



HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

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| Complaint no.: | 1444 of 2024 |
| Date of filing: | 07.11.2024 |
| First date of hearing: | 16.12.2024 |
| Date of decision: | 12.05.2025 |

1. Pankaj Chanan
S/o Ragbir Lal
R/o House no. 14, Sector-4,
HUDA, Naraingarh, Ambala-134203

2. Kanta Chanana
W/o Ragbir Lal
R/o House no. 14, Sector-4,
HUDA, Naraingarh, Ambala-134203

3. Sumit Saini
S/o Vishwa Mitar,
R/o H.no 5 sector-4 HUDA
Naraingarh Ambala-134203

.....COMPLAINANTS

Versus

Haryana Shehri Vikas Pradhikaran Panchkula
Plot No.C3, HUDA Complex,
Sector-6, Panchkula Haryana
(through its estate officer)

.....RESPONDENT

CORAM: Nadim Akhtar

Member

Chander Shekhar

Member

Present: - Adv. Gaurav Gupta, counsel for complainant through VC.

Adv. Arvind Seth and Adv. Shubham Sharma, counsels for the respondent.

ORDER (NADIM AKHTAR - MEMBER)

1. Complainants in their complaint have pleaded that:
 - i. The respondent, Haryana Shehri Vikas Pradhikaran (hereinafter referred to as HSVP), is the Urban Planning Authority of the State of Haryana with its headquarters at Panchkula. The respondent is responsible for the development and maintenance of residential, commercial, industrial, and institutional areas in the State.
 - ii. That the present complaint has been filed by the complainants for seeking interest for the delayed period caused due to the respondent's failure to complete development works at the site in respect of Plot No. 1241AP, Sector-4, Panchkula, Haryana. The respondent delivered only paper possession of the plot without any actual development work. The site lacks proper road access, and only a muddy passage leads to the plot. Furthermore, electricity poles and LT wires pass through the middle of the plot and there is no provision for sewerage or water connection, rendering the complainants unable to commence construction on the said plot.



- iii. That the respondent advertised the auction of residential plots/sites/buildings in various newspapers for an auction held on 18.09.2021 in Panchkula. In accordance with the auction terms, complainants submitted an application along with a payment of ₹28,55,700/- to participate in the auction. That the complainants bid for residential Plot No. 1241AP measuring 250 square meters in Sector-4, Urban Estate, Panchkula. Their bid was accepted, and a Letter of Intent (LOI) dated 08.11.2021 was issued by the respondent. A copy of the Letter of Intent is annexed as Annexure C-1.
- iv. That the total sale consideration of the plot was ₹2,85,57,000/- (Rupees Two Crore Eighty-Five Lakh Fifty-Seven Thousand Only), which the complainants paid in full within the prescribed timelines as stipulated in the Letter of Intent. That after receiving full and final payment, the respondent issued an Allotment Letter dated 06.04.2022 for Plot No. 1241AP, Sector-4, Panchkula, and simultaneously offered possession of the plot. A copy of the Allotment Letter is annexed as Annexure C-2. That the complainants approached the respondent on 07.04.2022 to take physical possession of the plot and fulfilled all required conditions. The respondent invited the complainants on 11.04.2022 to take possession. Upon inspection, the complainants discovered that there was no road access, no sewerage or water connections, and that a live LT electricity line passed through the



center of the plot. On raising objections, the respondent assured that all development works would be completed within ten days of taking possession. Relying on their assurance, complainants took possession on 11.04.2022. A copy of the Possession Letter is annexed as Annexure C-3.

- v. That the respondent failed to fulfill its assurance and did not complete the development works. The electricity pole and wires still pass through the plot and there is no road, water, or sewerage connection, resulting in only paper possession being handed over without real development. That the allotment letter issued by the respondent contained one-sided terms and conditions that were entirely in favour of the respondent. The complainants had no choice but to accept these terms. The Hon'ble Supreme Court, in Civil Appeal No. 12238 of 2018 and Civil Appeal No. 1677 of 2019, has held that such one-sided contracts constitute unfair trade practices under Section 2(r) of the Consumer Protection Act, 1986.
- vi. That despite paying a substantial amount of ₹2,85,57,000/-, the complainants were unable to start construction due to the lack of basic amenities and development works. The respondent's allotment letter is silent on any remedy or provision for the complainants in case of incomplete possession. That the complainants made several written representations and sent emails to the respondent requesting completion of the development



works, including letters dated 31.05.2022, 24.08.2022, and 22.02.2023 and an email dated 15.08.2022. However, no action was taken by the respondent, nor were the communications replied to. Copies of these letters are annexed as Annexure C-4 (Colly).

vii. That feeling harassed and aggrieved, complainants served a legal notice dated 27.02.2023 on the respondent, which was also ignored. A copy of the legal notice is annexed as Annexure C-5. Despite collecting the full sale consideration, the respondent failed to develop the site. Photographs of the undeveloped site dated 20.03.2023 are annexed as Annexure C-6. That the complainants filed an RTI application seeking information about the development status of the plot. In response vide letter dated 31.05.2024, the Sub-Divisional Engineer of HSVP admitted that a three-wire LT line of UHBVN passes through the plot. A copy of the RTI reply is annexed as Annexure C-7.

viii. That due to the respondent's inaction and failure to remove the electricity line and provide access, water, and sewerage, the complainants filed a complaint before RERA Panchkula under Complaint No. 984 of 2023 titled "Pankaj Chanana Vs HSVP." A copy of the RERA complaint is annexed as Annexure C-8. That the complainants were compelled to sell the plot due to the non-availability of basic amenities. For this, they had to obtain a No



Objection Certificate (NOC) from the respondent. The respondent coerced the complainants into withdrawing the RERA complaint and filing an affidavit disowning their claims against the plot to issue the NOC.

- ix. That the complainants filed an application to withdraw Complaint No. 984 of 2023 with liberty to file afresh, which was allowed vide order dated 29.07.2024. They also submitted an affidavit dated 06.08.2024 under pressure. Copies of the withdrawal application and affidavit are annexed as Annexure C-9 and C-10, respectively. That thereafter, respondent issued the NOC, and the complainants sold the plot by executing a sale deed dated 10.08.2024. A copy of the sale deed is annexed as Annexure C-11.
- x. That after sale of plot, complainants raised objections against the withdrawal of the RERA complaint and the affidavit submitted for obtaining the NOC. Vide letter dated 16.09.2024, they requested compensation and interest under RERA, Act 2016. A copy of the objection letter is annexed as Annexure C-12. That the plot was purchased for self-occupation. However, due to lack of development, the complainants were unable to construct their home. The complainants sold the plot under duress caused by the respondent's inaction and failure to provide basic amenities, leading to this complaint being filed for appropriate relief.



- xi. Authority has also perused the application dated 12.05.2025 filed by the complainants for appropriate adjudication of the present case.
2. In view of the facts mentioned in complaint book, the complainants pray for following:
 - i. Pass an order directing respondent to pay interest to the complainant on account of delay in completion of the development work of plot No. 1241AP situated at Sector-4, Panchkula as per Real Estate (Regulation & Development) Act, 2016.
 - ii. Pass any other orders) as deemed fit and appropriate in the facts and circumstances of the case.
3. Respondent has filed a detailed reply on 09.12.2024 wherein it is mentioned that:
 - i. That the brief facts of the present case are that the complainants had participated in the e-auction conducted by the answering respondent held on 18.09.2021. After assessing the terms and conditions related to the said e-auction, the complainants submitted their bids for residential plots. Letter of Intent was issued in their favour. As per the said Letter of Intent, the complainants were required to deposit an additional 15% of the quoted bid amount of ₹42,83,550/- and the remaining 75% i.e., ₹2,14,17,750/- was to



be paid in lump sum without interest within a period of 120 days from the date of dispatch of the Letter of Intents.

- ii. That as per office records, the allotment letter was issued on 06.04.2022 (Annexure C-2) and possession was handed over to the complainants on 11.04.2022 (Annexure C-3). Further, as per the PPM records, the complainants applied for the possession certificate on 07.04.2022, which was approved on 08.04.2022 and issued on 11.04.2022.
- iii. That the answering respondent sought confirmation from the Executive Engineer, HSVP Division No.1, Panchkula regarding the completion of development work at Plot No. 1241-AP, Sector-4, Panchkula. The concerned Executive Engineer and Sub-Divisional Engineer, Electrical, HSVP Panchkula confirmed via letter dated 12.10.2023 that the development works had already been completed. The details are as follows:
 - i. Water supply – September, 1985
 - ii. Sewerage – October, 1987
 - iii. Road works – Constructed in May, 2012 (with kerbs provided at the site)



- iv. Electrical works – Completed in 1990 (Copies of the letters dated 12.10.2023 are annexed as Annexures R-1 and R-2 respectively.)
- iv. That the allotment was made to the complainants by the answering respondent in terms of the Haryana Urban Development (Disposal of Land and Buildings) Regulations, 1978, enacted under the Haryana Urban Development Authority Act, 1977. That the Haryana Urban Development Authority Act, 1977, which received the assent of the President of India on 30.04.1977, governs the development and allotment of the subject land. Hence, the jurisdiction to entertain the present complaint is barred under the provisions of the HRERA Act, 2016, which came into existence much later.
- v. That the development of Sector-4, Panchkula, was completed much prior to the enactment of the HRERA Act, 2016. Therefore, this Hon'ble Authority lacks jurisdiction to entertain the complaint, in view of the Hon'ble Supreme Court's decision in *M/s Newtech Promoters and Developers Pvt. Ltd. vs. State of UP and Others*, Civil Appeal Nos. 6745-6749 of 2021. That the provisions of the RERA Act, 2016 do not apply to cases where land has been acquired under the Land Acquisition Act and subsequently developed under the Haryana Urban Development Authority Act, 1977.



- vi. That the HUDA Act, 1977 was enacted by the State Legislature (Haryana Act No. 13 of 1977) to create a statutory authority for the purpose of speedy and economic development of urban areas in Haryana. That areas developed under the HUDA Act, 1977, do not fall under the purview of the HRERA Act, 2016. That Part XI, Chapter II of the Constitution of India governs the distribution of legislative powers. Article 246 provides that the State Legislature has the power to enact laws relating to the transfer of property under Entry 6 of the Concurrent List. Therefore, there is no inconsistency between the HRERA and HUDA Acts. While the RERA Act regulates private developers, the HUDA Act governs state-acquired and developed lands, operating in distinct spheres.
- vii. That Article 254 of the Constitution provides that a law made by the State Legislature in the Concurrent List shall prevail unless repugnant to a central law and unless the central law expressly repeals the state law. In this case, the HUDA Act, 1977 has not been repealed and therefore remains in force. That Section 92 of the RERA Act shows that the Maharashtra Housing (Regulations and Development) Act, 2012 was repealed upon enactment of the RERA Act. However, the HUDA Act, 1977 has not been repealed in a similar manner. That in Maharashtra's case, the housing law was enacted after receiving the assent of the



President and then repealed. In contrast, the HRERA Act did not repeal the HUDA Act, 1977. Hence, the HRERA Act does not apply in the instant case. That Sections 14 and 15 of Chapter III of the HUDA Act, 1977 provide for acquisition and disposal of land. That the mode of disposal of land and buildings by HSVP is governed by the Haryana Urban Development (Disposal of Land and Buildings) Regulations, 1978, made under Section 54 of the HUDA Act. Therefore, no condition exists requiring a completion certificate from any authority and RERA provisions are not applicable to HSVP lands.

- viii. That the complainants had earlier filed Complaint No. 984 of 2023 before this Hon'ble Authority on the same issues, which was disposed of as withdrawn on 29.07.2024, without liberty to file a fresh complaint. (Copy annexed as Annexure R-3.) That after the said withdrawal, the complainants requested the answering respondent to transfer the said plot to Smt. Shweta Verma Sinha, which was done. A re-allotment letter dated 21.08.2024 was issued in her name (Annexure R-4). That despite the re-allotment, the complainants have again filed Complaint No. 1444 of 2024 seeking similar reliefs as in the earlier complaint, which appears to be intended to harass the answering respondent and take undue advantage. Notably, the complainants are no longer allottees of the plot.



B. ARGUMENTS OF LEARNED COUNSELS FOR BOTH THE PARTIES

4. Ld. counsel for the complainant appeared and stated that the complainants purchased the Plot No. 1241AP, Sector-4, Panchkula from HSVP in the year 2021 by paying ₹2.85 crore. Despite being given possession in April 2022, the plot lacked basic amenities like road access, water, sewerage, and had electric wires running through it. Repeated requests for development were ignored. Feeling harassed, the complainants sold the plot in 2024 after being pressured to withdraw an earlier RERA complaint. Complainants now seek compensation and interest for the delay and deficiency.
5. Ld. Counsel for the respondent has argued that the present complaint is not maintainable under the provisions of the Real Estate (Regulation and Development) Act, 2016, as the complainants have ceased to be allottees of the subject plot. It is an admitted fact that the complainants, after executing a sale deed dated 10.08.2024, transferred all rights, title, and interest in respect of Plot No. 1241AP, Sector-4, Panchkula to Smt. Shweta Verma Sinha. Once the sale was concluded, the complainants relinquished their status as allottees under Section 2(d) of the RERA Act, 2016. The complaint primarily seeks compensation and delayed interest on account of alleged non-development of the site. However, such a claim cannot be maintained once the complainants have voluntarily alienated the plot and are no longer connected with the project



in any legal capacity. Any grievance related to the condition of the plot or development work, if any, would now lie with the current allottee, namely Smt. Shweta Verma Sinha, and not with the previous owners.

C. ISSUES FOR ADJUDICATION

- i. Whether the present complaint is maintainable under the provisions of the Real Estate (Regulation and Development) Act, 2016?
- ii. Whether the Authority has the jurisdiction to grant the reliefs sought by the complainants in the present complaint?

D. OBSERVATIONS AND DECISION OF THE AUTHORITY

6. First issue which has to be adjudicated before the Authority is whether the present complaint is maintainable under the provisions of the Real Estate (Regulation and Development) Act, 2016. Considering that the complainants have sold the plot in question and are no longer allottees? For this purpose, the Authority has examined the definition of "allottee" under Section 2(d) of the RERA Act, which reads as follows:

"Allottee" in relation to a real estate project, means the person to whom a plot, apartment or building, as the case may be, has been allotted, sold (whether as freehold or leasehold) or otherwise transferred by the promoter, and includes the person who subsequently acquires the said allotment through sale, transfer or otherwise but does not include a person to whom such plot, apartment or building, as the case may be, is given on rent."



7. It is an admitted and undisputed fact that the complainants executed a registered sale deed dated 10.08.2024, whereby the subject Plot No. 1241AP, Sector-4, Panchkula was sold. Thereafter, the respondent issued a re-allotment letter dated 21.08.2024 in favour of Smt. Shweta Varma Sinha. Thereby formally transferring all rights, title and interest in the plot to her. By virtue of this re-allotment, Smt. Shweta Varma is now the lawful allottee within the meaning of Section 2(d) of the RERA Act. The complainants, having voluntarily alienated their proprietary interest in the plot in question, have ceased to be allottees and do not possess any locus standi to maintain the present proceedings. Moreover, once the sale was effected and the re-allotment completed, any privity of contract or statutory relationship that may have existed between the complainants and the respondent stood extinguished. Under the scheme of the RERA Act, remedies can be availed only by those who have an existing legal relationship with the promoter, which the complainants do not possess as on the date of filing this captioned complaint.
8. It is further on record that the complainants had earlier filed Complaint No. 984 of 2023 before this Authority in relation to the same plot. However, subsequently the complainants voluntarily withdrew the said complaint on 29.07.2024. Additionally, they submitted an affidavit dated 06.08.2024 affirming that they had no pending claims, disputes, or grievances concerning



the subject plot. Importantly, the withdrawal of the earlier complaint was allowed by the Authority without liberty to file a fresh complaint. In light of the above, the present complaint, filed after the transfer of ownership and renunciation of claims, is patently not maintainable as the complainants no longer have any enforceable right or interest under the RERA framework.

9. The complainants have sought to contend that both the withdrawal of Complaint No. 984 of 2023 and the subsequent sale of the plot to Smt. Shweta Varma were undertaken “under protest” and without prejudice to their rights. However, this plea is wholly unsubstantiated. The complainants have failed to place on record any documentary evidence, such as a formal written protest, reservation of rights, or any contemporaneous communication, demonstrating that the withdrawal and sale were conditional or involuntary. On the contrary, the affidavit dated 06.08.2024 explicitly declares that the complainants had no surviving claims or disputes, which directly contradicts their present assertion. It is a settled legal position that unsubstantiated oral averments cannot override clear documentary declarations. In the absence of any cogent proof or formal reservation of rights, the complainants cannot now be permitted to re-agitate claims already relinquished through voluntary acts.
10. Furthermore, the complainants are barred by the principle of estoppel from resiling from their earlier unequivocal stand. Having expressly affirmed in an




affidavit that no dispute survives, they are now precluded from asserting contradictory claims. Under the doctrine of estoppel, a party cannot approbate and reprobate or take inconsistent positions before a quasi-judicial forum. The complainants' conduct amounts to an abuse of process and undermines the integrity of the dispute resolution mechanism envisaged under the RERA Act.

11. Lastly, as per Section 31 of the RERA Act, only an "aggrieved person" is competent to file a complaint before the Authority. In the present case, the complainants, having divested all legal and equitable interest in the subject property, no longer qualify as "aggrieved persons" under the Act. The present allottee, Smt. Shweta Varma, alone holds the locus to raise grievance, if any, with respect to the said plot. Therefore, the Authority holds that the present complaint is not maintainable either in law or on facts.

12. Thus, consequent upon the considerable consideration, the Authority is constrained to conclude that the present complaint is nothing but an ill-advised luxurious litigation and a classic example of litigation to enrich oneself at the cost of another and to waste the precious time of this Authority. The Real Estate (Regulation and Development) Act 2016 is a beneficial/ social legislation enacted by the Parliament to put a check on the malpractices prevailing in the real estate sectors including those of allottees.



13. In view of above-mentioned terms, Authority concludes that present complaint filed by the complainant is hereby dismissed for the reasons stated in Para 6-12 of this order.
14. Since the complaint filed by the complainants has been found to be not maintainable, the reliefs sought by the allottees are not tenable and, therefore, stand rejected.
15. **Disposed of.** File be consigned to record room after uploading of the order on the website of the Authority.


CHANDER SHEKHAR
[MEMBER]


NADIM AKHTAR
[MEMBER]