



HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

Date of Decision 06.07.2026

Name of the Promoter		HOUSING BOARD HARYANA		
Project Name		Built Up Multi Storeyed Flats For Industrial Workers at Bawal and Barhi, Sonipat		
Sr. no.	Complaint no.	Title of the case	Appearance on behalf of complainant	Appearance on behalf of respondent
1.	500/2025	M/s Geesons Industries through Suresh Goyal H. No. 209, Sector 14, HUDA, Sonipat-131001 v. Housing Board Haryana, C-15, Awas Bhawan, Sector-6, Panchkula, Haryana	Adv. T.P.S. Chauhan, counsel for the complainant.	None for the respondent.
2.	834/2025	Shakti Prakash S/o Sh. Amar Nath R/o H. No. 882, Sector 25, Part 2, HUDA, Panipat, Haryana-132103 v. Housing Board Haryana, C-15, Awas Bhawan, Sector-6, Panchkula, Haryana-134109	Adv. T.P.S. Chauhan, counsel for the complainant.	None for the respondent.

3.	835/2025	<p>Anil Kumar S/o Sh. Sukumaran R/o H. No. 979, second Floor Sector 25, Part 2, HUDA, Panipat, Haryana-132103</p> <p>v.</p> <p>Housing Board Haryana, C-15, Awasthawan, Sector-6, Panchkula, Haryana</p>	<p>Adv. T.P.S. Chauhan, counsel for the complainant.</p>	<p>None for the respondent.</p>
----	----------	--	--	-------------------------------------

ORDER(NADIM AKHTAR-MEMBER)

1. Above referred complainants have been filed by the complainants under Section 31 of the Real Estate (Regulation & Development) Act, 2016 (for short 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 fulfill all the obligations, responsibilities and functions towards the allottees as per the terms agreed between them.
2. The core issues emanating from the above captioned complaints are similar in nature. The complainant in the above referred Complaint No. 500 of 2025 and other captioned complaints are allottees of the project namely; "Built Up Multi Storeyed Flats for Industrial workers and Industrial Units/ Entrepreneurs at Barhi, Sonipat" being developed by the same respondent/promoter, i.e., Housing Board Haryana, Estate Branch,



Sonipat. The fulcrum of the issue involved in all the above captioned cases pertains to failure on the part of the respondent/promoter to deliver timely possession of the unit in question and all complainant(s) are now seeking refund of their paid amount along with the interest.

A. UNIT AND PROJECT RELATED DETAILS-

3. The details of the above said complaints, unit no., date of builder buyer agreement, basic sale price and amount paid by the complainant, offer of possession and relief sought are given in the table below:

Sr. no.	Complaint no./Title/ Date of filing	Reply Status	Unit No.	Date of Builder Buyer Agreement	Basic Sale Price (BSP) and amount paid by the complainant (Paid amount)	Offer of possession given on	Reliefs sought
I.	500/2025 M/s Geeson Industries through Suresh Goyal V. Housing Board Haryana 25.05.2025	Not Filed	Final Reg. No. 24 (3 flats) Tenement No. 97-C, 98-C, 100-B	Not Executed	BSP: ₹46,20,927/- (as per allotment letter for three flats) ₹15,40,309/- per flat. Paid Amount: ₹5,97,000/- (for three flats)	20.02.2018	1. Refund of paid amount along with interest @ 18% p.a. 2. ₹1,00,000/- as legal expenses. 3. ₹1,00,000/- for mental agony. 4. Any other relief as Authority deems fit.

2.	834/2025 Shakti Prakash V. Housing Board Haryana 12.06.2025	Not Filed	Final Reg. No. 139	Not Executed	BSP: ₹15,40,309/- (as per allotment letter) Paid Amount: ₹1,99,000/-	19.02.2018	1. Refund of paid amount along with interest @ 18% p.a. 2. ₹1,00,000/- as legal expenses. 3. ₹50,000/- for mental agony. 4. Any other relief as Authority deems fit.
3.	835/2025 Anil Kumar V. Housing Board Haryana 12.06.2025	Not Filed	Final Reg. No. 103	Not Executed	BSP: ₹15,40,309/- (as per allotment letter) Paid Amount: ₹1,99,000/-	19.02.2018	1. Refund of paid amount along with interest @ 18% p.a. 2. ₹1,00,000/- as legal expenses. 3. ₹50,000/- for mental agony. 4. Any other relief as Authority deems fit.

**B. COMPLAINT NO. 500 of 2025 IS TAKEN AS A LEAD CASE AND
BRIEF FACTS OF THIS COMPLIANT ARE AS UNDER:**

4. Housing Board Haryana issued an advertisement inviting applications for registration during the period from 19.02.2010 to 19.03.2010 for purchase of Built-up Multi-Storeyed Flats meant for Industrial Workers and

Industrial Units/Entrepreneurs of Haryana State, in the project situated at Barhi, District Sonapat, on hire-purchase basis. The tentative price of each flat was fixed at ₹7,90,000/- of which 10% was fixed as the booking amount.

5. Pursuant to the said advertisement, the complainant applied for allotment/purchase of three flats and deposited an amount of ₹2,37,000/- i.e., ₹79,000/- per flat with the respondent as advance deposit for booking of the said flats. Copy of the letter by the respondent acknowledging payment made by the complainant is annexed at page no. 25 with the complaint book.
6. Thereafter, a letter was received from the respondent informing the complainant about the allotment of Type-I flats under the Industrial Workers' Housing Scheme, Barhi, bearing Provisional Registration No. 24 and Final Registration No. 24, and calling upon the complainant to deposit an amount of ₹3,60,000/-, i.e., ₹1,20,000/- per flat towards the amount payable after draw of lots on or before 31.08.2010. Copy of the letter is annexed at page no. 26 with the complaint book.
7. In compliance thereof, the complainant deposited an amount of ₹3,60,000/-, i.e., ₹1,20,000/- per flat, with Housing Board Haryana. Copy of proof of payment is annexed at page no. 27 with the complaint book.
8. Subsequently, after waiting for eight years, the complainant received allotment letter No. 3124 dated 20.02.2018 issued by the respondent and



acknowledging receipt of the registration deposit of ₹2,37,000/- and an amount of ₹3,60,000/- deposited after draw of lots. By the said allotment letter, the price of the flat was enhanced arbitrarily from ₹7,90,000/- to ₹15,40,309/- per flat, i.e., ₹46,20,927/- for all three flats. The complainant was asked to pay monthly installments of ₹12,079/- with retrospective effect of three months per flat. The respondent further asked the interest liability till February 2018 for ₹1,65,066/-. The allotment letter is annexed at page no. 28 with the complaint book.

9. Aggrieved thereby, the complainant visited the Estate Manager Sonipat seeking explanation for two-fold increase in the price of the flat. The complainant cleared that the amount is not affordable for him and he would not be able to pay the double amount and therefore, requested them to surrender the flat if the amount is not reduced to the initial amount.
10. Thereafter, respondent issued a show cause notice to the complainant, as the possession was not taken by the complainant on the revised amount and gave time up to 25.04.2018 to explain why his flat may not be cancelled and earnest money forfeited.
11. The complainant on 01.05.2018 wrote a letter to the Housing Board Haryana stating that the project cost has increased substantially to a very high amount and the cost has almost doubled. The complainant specifically mentioned that the increased cost is not fair and requested for the refund of money as soon as possible.



12. Aggrieved by the arbitrariness of the respondent, the complainant again visited the department twice requesting the Authorities to either reduce the increased amount or refund the money. However, the authorities did not pay any heed to the requests which left the petitioner with no other option than to file this complaint. The RTI was filed by the complainant for inquiring the status of water connection and the status of electricity by HSIIDC and UHBVN, respectively, in Housing Board Multi Story flats in Barhi. HSIIDC replied that only one water connection was released by HSIIDC on 10.07.2019 to provide drinking water to the Housing Board. However, no electricity connection has been given to Housing Board Haryana till date. Copy of RTI is annexed at page no. 30 and 31 of the complaint book.
13. That 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. 589 of 2020** titled as **“Indra Chauhan versus Housing Board Haryana”** wherein the Hon’ble Authority has ordered for refund to the complainants in both the complaints.
14. That the complainant has faced mental and financial agony during these 15 years. The respondent has been utilising the complainant’s money for the last 15 years without a just cause.



C. RELIEFS SOUGHT-

15. That the complainant seek following relief and directions to the respondent-

- i. That the deposit of the complainant of ₹5,97,000/- (principal amount) shall be refunded with interest @18% P.A. which becomes ₹16,12,000/-. The total amount becomes ₹22,09,000/-.
- ii. ₹1,00,000/- as cost of legal and other expenses.
- iii. Complainant be compensated with ₹1,00,000/- for harassment and mental trauma.
- iv. Any other order which the Authority deems fit.

D. REPLY ON BEHALF OF RESPONDENT-

16. Notice was served to the respondent on 26.05.2025 which was successfully delivered on 27.05.2025. Despite giving various opportunities to the respondent starting from first hearing, i.e., 07.07.2025 and imposition of cost, the respondent failed to submit the reply. Further, during the last hearing dated 23.02.2026, Authority granted last opportunity to the respondent to file reply along with the imposed cost on or before 15.05.2026 so that the same could be taken on record while finalizing the matter. However, till date no reply has been filed by the respondent. The Real Estate (Regulation and Development) Act, 2016, is a beneficial legislation aimed at providing speedy and efficacious redressal to grievances of allottees and other stakeholders. In furtherance of this objective, the proceedings before the Authority have been made



summary in nature. Such expeditious adjudication is achievable only if the parties involved, both the complainant and the respondent, submit their pleadings in a time-bound manner.

In light of the respondent's repeated non-compliance despite availing numerous opportunities and keeping in consideration the summary procedure, the Authority deems it appropriate to strike off the respondent's defence and proceed to decide the present complaint ex-parte, as per record available on the file.

E. ARGUMENTS OF LEARNED COUNSEL FOR COMPLAINANT AND RESPONDENT-

17. During the course of hearing, Ld.counsel for the complainant submitted the complainant does not wish to press for recovery of the cost imposed upon the respondent vide order dated 23.02.2026. In view of the said statement, the cost imposed upon the respondent is treated as waived.

F. ISSUE FOR ADJUDICATION-

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

G. OBSERVATIONS OF THE AUTHORITY-

19. As per matter of record, Authority observes that-

- It stands duly established that M/s Geesons Industries had applied for allotment of three flats under the Industrial Workers Housing Scheme at



Barhi, Sonipat floated by the respondent. 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 a booking amount.

- The complainant, after adjudging its own financial position and capability to purchase a 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 loans at subsidized rates to allottees of such schemes. 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.

- The respondent in the 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 ₹5,97,000/- (₹1,99,000/- per flat), 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.
- 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.

- 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 a fit case for allowing refund in favour of the complainant.

- The complainant has placed on record the application forms and payment acknowledgements showing that a total amount of ₹5,97,000/- was paid to the respondent towards the allotment of the flat under the aforesaid scheme. However, vide application dated 23.02.2026, complainant has also admitted the fact that the respondent has refunded an amount of ₹4,78,500/- dated 06.11.2025 after deducting 50% of the amount deposited by the complainant with the application at time of registration. From the material evident on record, it is evident that the possession of the unit was not delivered to the complainant within a reasonable period. In such circumstances, when the delay in offering of possession is attributable to the respondent, deduction of earnest money from the deposited amount cannot be justified. The said deduction is therefore held to be illegal and arbitrary. Consequently, the respondent becomes liable to refund the deducted amount of ₹1,18,500/- (₹39,500/- per flat) to the complainant.
- Further, complainant has sought a refund of the paid amount with interest @18%. The definition of term 'interest' is defined under Section 2(za) 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;

- 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".

- 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.
- Consequently, as per the 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 06.07.2026 is 8.80%. Accordingly, the prescribed rate of interest will be MCLR + 2% ,i.e., 10.80%.



- 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.
- Authority has got calculated the total amounts along with interest as per detail given in the tables below:

1) **In Complaint no. 500 of 2025-**

Sr.no.	Principal amount	Date of payments	Date of refund	Interest from date of payments till date of refund
1.	₹2,37,000/-	19.03.2010	06.11.2025	₹4,00,560/-
2.	₹3,60,000/-	25.08.2010	06.11.2025	₹5,91,509/-
	Total= ₹5,97,000/-			Total= ₹9,92,069/-

Sr.no	Deducted Amount	Date of refund	Date of order	Interest from date of refund till date of order
1.	₹1,18,500/-	06.11.2025	06.07.2026	₹8,520/-
<p>Total amount to be refunded to the complainant = (₹9,92,069/-) + (₹1,18,500/-) + (₹8,520/-) = ₹11,19,089/-</p>				

[Handwritten Signature]

2) In Complaint no. 834 of 2025-

Sr.no.	Principal amount	Date of payments	Date of refund	Interest from date of payments till date of refund
1.	₹79,000/-	17.03.2010	02.09.2025	₹1,32,047-
2.	₹1,20,000/-	17.08.2010	02.09.2025	₹1,95,146/-
	Total= ₹1,99,000/-			Total= ₹3,27,493/-

Sr.no	Deducted Amount	Date of refund	Date of order	Interest from date of refund till date of order
1.	₹39,500/-	02.09.2025	06.07.2026	₹3,600/-
Total amount to be refunded to the complainant = (₹3,27,493/-) + (₹39,500/-) + (₹3,600/-) = ₹5,52,659/-				

3) In Complaint no. 835 of 2025-

Sr.no.	Principal amount	Date of payments	Date of refund	Interest from date of payments till date of refund
1.	₹79,000/-	17.03.2010	03.09.2025	₹1,32,071/-
2.	₹1,20,000/-	26.08.2010	03.09.2025	₹1,94,862/-
	Total= ₹1,99,000/-			Total= ₹3,26,933/-



Sr.no	Deducted Amount	Date of refund	Date of order	Interest from date of refund till date of order
1.	₹39,500/-	03.09.2025	06.07.2026	₹3,588/-
Total amount to be refunded to the complainant = (₹3,26,933/-) + (₹39,500/-) + (₹3,588/-) = ₹5,52,659/-				

21. 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.



H. 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 amount to the complainants as per calculations given on page no. 15 to 17 of this order. It is further clarified that respondent will remain liable to pay the interest to the complainants till the actual date of 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. Files be consigned to the record room after uploading of the orders on the website of the Authority.



.....
NADIM AKHTAR
[MEMBER]