



Complaint no. 721 & 767 of 2020

**HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA**

Website: [www.haryanarera.gov.in](http://www.haryanarera.gov.in)

**1. COMPLAINT NO. 721 OF 2020**

Manju Gupta

....COMPLAINANT(S)

VERSUS

Housing Board Haryana

....RESPONDENT(S)

**2. COMPLAINT NO. 767 OF 2020**

Vardhman Gartex Creators Pvt Ltd.

....COMPLAINANT(S)

VERSUS

Housing Board Haryana

....RESPONDENT(S)

**CORAM:**

**Rajan Gupta**  
**Dilbag Singh Sihag**

**Chairman**  
**Member**

**Date of Hearing:**

22.03.2022

**Hearing:**

3rd

**Present through:  
video conferencing**

None for the complainants  
(in complaint no. 527,589 & 721 of 2020)  
Mr. R. K Vashishtha, Counsel for the complainant  
(in complaint no. 767 of 2020)  
Mr. Anil Garg, Counsel for the respondent

**ORDER (RAJAN GUPTA-CHAIRMAN)**

Complainant in this case had booked four flats in the project of the respondent at 'Barhi, Sonapat'. As per prospectus, tentative price of one flat was Rs 7,90,000/- (Rs 31,60,000/- for all four units) and complainant had



deposited a sum of Rs 7,96,000/- with the respondent towards booking of four units. Complainant vide letter dated 20.02.2018 was allotted four units i.e flat no.'s 105-B, 106-B, 107-B & 108-B, and was asked to take possession of said units after depositing remaining amount. In said letter collective cost of all four units was enhanced from Rs 31,60,000/- to Rs 60,78,000/- with no justification at all. Vide letter dated 26.03.2018 complainant approached the respondent seeking justification for additional amount and also to review the cost of units, but no reply was received. Unable to meet enhanced demands, complainant vide letter dated 31.03.2018 requested the department to cancel allotment of his flats and refund the deposited amount. Thereafter, complainant received a show cause notice dated 06.04.2018 from the department to take possession of the flat, and in case of failure to take possession 50 % of the amount deposited would be forfeited. Complainant again sent a reminder requesting for cancellation of the bookings and for refund of paid amount but received no positive reply. Feeling aggrieved complainant has filed present complaint seeking refund of the amount deposited with the respondent along with interest.

2. On hearing dated 08.03.2022, learned counsel for complainant (in complaint no. 767 of 2020) had submitted that despite receiving full payments from various allottees, respondent has failed to construct the site in question and the project has long been abandoned, and at present lying in dilapidated condition

  
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3. Refuting such submissions, learned counsel for respondent has on 08.03.2022 submitted that the project in question already stands completed.

Thereafter, Authority had issued following directions to respondent :

*“Considering submissions of both parties, Authority directs the respondent to submit a detailed report on current status of construction of the project in question along with supporting evidence and latest photographs of the site. Said report should include information in regard to total no. of units to be constructed; stage of construction achieved; and provision of supporting facilities. Said report should be placed before the Authority on next date with an advance copy supplied to the complainants.”*

4. Initiating his arguments, Shri Anil Garg, learned counsel for respondent submitted its report, in compliance of directions issued vide order dated 08.03.2022, highlighting the fact that construction of the project had been completed by 05.06.2014, and further development works had been completed by the year 2017 which is evident from the photographs annexed in the report. After completing all works possession was offered to the allottees on 20.02.2018 alongwith allotment letter. He admitted to the fact that the cost of the flats has been increased from Rs 7,90 lakh to Rs 15.19 lakh per unit and said flats were available for possession at the revised rates. He further submitted that at the time of booking complainant was aware that the prices shown in advertisement/brochure were tentative and subject to change as per increase in



cost of construction and other factors. Accordingly vide allotment letter dated 20.02.2018 allottees were informed of the increased prices. Respondent issued reminder letters dated 04.07.2018 & 01.05.2019 but complainant failed to take possession of unit after making balance payment. Therefore, complainant in present complaints is not entitled to any relief.

3. Learned counsel appearing for complainant submitted that complainant had booked the flat in the project of the respondent in the year 2010 for tentative price of Rs 7.90 Lakh. Flats were likely to be available for allotment by the year 2012. Possession was offered to the complainant after a lapse of more than 5 years on 20.02.2018, but price of flat was unilaterally doubled from initial amount of Rs 7,96,000/- to Rs 15,19,500/- which is highly unreasonable. Complainant vide letter dated 26.03.2018, requested the respondent for justification of increased cost and also review of the same but received no reply(Annexure P-6). Unable to meet such exorbitant demand, complainant vide letter dated 31.03.2018, annexed as annexure-P7 followed by reminder letter dated 30.04.2019, annexed as annexure-P9 requested the respondent to cancel his allotment and refund deposited amount. The respondent instead of reviewing the increased cost or initiating process of refund rather issued to the complainant a show cause notice for cancellation of allotted unit on account of failure in taking possession. Learned counsel argued that complainant had deposited a huge amount of Rs 7,96,000/- for all four units by





the year 2010 which has been wrongfully retained by respondent till date. Possession of the flat was supposed to be handed over to the complainant by the year 2012 but was rather offered in 2018 and price of flats was unilaterally increased to an extent which was beyond the financial capacity of the complainant. Learned counsel argued that it is true that the price of flats were tentative and subject to change but even at the time of booking complainant could not have envisaged such an extraordinary delay in delivery of possession and said tentative prices being increased to almost double the amount. After receiving the impugned offer complainant had requested the respondent authority to revise the prices to enable the complainant to make payments but when that did not happen, complainant has rightly requested for refund of deposited amount as it was the respondent who had defaulted in discharging his obligations by delaying delivery of possession. Request for refund of paid amount was made in the year 2019, but the respondent still failed to initiate process of refund. Even though as per latest photographs, flats have been completed but said offer of possession was not valid as prices were unjustifiably increased. In such circumstances complainant cannot be forced to accept such an offer and make such huge payments. Learned counsel for complainant requested that his prayer be allowed and complainant be refunded deposited amount alongwith refund.

4. Considering submissions of both parties, Authority observes that





complainant had booked four flats in the project of the respondent in the year 2010 for a tentative price of Rs 7.90 Lakh each. Flats were likely to be available for allotment by 2012 but possession was offered to the complainant after a lapse of nearly 5 years after increasing the price to Rs 15,40,309/- i.e at double the price which was initially advertised. Respondent has raised such an exorbitant demand without providing any justification. Unable to meet such huge demands complainant had requested the respondent for refund of paid amount but respondent did not refund the amount to complainant. Though at the time of advertisement, price of the flats was tentative and subject to change but even then such a huge increase in the price of flat is unconscionable. Therefore, offer of possession sent to the complainant on 20.02.2018 cannot be called lawfully valid offer because of exorbitant increase in prices and after such a huge period of delay. Complainant cannot be forced to accept such an offer of possession. Respondent should have promptly returned the amount deposited by the complainant, but respondent did not do so. Therefore, it is the respondent who is at fault here for causing delay in delivery of possession and increasing prices exorbitantly, therefore complainant is entitled to refund of the paid amount alongwith interest as per Rule 15 of HRERA Rules 2017 i.e at the rate of SBI MCLR + 2 % .

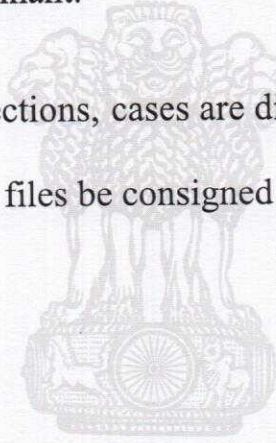
5. In complaint no. 721 of 2020, complainant had deposited an amount of Rs 9,95,000/- with the respondent. The amount of interest payable to

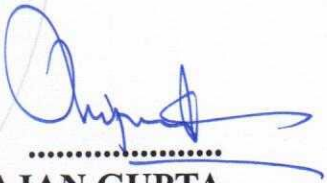


the complainant has been calculated at the rate of 9.30% and same works out to Rs 9,78,122/- Therefore, respondent is directed to pay an amount of Rs 19,73,122/- to the complainant.

6. In complaint no. 767 of 2020, complainant had deposited an amount of Rs 7,96,000/- with the respondent. The amount of interest payable to the complainant has been calculated at the rate of 9.30% and same works out to Rs 8,69,573/- Therefore, respondent is directed to pay an amount of Rs 16,65,573/- to the complainant.

7. With above directions, cases are disposed of. Order be uploaded on the website of Authority and files be consigned to record room.





RAJAN GUPTA  
[CHAIRMAN]



DILBAG SINGH SIHAG  
[MEMBER]