



HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

Complaint no.:	816 of 2024
Date of filing:	01.07.2024
First date of hearing:	09.09.2024
Date of decision:	15.12.2025

Ranjana Malik,

W/o Sh. Umesh Kumar Malik,

R/o 1993, 2nd floor, Rani Bagh, Shakur Basti,

Saraswati Vihar, Northwest Delhi,

New Delhi-110034

.....COMPLAINANT

Versus

Housing Board Haryana

C-15, Awas Bhawan,

Sector-6, Panchkula, Haryana

.....RESPONDENT

Present: - Adv. Abhimanyu, proxy counsel for Adv. Tej Pal Chauhan, counsel for the complainant through VC.

Adv. Gaurav Jaglan, counsel for the respondent through VC.

ORDER (NADIM AKHTAR-MEMBER)

Present complaint is filed by the complainant under Section 31 of the 'Real Estate (Regulation & Development) Act, 2016' (hereinafter referred as RERA, Act of 2016) read with Rule 28 of the 'Haryana Real Estate (Regulation & Development) Rules, 2017' for violation or contravention of the provisions of the Act of 2016 or the Rules and Regulations made thereunder, wherein it is inter-alia prescribed that the promoter shall be responsible to fulfil all the obligations, responsibilities and functions towards the allottee as per the terms agreed between them.

1. UNIT AND PROJECT RELATED DETAILS-

The particulars of the project, the details of 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 table:

S.No.	Particulars	Details
1.	Name of the project	Built up multi storeyed flats for industrial workers at Barhi, Sonipat
2.	Name of the promoter	Housing Board Haryana
3.	RERA registered/not registered	Unregistered
4.	Unit no.	84-B
5.	Date of builder buyer agreement	Not executed



S.No.	Particulars	Details
6.	Due date of offer of possession	Not available
7.	Possession clause in BBA	Not available
8.	Total sale consideration	₹15,40,309/-(as per allotment letter)
9.	Amount paid by complainant	₹1,99,000/-
10.	Offer of possession given on	19.02.2018

2. FACTS OF THE PRESENT COMPLAINT

- i. That Housing Board Haryana issued an advertisement in the prospectus inviting applications for purchase of Built Up Multi Storeyed Flats for industrial workers' and industrial units/ entrepreneurs in the project located at Barhi, District Sonipat. Period of registration, as per brochure was 19.02.2010 to 19.03.2010, for booking of flat under the scheme. The price of the house in the advertisement given by the respondent was ₹7.90 lacs. Copy of brochure is annexed at page no. 17 to 28 of complaint book.
- ii. That complainant applied under the above scheme of Housing Board Haryana on 15.03.2010 through application form and deposited an amount of ₹79,000/- through demand draft as 10% for advance deposit

for booking the flat. Copy of demand draft in favour of Housing Board Haryana is annexed with application dated 12.09.2024..

- iii. That respondent issued registration no. 12 and final registration no. 12 and further asked for additional deposit of ₹1,20,000/-. Complainant deposited the said amount for confirming his booking on 21.08.2010. A copy of receipt of payment issued by Housing Board Haryana is annexed with application dated 03.11.2025, mentioning therein, details of demand draft number and date.
- iv. Complainant never received any communication from the respondent for 8 long years, without issuing any acknowledgment or information relating to the booked flat. On 19.02.2018, complainant received the acknowledgment. However, she was shocked to know that the total cost of the flat was raised to double from the previous mentioned amount without any explanation and option to the complainant to withdraw. A copy of letter dated 19.02.2018 is annexed at page no. 31 of complaint book.
- v. Aggrieved by the same, complainant visited office of Housing Board Haryana on 16.03.2018 to discuss the arbitrary increase in the price of the flat and asked the respondent to review the two- fold increase. The complainant clarified that the amount is not affordable to him and he would not be able to pay the amount mentioned above. However, she



was informed that she only had 2 options, i.e., either to pay the double amount or to surrender the flat. Complainant was left with no other option than to surrender the same. Complainant, thus, applied to the Estate Manager for surrender of her flat by submitting the original documents and mentioned that the sole reason of surrender was the arbitrary increase in the price by the respondent.

- vi. Complainant has not received any refund from the respondent and the respondent has been utilising her money for last 14 years without a just cause. Complainant is left with no other option but to file the present complaint. Further, HRERA Panchkula was faced with similar facts and circumstances in **complaint number 92 of 2019** in case of **Ram Mehar Singh V. Housing Board Haryana** and **complaint no.737 of 2019** titled as **Kuldeep Sharma versus Housing Board Haryana** wherein the Hon'ble Authority has ordered for refund to the complainants.

3. RELIEF SOUGHT -

Complainant sought following relief:

1. That the deposit of complainant of Rs.1,99,000/- shall be refunded with interest @24% P.A. which becomes ₹6,68,580/-. Total amount becomes ₹8,67,580/-.
2. ₹50,000/- as cost of legal and other expenses.



3. Complainant be compensated with harassment and mental trauma ₹50,000/-
4. Any other order that the authority deems fit.

4. REPLY SUBMITTED ON BEHALF OF RESPONDENT-

Respondent filed its reply on 05.08.2025, wherein it is pleaded that:-

- A. That the complaint under reply is neither tenable nor maintainable and has been filed with an oblique motive unknown to the respondent.
- B. That the respondent is a government department committed to completion of its projects and delivering the possession of the same as per the policies issued from time to time. That the respondent holds no grudge or qualm against the complainant to withhold the complainant from receiving any rightful claim, the present complaint is filed only to unduly harass the respondent and its officials.
- C. That further, the complainant is not entitled to seek refund at the rate of interest mentioned in complaint in light of the process of refunding the deposited amounts to allottees as per regulation.
- D. That this Hon'ble forum does not have the subject matter jurisdiction as the respondent has not violated or contravened any of the provisions of the the Real Estate (Regulation and Development) Act, 2013, or the rules made thereunder.



- E. That the respondent has conducted the business in a bona-fide manner and the complainant has no cause of action to file the present complaint.
- F. That despite the readiness and willingness of the respondents in completing the project, various allottees have made default in payments as called by the respondent, leading to financial strain in carrying out the project in a timely manner. Further, the overall industrial climate of the real estate sector has been abysmally low and the industry as a whole has suffered because of the same. The above noted factors are out of control of the respondent despite all reasonable and probable arrangements, and the same have collectively led to delay in the project; which is not beyond condonation, and neither intentional nor deliberate.
- G. That though the project has gone behind the schedule of delivery, however the respondents have throughout conducted the business in a bonafide manner and the delay occasion has been beyond the control of the respondent due to multifarious reasons, and given the agreed time between the parties, the complainant has no cause of action to file the present complaint as the delay occasioned is very much due to factors beyond the control of the respondent.
- H. That further, the respondent is a government department providing housing at a no profit - no loss basis. Any increase in the cost of



project is controlled by the pricing and availability of goods and services in the market, and in consonance the prices are also susceptible to change.

5. ARGUMENTS OF LEARNED COUNSEL FOR COMPLAINANT AND RESPONDENT

During the course of hearing Ld counsel for the complainant reiterated the facts of the complaint and requested the Authority to grant the relief of refund of ₹1,99,000/- along with interest. On the other hand, Ld counsel for respondent denied the pleadings of the complainant in its entirety and stated that complainant is not entitled to the refund along with the interest.

6. ISSUE FOR ADJUDICATION

Whether the complainant is entitled to refund of the amount deposited by her along with interest in terms of Section 18 of Act of 2016?

7. OBSERVATIONS OF THE AUTHORITY

After taking into consideration the facts and circumstances of the case and arguments put forth by both the parties and judgements referred by the complainant, Authority observes that following issues need to be decided by this Authority.

- (i) Firstly, whether the present complaint is maintainable before the Authority or not? In this regard the Authority observes, it needs to be



examined whether respondent (Housing Board Haryana) falls under the definition of promoter provided in RERA Act, 2016 and whether there exists a relationship of allottee and promoter between the complainant and respondent. For this purpose, the definition of "promoter" under section 2(zk) needs to be perused. Definition is provided below:

(zk) "promoter" means,—

(i) a person who constructs or causes to be constructed an independent building or a building consisting of apartments, or converts an existing building or a part thereof into apartments, for the purpose of selling all or some of the apartments to other persons and includes his assignees; or

(ii) a person who develops land into a project, whether or not the person also constructs structures on any of the plots, for the purpose of selling to other persons all or some of the plots in the said project, whether with or without structures thereon; or

(iii) any **development authority** or any other public body in respect of allottees of—

(a) **buildings or apartments, as the case may be, constructed by such authority or body on lands owned by them or placed at their disposal by the Government; or**

(b) **plots owned by such authority or body or placed at their disposal by the Government,**



for the purpose of selling all or some of the apartments or plots; or

(iv) an apex State level co-operative housing finance society and a primary co-operative housing society which constructs apartments or buildings for its Members or in respect of the allottees of such apartments or buildings; or

(v) any other person who acts himself as a builder, coloniser, contractor, developer, estate developer or by any other name or claims to be acting as the holder of a power of attorney from the owner of the land on which the building or apartment is constructed or plot is developed for sale; or

(vi) such other person who constructs any building or apartment for sale to the general public.

Plain reading of the definition given under section 2(zk) makes it clear that any development authority in respect of allottee of building/apartment, as the case may be, constructed by such authority for sale is a promoter in respect of allottees of those buildings/apartments. Here, Housing Board Haryana is a Development Authority and has issued an allotment letter to complainant on 19.02.2018 of Flat No. 84-B at Barhi, Sonipat. Hence, Housing Board is covered under the definition of promoter under section 2(zk).

- (ii) The flat was allotted by the respondent to the complainant-allottee. As per Section 2(d) of the RERA Act, "allottee" is defined as follows:



(d) "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;

As per Section 2(zj) & (zn) of the RERA Act. "project" & "real estate project" are defined respectively as follows:

(zj) "project" means the real estate project as defined in clause (zn):

(zn) "real estate project means the development of a building or a building consisting of apartments, or converting an existing building or a part thereof into apartments, or the development of land into plots or apartments, as the case may be, for the purpose of selling all or some of the said apartments or plots or building, as the case may be, and includes the common areas, the development works, all improvements and structures thereon, and all easement, rights and appurtenances belonging thereto;

A conjoint reading of the above sections shows that Housing Board Haryana is a promoter in respect of allottees of flats sold by it in its real estate project and therefore, there exists a relationship of an allottee and promoter between the parties. Since, relationship of an allottee and promoter between complainant and respondent is established and the

issues deals with real estate project developed by respondent, hence, provisions of RERA Act, 2016 apply to the matter and Authority has the exclusive jurisdiction to deal with the matter. Furthermore, the preamble of RERA Act, 2016 provides as under.

An Act to establish the real estate regulatory authority for regulation and promotion of the real estate sector and to ensure sale of plot, apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector and to establish an adjudicating mechanism for speedy dispute redressal and also to establish the appellate tribunal to hear appeals from the decisions, directions or orders of the real estate regulatory authority and the adjudicating officer and for matters connected therewith or incidental thereto;

The RERA Act, 2016 basically regulates relationship between buyer (i.e., allottee) and seller (i.e., promoter) of real estate, i.e., plot, apartment or building, as the case may be and matters incidental thereto. Hon'ble Bombay High Court in the case **Neelkamal Realtors Suburban Pvt. Ltd. and Ors. v. Union of India and Ors.** 06.12.2017 - BOMHC, observed: *"In my opinion RERA does not fall under Entry 42 in List III- Concurrent List of the Seventh Schedule, namely, Acquisition and requisitioning of property. RERA fall under Entry 6, namely, Transfer of property other than agricultural land; registration of deeds and*

documents, Entry 7-contracts, including partnership, agency, contracts of carriage and other special forms of contracts, but not including contracts relating to agricultural land and Entry 46, namely, jurisdiction and powers of all courts, except the Supreme Court, with respect to any of the matters in List III-Concurrent list of the Seventh Schedule".

The scope of this Act is limited to contracts between buyers and promoters and transfer to property. Both these items fall within the concurrent list III: entry-6 and entry-7 read with entry-46. This Act regulates the transactions relating to the sale of above-mentioned real estate products, for an orderly growth of real estate market, by protecting the interests of different stake holders in a balanced manner and facilitating the consumer/buyer to make informed choice. Therefore, the Authority has jurisdiction to decide the present matter.

(iii) Second issue is whether the complainant is entitled for refund or not?

In this regard, it is an admitted fact that complainant had applied for allotment of flat under a scheme floated by respondent in 2010. Said scheme was aimed at providing houses to industrial workers. The price of the house in the advertisement given by the respondent was ₹7.90 lacs. A person applying under the scheme was required to pay 10% of the total price as booking amount. The complainant after adjudging her own financial position and capability to purchase house



at the quoted price, had applied in response to respondent's advertisement. The respondent within a reasonable time of booking was expected to disclose the exact price of house to the complainant and also to complete all necessary steps for delivering possession of the purchased unit. After collecting money from the complainant, the respondent was not expected to prolong the completion of the project unreasonably or even to demand double the sale price of the house because such conduct on his part was bound to frustrate the very benevolent purpose with which the scheme was formulated for industrial workers. The government provides flats under such schemes at subsidized rates and also facilitates arrangement of loan on subsidized rate to allottees of such scheme. The whole idea is to squeeze the sale price of flats to a level within the reach of industrial workers. How can the respondent then be allowed to render the allottees of such a scheme to face a situation where it becomes practically impossible for them to purchase the house at the rate double than for which they had agreed to purchase it.

- (iv) The respondent in present case has not completed the project within a reasonable time and has disclosed the exact price of the house to the complainant after 8 years of the launching of the project. The respondent has been utilizing an amount of ₹1,99,000/-, already paid



by the complainant, for all these years without paying any interest. Such conduct of the respondent being unreasonable and unconscionable cannot be legally sustained.

(v) No doubt that there are bye laws of the respondent board which provides for deduction of 50% of the amount paid at the time of registration, in case an allottee wants to withdraw from the project/does not take possession within 30 days of offer of possession, but the principle so enshrined in bye laws, in considered opinion of the Authority, will be applicable only in those cases where there is no default on the part of respondent board in discharging its obligation towards allottees. The respondent Board cannot be allowed to take shelter of such bye laws for deduction of 50% of said amount in case of an allottee for whom the respondent himself has created circumstances rendering him practically unable to bear the cost of the house. The present case falls in this category because the respondent due to his own negligent act has created such circumstances. So, the Authority finds it a fit case for refund of paid amount without any deduction.

(vi) Further, Hon'ble Supreme Court in the matter of "*Newtech Promoters and Developers Pvt. Ltd. versus State of Uttar Pradesh and others*" in Civil Appeal no. 6745-6749 of 2021 has highlighted that the



allottee has an unqualified right to seek refund of the deposited amount if delivery of possession is not done as per terms agreed between them. Para 25 of this judgement is reproduced below:

“25. The unqualified right of the allottee to seek refund referred under Section 18(1)(a) and Section 19(4) of the Act is not dependent on any contingencies or stipulations thereof. It appears that the legislature has consciously provided this right of refund on demand as an unconditional absolute right to the allottee, if the promoter fails to give possession of the apartment, plot or building within the time stipulated under the terms of the agreement regardless of unforeseen events or stay orders of the Court/Tribunal, which is in either way not attributable to the allottee/home buyer, the promoter is under an obligation to refund the amount on demand with interest at the rate prescribed by the State Government including compensation in the manner provided under the Act with the proviso that if the allottee does not wish to withdraw from the project, he shall be entitled for interest for the period of delay till handing over possession at the rate prescribed.”

The decision of the Hon'ble Supreme Court settles the issue regarding the right of an aggrieved allottee such as in the present case seeking refund of the paid amount along with interest on account of delayed delivery of possession. The complainant wishes to withdraw from the project of the

respondent, therefore, Authority finds it to be fit case for allowing refund in favour of complainant.

(vii) The definition of term 'interest' is defined under Section 2(z) of the Act which is as under:

(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-

(i) 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;

(ii) 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;

(viii) Rule 15 of HRERA Rules, 2017 provides for prescribed rate of interest which is as under:

"Rule 15. Prescribed rate of interest- (Proviso to section 12, section 18 and sub-section (4) and subsection (7) of section 19] (1) 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",

- (ix) Complainant in its complaint has sought refund of paid amount with interest @24%. It is pertinent to mention here that the legislature in its wisdom in the subordinate legislation under the provisions of Rule 15 of the Rules, has determined the prescribed rate of interest. The rate of interest so determined by the legislature is reasonable and if the said rule is followed to award the interest, it will ensure uniform practice in all the cases.
- (x) It is pertinent to mention that vide order dated 09.09.2024, complainant was directed to file receipts of the paid amount of ₹1,99,000/-. In compliance of said order, complainant had file an application dated 12.09.2024 and 03.11.2025, mentioning that complainant had paid an amount of ₹79,000/- on 15.03.2010 and ₹1,20,000/- on 21.08.2010, total amount comes to ₹1,99,000/-. Therefore, Authority deems it fit to adjudicate on amount of ₹1,99,000/- as claimed by complainant.
- (xi) Consequently, as per website of the State Bank of India, i.e., <https://sbi.co.in>, the highest marginal cost of lending rate (in short



MCLR) as on 15.12.2025 is 8.80%. Accordingly, the prescribed rate of interest will be MCLR + 2% , i.e., 10.80.

(xii) From above discussion, it is amply proved on record that the respondent has not fulfilled its obligations cast upon him under RERA Act, 2016 and the complainant is entitled for refund along with interest. Thus, respondent will be liable to pay the complainant, interest from date of payments till the actual realization of the amount. Authority has got calculated the total amount along with interest as per detail given in the table below:

Sr.no.	Principle amount	Date of payments	Date of order	Interest from date of payments till date of order
1.	₹79,000/-	15.03.2010	15.12.2025	₹1,34,525/-
2.	₹1,20,000/-	21.08.2010	15.12.2025	₹1,98,696/-
	Total= ₹1,99,000/-			Total= ₹3,33,221/-

Therefore, total amount to be refunded to the complainant =

₹1,99,000/- + ₹3,33,221/- = ₹5,32,221/-

(xiii) Further, the complainant is seeking compensation on account of mental harassment caused to the complainant and litigation expenses. It is observed that Hon'ble Supreme Court of India in Civil Appeal Nos. 6745-6749 of 2027 titled as "*M/s Newtech Promoters and Developers Pvt Ltd. V/s State of U.P. & ors.*" (supra,), has held that an allottee is entitled to claim compensation & litigation charges under Sections 12, 14, 18 and Section 19 which is to be decided by the learned Adjudicating Officer as per section 71 and the quantum of compensation & litigation expense shall be adjudged by the learned Adjudicating Officer having due regard to the factors mentioned in Section 72. The adjudicating officer has exclusive jurisdiction to deal with the complaints in respect of compensation & legal expenses. Therefore, the complainants are advised to approach the Adjudicating Officer for seeking the relief of litigation expenses.

8. DIRECTIONS OF THE AUTHORITY-

Hence, the Authority hereby passes this order in the present complaint and issues following directions under Section 37 of the Act to ensure compliance of obligation cast upon the promoter as per the function entrusted to the Authority under Section 34(f) of the Act of 2016:

- (i.) Respondent is directed to refund the entire paid amount of ₹1,99,000/- deposited by the complainant along with interest of



₹3,33,221/- to the complainant as specified in the table provided in page 19 of this order. It is further clarified that respondent will remain liable to pay interest to the complainant till the actual realization of the amount.

(ii.) A period of 90 days is given to the respondent to comply with the directions given in this order as provided in Rule 16 of Haryana Real Estate (Regulation & Development) Rules, 2017 failing which legal consequences would follow.

Disposed of. File be consigned to the record room after uploading of the order on the website of the Authority.


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NADIM AKHTAR
[MEMBER]