

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

Complaint no.: 1029 of 2026
Date of complaint: 12.03.2026
Date of order: 14.08.2026

Milan Kumari

Resident of: House No.586, Street No.3, Ward No.3,
Adarsh Nagar, Gohana, Sonipat, Haryana - 131301.

Complainant

Versus

M/s Renuka Traders Private Limited
Regd. Office At: - B-2/3, KH No. 8/8, Second Floor,
Chattarpur Extension, New Delhi - 110074.

Respondent

CORAM:

Shri Arun Kumar

Chairman

APPEARANCE:

Shri Vinayak Jayaram and Ms. Vinamrata Raj (Advocates)
Ms. Priya Sharma (Advocate)

Complainant

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 there under or to the allottees as per the agreement for sale executed *inter se*.

A. Project and unit related details:

2. The particulars of unit details, sale consideration, the amount paid by the complainant, date of proposed handing over the possession, delay period, if any, have been detailed in the following tabular form:

S. No.	Particulars	Details
1.	Name and location of the project	"Aashiyara", Sector - 37C, Gurugram
2.	Nature of the project	Affordable Group Housing
3.	Project area	5 Acres
4.	DTCP license no.	15 of 2018 dated 13.02.2018 valid up to 12.02.2025
5.	Name of licensee	Renuka Traders Private Limited
6.	RERA Registered/ not registered	Registered 26 of 2018 dated 28.11.2018 valid up to 31.01.2023
	Extension of RERA registration	RC/REP/HARERA/GGM/26 of 2018/7(3)/63/2025/05 dated 07.03.2025 valid up to 29.07.2025
7.	Unit no.	605, 6 th floor & Tower-T5 (2 BHK) (As per clause G of BBA at page no. 26 of the complaint)
8.	Unit area	548.921 sq. ft. (Carpet Area) 76.66 sq. ft. (balcony area) (As per clause G of BBA at page no. 26 of the complaint)
9.	Allotment cum demand letter	05.09.2020 (As per page no. 20 of the complaint)
10.	Date of execution of agreement for sale	21.10.2020 (As per page no. 21 - 51 of the complaint)
11.	Possession clause	7. Schedule for possession of the said Unit/ Apartment - is on or before 31-Jan-2023. The Promoter agrees and understands that timely delivery of possession of the Unit/ Apartment along with parking (if applicable) to the Allottee(s) and the common areas to the association of Allottee(s) or the competent

		<p>authority, as the case may be, as provided under Rule 2(1)(f) of Rules, 2017, is the essence of the Agreement. The Promoter assures to hand over possession of the Unit/ Apartment along with parking (if applicable) as per agreed terms and conditions unless there is delay due to "Force Majeure", Court orders, Government policy/ guidelines, decisions affecting the regular development of the real estate project.</p> <p>[Emphasis Supplied] (As per page no. 33 of the complaint)</p>														
12.	Due date of possession	<p>31.07.2023 [31.01.2023 + 6 months] (Note: As per possession clause at page 33 of complaint + 6 months as per HARERA notification no. 9/3-2020 dated 26.05.2020 for the projects having completion date on or after 25.03.2020)</p>														
13.	Payment plan	Time linked payment plan														
14.	Total sale consideration	<p>Rs.22,34,014/- (As per clause 1.2 of AFS at page no. 27 of complaint)</p>														
15.	Amount paid by the complainant	<p>Rs.19,50,715/- (87.30%) (As per payment receipts at page no. 52 - 54 of complaint)</p>														
16.	<p>Schedule -C Payment plan</p> <table><tr><th>Time of payment</th><th>Percentage of the total price payable</th></tr><tr><td>At the time of submission of the application for allotment</td><td>5% of the total price</td></tr><tr><td>Within fifteen (15) days of the date of issuance of offer of allotment letter</td><td>20% of the total price</td></tr><tr><td>Within six (6) months of the date of issuance of offer of allotment letter</td><td>12.5% of the total price</td></tr><tr><td>Within twelve (12) months of the date of issuance of offer of allotment letter</td><td>12.5% of the total price</td></tr><tr><td>Within eighteen (18) months of the date of issuance of offer of allotment letter</td><td>12.5% of the total price</td></tr><tr><td>Within twenty-four (24) months of the date of issuance of offer of allotment letter</td><td>12.5% of the total price</td></tr></table>		Time of payment	Percentage of the total price payable	At the time of submission of the application for allotment	5% of the total price	Within fifteen (15) days of the date of issuance of offer of allotment letter	20% of the total price	Within six (6) months of the date of issuance of offer of allotment letter	12.5% of the total price	Within twelve (12) months of the date of issuance of offer of allotment letter	12.5% of the total price	Within eighteen (18) months of the date of issuance of offer of allotment letter	12.5% of the total price	Within twenty-four (24) months of the date of issuance of offer of allotment letter	12.5% of the total price
Time of payment	Percentage of the total price payable															
At the time of submission of the application for allotment	5% of the total price															
Within fifteen (15) days of the date of issuance of offer of allotment letter	20% of the total price															
Within six (6) months of the date of issuance of offer of allotment letter	12.5% of the total price															
Within twelve (12) months of the date of issuance of offer of allotment letter	12.5% of the total price															
Within eighteen (18) months of the date of issuance of offer of allotment letter	12.5% of the total price															
Within twenty-four (24) months of the date of issuance of offer of allotment letter	12.5% of the total price															

	Within thirty (30) months of the date of issuance of offer of allotment letter	12.5% of the total price
	Within thirty-six (36) months of the date of issuance of offer of allotment letter	12.5% of the total price
	(As per page no.48 of complaint)	
17.	Demand letter <i>For Out-standing amount of Rs.2,93,217/-</i>	27.05.2022 (As per page no. 24 of reply to the application)
18.	Reminder letter's	03.08.2022, 22.09.2022, 18.10.2022, 17.11.2022, 25.05.2023, 08.01.2024, 09.05.2024, 14.02.2025, 07.04.2025, 11.07.2025 & 24.12.2025 (As per page no. 25 – 35 of reply to the application)
19.	Final notice & Publication in news paper	09.02.2026 (As per page no. 36 – 37 of reply to the application)
20.	Cancellation letter	25.02.2026 (As per page no. 55 of complaint)
21.	Occupation Certificate	Not obtained
22.	Offer of possession	Not offered

B. Facts of the complaint:

3. The complainant has made the following submissions in the complaint:
 - i. That the complainant is a law-abiding citizen of India and has been cheated and defrauded by the malpractices adopted by the respondent(s) as stated to be a builder and is allegedly carrying out real estate development since many years. That the complainant, stands as an "Allottee" within the ambit of Section 2(d) of the Real Estate (Regulation and Development) Act, 2016.
 - ii. The respondent is a "promoter" as per Section 2 (zk) of the Act, who approached the allottee through its authorized representative to dupe them out of their hard-earned money in the name of the development by making several false promises.

- iii. That, in the year 2020, the respondent herein proposed to develop a residential project namely "Aashiyara" in land admeasuring approx. 5 acres situated in the revenue estate of village Gadauli Khurd, Sector-37C, District Gurugram, Haryana. The said housing project was proposed to be developed under the Affordable Housing Policy 2013, issued by the Government of Haryana, vide Town and Country Planning Department Notification dated 19.08.2013. The respondent herein as per the provisions of the Affordable Housing Policy, 2013 undertook and was obligated to hand over the physical possession of the said affordable housing project in four years as per clause 1(iv) of the policy.
- iv. That, on such presentation of proposals/claims by the respondent, the allottee believing in the offer as genuine, coupled with the fact that it is under the affordable housing scheme within the control of Government of Haryana, applied for a 2 BHK residential apartment ad-measuring 548.921 sq. ft. carpet area plus balcony area of 76.66 sq. ft., at a total sale consideration of Rs.22,34,014/- + taxes, by submitting the prescribed 5% of the sale consideration.
- v. That, thereafter, the original allottee was allotted Unit No. 605, Sixth Floor, Tower T5 (2 BHK Type B), admeasuring a carpet area 548.921 sq. ft. (approx.) and 76.66 sq ft (approx.) balcony area in the project "Aashiyara", Sector-37C, District Gurugram, having a total cost of Rs.22,34,014/- excluding taxes.
- vi. That, adhering to the time payment schedule under the published policy, payments totalling approximately Rs.1,11,701/- were made to the respondent before the allotment of the flat as the booking amount by a cheque dated 11.01.2020.

- vii. That, following the allotment, a builder buyer agreement (BBA) was executed between the complainant and the respondent on 21.10.2020. As per the terms of the said agreement and the Affordable Housing Policy, the respondent was under a strict legal obligation to complete the project and hand over the physical possession of the unit within 4 years from the date of approval of building plans or the grant of environmental clearance, which in the present case, was expected by 31.01.2023 (31st January 2023).
- viii. That, the complainant has been highly diligent and regular in making payments as per the construction-linked payment plan. Till date, the complainant has paid a substantial sum of Rs.19,50,517/- approximately, which constitutes nearly 87% of the total sale consideration.
- ix. That, despite the complainant having fulfilled the lion's share of her financial obligations, the respondent has miserably failed to maintain the construction pace. As of March 2026, the project is languishing at approximately 70% completion. The respondent has breached the mandatory timelines prescribed under the Affordable Housing Policy 2013 and the RERA Act, 2016.
- x. That, according to the Section 9.2(i) of the BBA, in case of delay in completion of the project, the allottee can stop making any further payments to the promoter. The promoter shall correct the situation by completing the construction/ development milestones and only thereafter the allottee be required to make the next payment without any interest for the period of such delay.
- xi. That after the initial 6 months delay due to force majeure event, assurances were given to the allottee by the promoter that the possession will be given by June 2023. However, when the allottee contacted the promoter through email dated 08.06.2023 for which the reply came on 13.06.2023 it was



mentioned by the promoter that they hadn't even applied for the Occupation certificate yet meanwhile demanding further payment. Thereafter, the allottee again contacted the promoter in the month of December through email dated 29.12.2023 and found out that the promoter even yet hasn't applied for the occupation certificate. The allottee again contacted the promoter in the month of October via email dated 01.10.2024 regarding the possession of the flat and found out that the promoter has recently applied for the occupation certificate and there will be even more delay with the final allotments. That till date, the complainant/ allottee is unaware of the status of OC and presumes that the respondent is yet to receive the same.

- xii. That the allottee having already paid the majority share and aggrieved by the conduct of the promoter decided to withhold the small remaining amount as was decided by the BBA until there are some assurances of completion of project which was appearing to be more doubtful by each passing day.
- xiii. That, while the project is far from completion and not in a habitable state, the respondent, with mala fide intentions, issued a cancellation notice dated 25.02.2026. The said notice alleges non-payment of the final dues. However, it is submitted that final payments are legally and contractually tied to the "Offer of Possession" and the completion of construction milestones, which the respondent has failed to achieve. That this behaviour of the respondent is arbitrary and is completely in breach of Section 9.2(i) of the BBA.
- xiv. That the act of the respondent in cancelling the allotment is a "predatory practice" aimed at forfeiting the complainant's hard-earned money and profiteering by re-selling the unit at current escalated market rates. Such an act is in direct contravention of Section 18 of the Act, which protects the allottee's right to seek possession with interest for delay, rather than being penalized for the promoter's own defaults.



- xv. That the complainant has reached out to the respondent on multiple occasions seeking the status of the project and the withdrawal of the arbitrary cancellation notice, but the respondent has maintained a defiant silence and has threatened to create third-party rights in the said unit.
- xvi. That the cause of action first arose in 2020 when the booking was made, and it arose again in 2023-24 when the respondent failed to deliver possession. The cause of action is continuous and subsisting as the respondent has issued an illegal cancellation notice on 25.02.2026 and continues to be in default of the delivery of the unit.
- xvii. That, the project has been inordinately delayed. The complainant, therefore, seeks direction to the respondent to handover the physical possession of the unit in question after obtaining the Occupancy certificate and pay interest @ 18% p.a. as interest, towards delay in handing over the property in question, from the due date of possession, till the date of actual handing over of possession of the property.
- xviii. That the present complaint has been made with bona fide intention and the same is not pending for similar relief before any other court of law or any other authority or tribunal.
- xix. That the Authority has jurisdiction to entertain the present complaint since the project is situated in Gurugram which is well within the jurisdiction of this Authority.
- xx. That there is no undue delay on part of the complainant in filing the present complaint before this Authority. The balance of convenience is entirely in the favour of the complainant and against the offending respondent.

C. Relief sought by the complainant: -

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

- I. Direct the respondent to handover the physical possession of unit no.605, Tower- T5, immediately after completing all pending work and obtaining the occupation certificate;
 - II. Direct the respondent to pay delayed possession interest at the prescribed rate of 18% per annum from the promised date of possession until the actual date of handing over;
 - III. To restrain the respondent by way an interim injunction from alienating transferring or creating any third-party interest in the subject unit during the pendency of this complaint;
 - IV. Direct the respondent to pay Rs.1,00,000/- towards litigation expenses incurred by the complainant;
 - V. Pass such order or further order as this Hon'ble Authority may deem fit and proper in the facts and circumstances of the present case.
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 has filed reply to the application under Section 36 of the Act, and contested the complaint on the following grounds.
 - i. That the respondent was granted the registration certificate for the subject project under Section 5 of the RERA Act, on 28.11.2018, by the Haryana Real Estate Regulatory Authority.
 - ii. That Section 36 of the RERA Act empowers this Authority to grant interim relief only in aid of an existing and enforceable right. Since the allotment had already been cancelled prior to the institution of the present proceedings, no subsisting right remained in favour of the Applicant which could be protected by way of an interim injunction restraining creation of third-party rights. Accordingly, the present application is misconceived and liable to be dismissed.



- iii. That the complainant, after conducting independent enquiry and after carefully verifying the details of the respondent Affordable Group Housing Project titled "Aashiyara", situated at the Revenue Estate of Villages Gadauli Khurd, Sector-37 C, District Gurugram, voluntarily applied for allotment of a residential unit under the Draw of Lots system, as mandated under the Haryana Affordable Housing Policy, 2013. The complainant participated and upon being declared successful in the draw, was allotted Unit No. 605 in Tower T-5.
- iv. Pursuant thereto, the respondent provisionally allotted the aforementioned unit to the complainant for a total sale consideration of Rs.23,45,709 /-, inclusive of applicable taxes and other charges, strictly in accordance with the pricing and allotment norms prescribed under the Affordable Housing Policy. Subsequently, an Agreement to Sale dated 21.10.2020 was duly executed between the complainant and the respondent.
- v. That in strict adherence to the Payment Plan prescribed under the Haryana Affordable Housing Policy, 2013, the respondent has been raising demand notices, in accordance with the stages of construction and progress of work, with the objective of ensuring timely execution and completion of the project within the stipulated timeframe as approved by the competent authorities.
- vi. That the respondent, in accordance with the Payment Plan under the Haryana Affordable Housing Policy, duly raised its first demand upon the complainant vide demand notice dated 05.09.2020 payable for the allotted unit based on the stage-wise progress of construction.
- vii. That despite the issuance of the aforementioned demand notice, the complainant failed to clear the outstanding dues within the stipulated time. Consequently, the respondent issued a reminder letters dated 30.09.2020,

- 17.10.2020, and 07.11.2020, once again calling upon the complainant to remit the overdue amount.
- viii. That the respondent, again, strictly in accordance with the Payment Plan under the Haryana Affordable Housing Policy, duly raised a demand upon the complainant vide demand notice dated 27.05.2022 payable for the allotted unit based on the stage-wise progress of construction.
- ix. That it is pertinent to mention that Section 19(6) of the Real Estate (Regulation and Development) Act, 2016, casts a statutory obligation upon the allottee to make necessary payments in the manner and within the time as specified in the agreement for sale. In the present case, the complainant has repeatedly failed to adhere to the agreed payment schedule and has remained in continuous default despite repeated demands, reminders, and opportunities extended by the respondent. Accordingly, the complainant is himself in breach of the statutory obligations imposed upon an allottee under the provisions of the Act.
- x. That the respondent issued the first reminder letter on 03.08.2022 upon the complainant. However, the complainant failed to honor the said demand.
- xi. In view of the continued non-compliance, the respondent company issued multiple reminder letters to the complainant on 22.09.2022, 18.10.2022, and 17.11.2022. Thereafter, further reminders were issued at intervals of 4-5 months, affording the complainant sufficient opportunity to clear the outstanding dues. These reminders were sent on 25.05.2023, 08.01.2024, 09.05.2024, 14.02.2025, 07.04.2025, 11.07.2025, and 24.12.2025. The issuance of these repeated reminders reflects the respondent's proactive approach and its bona fide efforts to provide the complainant ample opportunity to regularize the default.

- xii. That the complainant has been persistently defaulting in making the requisite payments for over a year, despite being afforded multiple opportunities and repeated reminders by the respondent to clear the outstanding dues. The respondent, in adherence to the contractual terms has consistently extended opportunities to the complainant to regularize the default, but the complainant has willfully failed to comply with the agreed payment obligations under the Agreement.
- xiii. That in view of the complainant's continued non-compliance with the agreed payment schedule and as per the Clause 9.3 the agreement, the respondent issued a final notice dated 09.02.2026, calling upon the complainant to discharge all her pending financial obligations under the agreement within the stipulated period. The said notice was issued as a last opportunity to the complainant.
- xiv. That in accordance with Clause 5(i) of the Affordable Housing Policy, 2013, it is expressly provided that "If any successful applicant fails to deposit the instalments 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 instalments 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 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. 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."



In accordance with the aforesaid provision, the respondent duly published a public notice in a regional Hindi newspaper, calling upon the complainant to make the pending payment within the stipulated time. However, despite the said publication, the complainant failed to respond or regularize the default.

- xv. After providing the complainant with ample opportunities, the respondent had no alternative but to cancel the allocation of the said unit, as communicated in the letter dated 25.02.2026
- xvi. That the applicant, after continuously defaulting in making payments for several years and compelling the respondent to issue repeated reminders, statutory notices, and ultimately cancel the allotment in accordance with law, has now attempted to shift the blame upon the respondent by alleging that the project is only 70% complete. Such an allegation is completely contradictory when viewed with the stance being taken by the Applicant in her Application, wherein an Engineer's Report has been annexed, which explicitly demonstrates that Tower-5, wherein the subject unit is situated, had already substantially progressed towards completion and was nearing handover. The applicant cannot be allowed to take mutually destructive stands by relying upon a document which itself disproves the very case sought to be set up before this Authority.
- xvii. Despite the project being nearly ready for possession, the complainant failed to clear the outstanding dues, even after several reminders issued over an extended period. In view of this continued default at the threshold of completion, the respondent was constrained to cancel the allotment, which was fully justified and strictly in accordance with the terms of the agreement.
- xviii. That further the complainant's unit had already been cancelled prior to the filing of the present complaint. Consequently, the complainant does not fall within the definition of an 'Allottee' under the relevant Section 2(d) of the



Real Estate (Regulation and Development) Act 2016. Therefore, the present Complaint is not maintainable and is liable to be dismissed at the very threshold. This position has been affirmed by the Hon'ble Uttar Pradesh Real Estate Regulatory Authority in the matter of Gurmeet Kaur Taneja v. Imperia Structures Ltd., decided on 15.07.2022.

- xix. That as per Section 11(5) of the Real Estate (Regulation and Development) Act, 2016, the Respondent is entitled to cancel the allotment of the unit, in accordance with the terms of the Agreement for Sale, in case of sufficient cause. Accordingly, in light of the repeated defaults committed by the complainant, the respondent exercised its contractual right under the agreement to cancel the allotment. Thus, complainant no longer falls within the purview of an 'Allottee' as defined under Section 2(d) of the RERA Act, and therefore, the present Complaint is not maintainable and is liable to be dismissed on this ground alone.
- xx. That the respondent repeated and diligent efforts to issue multiple reminders and notices clearly reflect its bona fide intention to afford the complainant sufficient and reasonable opportunities to fulfill her contractual obligations under the agreement. Therefore, any allegations regarding the respondent lack of accountability are entirely false and without merit more particularly when third-party rights have already been created pursuant to the valid cancellation of the allotment. It is submitted that the grant of the interim relief now sought would seriously prejudice the rights of third parties and would amount to reversing completed contractual and legal consequences at an interim stage.
- xxi. That in view of the complainant's continued and willful defaults in making timely payments, extending for a period of over one year, the respondent was

left with no option but to initiate cancellation proceedings in accordance with the terms and conditions of the agreement.

- xxii. It is highly pertinent to mention that the complainant's persistent non-compliance has not only caused undue delay in the completion of her own unit but has also adversely impacted the overall progress and financial planning of the project.
- xxiii. That the cancellation of the allotment was, therefore, a necessary and legally justified measure, undertaken strictly in accordance with the provisions of the agreement and the applicable policy framework, after exhausting all possible avenues to secure compliance. Hence, it is most submitted that in view of the facts and circumstances of the case and grounds set out hereinabove, the present application may kindly be dismissed.

7. All other averments made in the complaint denied in toto.
8. 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 submission made by the parties.

E. Jurisdiction of the Authority:

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

E.I Territorial jurisdiction

10. 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

11. 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.

12. So, in view of the provisions of the Act quoted above, the Authority has complete jurisdiction to decide the complaint regarding non-compliance of obligations by the promoter leaving aside compensation, which is to be decided by the adjudicating officer if pursued by the complainant at a later stage.

F. Findings on the relief sought by the complainant:

- F.I Direct the respondent to handover the physical possession of unit no.605, Tower- T5, immediately after completing all pending work and obtaining the occupation certificate;
- F.II Direct the respondent to pay delayed possession interest at the prescribed rate of 18% per annum from the promised date of possession until the actual date of handing over;
- F.III To restrain the respondent by way an interim injunction from alienating transferring or creating any third-party interest in the subject unit during the pendency of this complaint;
- F.IV Pass such order or further order as this Hon'ble Authority may deem fit and proper in the facts and circumstances of the present case.

13. 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.
14. The complainant was allotted unit no.605 (2BHK) on 6th floor, in Tower - T5, in the project "Aashiyara" at Sector - 37C, Gurugram, being developed by the respondent/builder vide allotment letter dated 05.09.2020, under the Affordable Group Housing Policy, 2013, for a total consideration of Rs.22,34,014/- against which the complainant has paid a sum of Rs.19,50,715/- to the respondent/ promoter till date. Thereafter, an agreement for sale was duly executed between the parties on 21.10.2020. As per Clause 7 of the agreement for sale, the respondent/ promoter assures to deliver the possession of the subject unit on or before 31.01.2023. Further, an extension of 6 months is granted to the respondent in view of notification no. 9/3-2020 dated 26.05.2020, on account of outbreak of Covid-19 pandemic. Therefore, the due date of possession comes out to be 31.07.2023. In the present complaint, the complainant intends to continue with the project and to retain the allotted unit in question.
15. The counsel for the respondent states that the unit has been cancelled on 25.02.2026 after issuance of demand letter dated 27.05.2022 and publication of list of defaulters in regional newspaper on 09.02.2026. Upon this, the counsel for the complainant submitted that the respondent failed to carry out the construction of the project and failed to issue demands against the said unit.
16. Now, the question before the authority is whether this cancellation letter dated 25.02.2026 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 instalments 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 instalments 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".

17. It is observed that the complainant has failed to pay the remaining amount as per schedule of payment which becomes due on 27.05.2022 and several reminders were issued by the respondent on 03.08.2022, 22.09.2022, 18.10.2022, 17.11.2022, 25.05.2023, 08.01.2024, 09.05.2024, 14.02.2025, 07.04.2025, 11.07.2025 & 24.12.2025. Thereafter, published a notice in the newspaper on 09.02.2026, which led to issuance of notice for cancellation by the respondent/builder dated 25.02.2026.
18. It is to be noted that as per the schedule of collection of payment provided under Section 5(iii)(b) of Affordable Group Housing Policy 2013, it is time linked payment plan instead of construction linked payment plan. Further as per Section 19(6) of the Act, 2016, every allottee, who entered into an agreement, shall be responsible to make necessary payment within the time period as specified in the said agreement. The relevant para is reproduced below:

"Section 19 Rights and Duties of Allottees

19 (6) Every allottee, who has entered into an agreement for sale to take an apartment, plot or building as the case may be, under section 13, shall be responsible to make necessary payments in the manner and within the time as specified in the said agreement for sale and shall pay at the proper time and place, the share of the registration charges, municipal taxes, water and electricity charges, maintenance charges, ground rent, and other charges, if any."

19. On 09.02.2026, the respondent published a list of defaulters for payments in the daily Hindi newspaper. Finally, the cancellation letter has been issued by the respondent on 25.02.2026. Therefore, the Authority is of the considered view that the respondent /builder has followed the prescribed procedure as per Clause 5(iii)(i) of the Policy, 2013 and in view of the same, the cancellation letter dated 25.02.2026 is held to be valid. But there is nothing on record to show that the respondent has refunded the balance amount after deduction of Rs.25,000/- as per the provisions of Clause 5(iii)(i) of the Affordable Housing Policy, 2013. *[Note: During proceedings dated 14.08.2026, it was inadvertently recorded as "from the date of each payment" instead of "from the date of cancellation i.e., 25.02.2026". However, the respondent/promoter shall be liable to pay interest to the complainant on such balance amount from the date of cancellation i.e., 25.02.2026, after deduction of Rs.25,000/- as per provisions of Clause 5(iii)(i) of the Affordable Housing Policy, 2013.]*
20. Accordingly, the respondent is directed to refund the paid-up amount of Rs.19,50,715/- 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., 25.02.2026 till its actual realisation.
- F.V Direct the respondent to pay Rs.1,00,000/- towards litigation expenses incurred by the complainant.**
21. The complainant is seeking above mentioned relief w.r.t legal expenses. The 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.*

(*supra*), has held that the adjudicating officer has exclusive jurisdiction to deal with the complaints in respect of compensation and legal expenses.

G. Directions of the Authority:

22. Hence, the Authority hereby passes this order and issue the following directions under Section 37 of the Act to ensure compliance of obligations casted upon the promoter as per the functions entrusted to the Authority under Section 34(f) of the Act:
- i. The respondent is directed to refund the paid-up amount of Rs.19,50,715/- 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., 25.02.2026 till its actual realisation.
 - ii. A period of 90 days is given to the respondent to comply with the directions given in this order and failing which legal consequence would follow.
23. The complaint as well as application, if any, stand disposed of accordingly.
24. File be consigned to registry.



Arun Kumar
Chairman

Haryana Real Estate Regulatory Authority, Gurugram

Dated: 14.08.2026