.

14. It is not disputed that the respondent is a real estate developer, and it had not obtained registration under the Act of 2016 for the project in

question. However, the project in which the advance has been received by the developer from the allottee is an ongoing project as per Section 3(1) of the Act of 2016 and, the same would fall within the jurisdiction of the authority for giving the desired relief to the complainants besides initiating penal proceedings. So, the amount paid by the complainants to the builder is a regulated deposit accepted by the latter from the former against the immovable property to be transferred to the allottees later. In view of the above, the respondent is liable to pay assured return to the complainant-allottees in terms of the memorandum of understanding dated 11.09.2008.

II. Delay possession charges.

15. In the present complaint, the complainants intend to continue with the project and are seeking delay possession charges with respect to the subject unit as provided under the provisions of Section 18(1) of the Act which reads as under:

> "***Section 18: - Return of amount and compensation***
> *18(1). If the promoter fails to complete or is unable to give possession of an apartment, plot, or building, —*
> *..........................*
> *Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed."*

16. The subject unit was allotted to the complainants vide builder buyer agreement dated 27.04.2009. The due date of possession had to be calculated from the clause 10.01 of the buyer's agreement which is reproduced below:-

> ***10.1 Schedule for Possession of the said unit***
> *The company based on its present plans and estimates and subject to all just exceptions,* ***contemplates to complete construction of the said building/said unit within the period of 36 months from the date of execution of the space buyer agreement by the company or sanction***

of plans or commencement of construction whichever is later, unless there shall be delay or there shall be failure due to reasons mentioned in clauses (11.1), (11.2), (11.3) and clause (38) or due to failure of allottee(s) to pay in time the price of the said unit along with all other charges and dues in accordance with the schedule of payments given in Annexure I or as per the demands raised by the company from time to time or any failure on the part of the allottee(s) to abide by any terms or conditions of this space buyer agreement.

17. As per the above stated clause the due date is to be calculated within the period of 36 months from the date of execution of the space buyer agreement by the company or sanction of plans or commencement of construction whichever is later. Since the date of sanction plans is not available, therefore the due date is to be calculated 36 months from the date of execution of the space buyer agreement. Therefore, the due date comes out to be 27.04.2012.

18. **Admissibility of delay possession charges at prescribed rate of interest:** The complainants are seeking delay possession charges. Proviso to Section 18 provides that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of possession, at such rate as may be prescribed and it has been prescribed under Rule 15 of the Rules. ibid. 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."*

19. The legislature in its wisdom in the subordinate legislation under the Rule 15 of the Rules, ibid has determined the prescribed rate of interest. 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., 07.04.2026 is 8.80%. Accordingly, the prescribed rate of interest will be marginal cost of lending rate +2% i.e., 10.80%.

20. The definition of term 'interest' as defined under Section 2(za) of the Act provides that the rate of interest chargeable from the allottee by the promoter, in case of default, shall be equal to the rate of interest which the promoter shall be liable to pay the allottee, in case of default. The relevant section is reproduced below:

> ***"(za) "interest" means the rates of interest payable by the promoter or the allottee, as the case may be.***
> *Explanation. —For the purpose of this clause—*
> *the rate of interest chargeable from the allottee by the promoter, in case of default, shall be equal to the rate of interest which the promoter shall be liable to pay the allottee, in case of default;*
> *the interest payable by the promoter to the allottee shall be from the date the promoter received the amount or any part thereof till the date the amount or part thereof and interest thereon is refunded, and the interest payable by the allottee to the promoter shall be from the date the allottee defaults in payment to the promoter till the date it is paid;"*

21. The occupation certificate was obtained on 16.08.2017 and the possession was offered to the complainants on 30.04.2018. However, till date the complainants have not taken the possession which as per section 19(10) of the Act of 2016 is their obligation to do so.

22. However now, the proposition before it is as to whether the allottee who is getting/entitled for assured return even after expiry of due date of possession, can claim both the assured return as well as delayed possession charges?

23. To answer the above proposition, it is worthwhile to consider that the assured return is payable to the allottees on account of provisions in

the memorandum of understanding. The assured return in this case is payable as per "memorandum of understanding". The rate at which assured return has been committed by the promoter is Rs.68. /- per sq. ft. per month i.e Rs. 1,02,000/- with effect from 1st October, 2008 on or before 7th day of every month for which it is due up to the first 36 months after completion of the building or till the date the said office space is put on lease, whichever is earlier. If we compare this assured return with delayed possession charges payable under proviso to Section 18(1) of the Act, 2016, the assured return is much better i.e., assured return in this case is payable at Rs.1,02,000/- per month till completion of building whereas the delayed possession charges are payable approximately Rs.40,500/- per month. By way of assured return, the promoter has assured the allottee that they would be entitled for this specific amount till completion of construction of the said building or till the date the said office space is put on lease, whichever is earlier.

24. Accordingly, the authority decides that in cases where assured return is reasonable and comparable with the delayed possession charges under Section 18 and assured return is payable even after due date of possession till the date of completion of the project, then the allottees shall be entitled to assured return or delayed possession charges, whichever is higher without prejudice to any other remedy including compensation.

25. However, in the present case, the complainants have already received the assured return for the period from October 2008 to June 2018, amounting to Rs. 1,19,34,000/-. The respondent has placed on record a copy of the statement of assured returns evidencing payment of the said amount. In view of the fact that the complainants have already

received the assured returns, the relief sought in respect thereof is not maintainable.

26. As far as the cancellation of the unit is concerned, the respondent issued an offer of possession along with a statement of account dated 30.04.2018, followed by a demand letter dated 04.07.2018. Thereafter, a pre-cancellation notice was issued on 12.09.2022. Subsequently, the unit was cancelled vide letter dated 12.12.2022.

27. The question that now arises for consideration is whether the cancellation of the unit done by the respondent was valid or not? While offering the possession of the unit on 30.04.2018, the respondent issued a statement of account setting out the amounts payable by the complainants. The demand towards the Interest Free Maintenance Security (IFMS) was payable by the complainants as per Clause 14.2 of the Space Buyer Agreement, while the electricity connection charges were payable as per Clause 14.3 thereof.

28. As the complainants failed to discharge the aforesaid dues reflected in the statement of account, the respondent issued a demand letter dated 04.07.2018. In the said demand letter, the respondent adjusted the outstanding dues and further granted the complainants the benefit of adjustment of assured returns amounting to Rs. 13,77,000/-. Consequently, the amount payable by the complainants was Rs. 2,41,210/- instead of Rs. 16,18,210/-

29. Despite the aforesaid adjustment and concession, the complainants failed to clear the outstanding amount. Thereafter, the respondent issued a pre-cancellation notice dated 12.09.2022, followed by a cancellation letter dated 12.12.2022.

30. The Authority is of the view that, despite the respondent having issued the statement of account and demand letter and having adjusted the

amounts payable by the complainants in accordance with the terms of the Space Buyer Agreement, the complainants failed and did not make any payment towards the outstanding demand. Accordingly, the cancellation of the unit by the respondent is held to be valid.

31. In view of the above, the present complaint is not maintainable and is hereby dismissed with liberty to the complainants to seek appropriate remedies before the appropriate forum in accordance with law.
32. Complaint as well as applications, if any, stands disposed off accordingly.
33. File be consigned to the registry.

(Phool Singh Saini)
Member

(Arun Kumar)
Chairman

Haryana Real Estate Regulatory Authority, Gurugram
Dated: 07.04.2026