

The Parking-Charge Refund Kit

Keyword: PARKING · For: Flat owners who paid the builder a separate charge (typically Rs 2-10 lakh) for a parking spot

The builder probably never owned the parking he sold you — here is the law, the step-by-step reclaim path, and a ready-to-send demand letter to get your money back.

Read this first (the 20-second version)

If you paid your builder a separate amount for a parking spot — stilt, open, or covered in the basement — there is a strong chance that sale was legally void, and the money is reclaimable.

Here is why, in one breath: the Supreme Court has held that parking areas in a housing project are COMMON property that belongs to all flat owners together. A builder cannot carve out a parking slot and sell it to you separately, the way he sells a flat. So the charge you paid for "your" parking was a charge for something the builder never had the right to sell.

This kit shows you (1) the exact law, in plain words, (2) the 4-step path to reclaim, (3) a fill-in-the-blanks demand letter, and (4) where to escalate if the builder refuses. Many buyers across India have recovered this money. You can be one of them.

Not legal advice — see the disclaimer at the end and confirm your specifics with a property lawyer.

The law, in plain words

Three pillars hold this up:

1) THE SUPREME COURT RULING. In *Nahalchand Laloochand Pvt. Ltd. v. Panchali Co-operative Housing Society Ltd.* (2010), the Supreme Court held that open parking spaces and stilt (ground-floor pillar) parking are COMMON AREAS — part of the building meant for all flat owners — and are NOT a separate, saleable "flat" or "garage" that a builder can sell on its own. [Source: Supreme Court of India, *Nahalchand Laloochand Pvt. Ltd. v. Panchali CHS Ltd.*, (2010) 9 SCC 536]

2) WHAT "COMMON AREA" MEANS. Because parking is common area, ownership of it passes to the body of flat owners (the society / RWA / association) once it is formed. It is shared property — not the builder's to keep, and not his to sell slot-by-slot.

3) RERA REINFORCES IT. The Real Estate (Regulation and Development) Act, 2016, Section 2(n), defines "common areas" to include open parking areas. This statutory definition backs up the Supreme

Court's position: parking is part of the common property the builder must hand over to the association.
[Source: Real Estate (Regulation and Development) Act, 2016, Section 2(n)]

The bottom line: a separate "sale" of a parking spot by the builder is legally void. A void charge is, in principle, refundable.

Note on covered/garage spaces: the cleanest cases are open and stilt parking. Some enclosed garages have been argued differently in lower courts, so have a lawyer look at exactly what you paid for and how your agreement words it.

The reclaim path — 4 steps

STEP 1 — Find the charge in your own papers. Pull out: (a) your Agreement to Sell / Sale Deed, (b) the builder's demand letters and your payment receipts, (c) any allotment letter for the parking. Look for a line item that names parking — "car parking charges", "stilt parking", "open parking", "covered parking", a slot number, or a lump sum tagged to parking. Highlight it. This is the amount you are reclaiming. Typical range buyers report: Rs 2-10 lakh. [Source: amount range as stated in the source brief for this kit; confirm against your own receipt]

STEP 2 — Anchor to the day your RWA / society is formed. The moment the Resident Welfare Association (or co-operative housing society / apartment owners' association) is legally formed, the common areas — including parking — vest in that body. From that point, the builder's separate allotment of a parking slot to you stands on no legal ground. Note the formation/registration date of your association; it strengthens the demand.

STEP 3 — Send a written refund demand (via the RWA where possible). The strongest demand comes from the RWA on behalf of owners, because the parking is now common property that vests in the RWA — but an individual owner can also send it for their own paid charge. Send it in writing, by email AND by registered post / speed post so you have proof of delivery. Use the template in the next section. Keep copies of everything.

STEP 4 — Escalate if refused or ignored. If the builder refuses or stays silent past your deadline, you have two main forums: - RERA (your State Real Estate Regulatory Authority): file a complaint about the builder selling common-area parking. RERA complaints are designed to be buyer-accessible and relatively low-cost. - Consumer Forum (District / State Consumer Disputes Redressal Commission): an unfair charge for something the builder couldn't sell is a classic deficiency-in-service / unfair-trade-practice claim. A property lawyer can tell you which forum fits your facts and state best.

Throughout: stay factual, attach proof, keep a paper trail. You are not asking for a favour — you are reclaiming a charge that the law says shouldn't have been levied.

Document checklist (screenshot this)

Gather these before you send anything: [] Agreement to Sell / Sale Deed (the page mentioning parking) [] Allotment letter for the parking slot (if any) [] Builder's demand letter showing the parking charge [] Your payment receipt(s) / bank statement for the parking amount [] Society / RWA registration certificate +

formation date [] Your KYC (PAN, ID) and flat number [] Any builder brochure/price list listing parking as a paid item

Quick reference table: | What | Why it matters | Where to find it | | --- | --- | --- | | Parking charge amount | The sum you reclaim | Sale deed / receipt | | RWA formation date | Day parking became common property | Society registration papers | | Proof of payment | Shows you actually paid | Receipt / bank statement | | Delivery proof of demand | Shows builder was put on notice | Registered post slip / email |

Ready-to-edit demand letter (copy, fill the [brackets], send)

To, The Managing Director / Authorised Signatory, [Builder / Developer Company Name] [Registered Office Address]

Date: [DD/MM/YYYY] Sent by: Email + Registered Post (Acknowledgement Due)

Subject: Demand for refund of parking charge of Rs [amount] paid for [open/stilt/covered] parking in [Project Name], [Flat No.] — parking being common property

Dear Sir/Madam,

I/We, [Name(s)], own Flat No. [] ***in [Project/Tower Name], [Address] ("the Flat"). At the time of purchase, I/we were charged and paid Rs [amount] towards [open/stilt/covered] car parking, vide receipt no. [] dated [DD/MM/YYYY].***

The Hon'ble Supreme Court of India in Nahalchand Laloochand Pvt. Ltd. v. Panchali Co-operative Housing Society Ltd., (2010) 9 SCC 536, has held that open and stilt parking spaces form part of the COMMON AREAS of the building and cannot be sold separately by the developer. The Real Estate (Regulation and Development) Act, 2016, Section 2(n), likewise includes open parking areas within "common areas."

The [Society/RWA/Association] for [Project Name] was duly formed/registered on [date]. Upon its formation, all common areas — including parking — vest in the said association. Consequently, the separate sale/allotment of a parking space to me/us, and the charge of Rs [amount] levied for it, is without legal basis and void.

I/We therefore call upon you to refund Rs [amount] within [15/30] days of receipt of this letter, to [bank account / mode]. Failing which, I/we shall be constrained to pursue remedies before the [State] Real Estate Regulatory Authority and/or the Consumer Disputes Redressal Commission, at your risk as to costs.

Kindly treat this as urgent.

Yours faithfully, [Name] [Flat No., Project] [Phone] | [Email] Enclosures: copy of receipt, copy of agreement (parking clause), society registration proof.

[Tip: if your RWA is sending it, change "I/We" to "the Association" and have an office-bearer sign on the society letterhead.]

What to expect + a few honest cautions

- Many buyers and societies have recovered parking charges using exactly this reasoning. [Source: source brief for this kit, noting buyers have recovered]
- The strongest cases involve OPEN and STILT parking. Enclosed garages can be argued differently — get a lawyer's read on your specific wording.
- Builders may first refuse, delay, or offer a partial "adjustment." The written demand + a real escalation deadline is what moves things.
- Limitation (how long you have to file) varies by forum and state. Don't sit on it indefinitely — ask a lawyer early.
- Keep it collaborative where you can: a polite, documented demand from a society often settles faster than a fight. Escalate only if needed.

This kit is for general awareness. Your agreement's exact wording and your state's RERA practice decide the outcome — confirm with a property lawyer before filing.

Where villow comes in

Reclaiming a parking charge is the kind of fight you only have to fight because the original sale wasn't clean — unclear paperwork, charges for things the builder didn't own, fine print written for the developer and not for you.

villow.in exists to stop that at the source. It's a buyer-first platform that lists ONLY verified properties, so what you're shown is what actually exists — and it never leaks your data to a wall of brokers the moment you show interest. The whole point is that your NEXT purchase doesn't need a refund kit.

If this saved you money, the best thing you can do for future-you is buy your next home somewhere the buyer is protected from day one. That's villow.in.

→ **Next step:** If a builder could charge you for parking he never owned, what else in your agreement was written to favor him — and how do you avoid this entirely on your next purchase? villow.in's verified-only, buyer-first listings are the fix: clean paperwork from day one, no data leaks to brokers.

Sources: - Supreme Court of India — Nahalchand Laloochand Pvt. Ltd. v. Panchali Co-operative Housing Society Ltd., (2010) 9 SCC 536 (open + stilt parking are common areas, not separately saleable) - Real Estate (Regulation and Development) Act, 2016, Section 2(n) — definition of 'common areas' includes open parking areas - Source brief for this kit — typical separate parking charge range Rs 2-10 lakh; note that buyers have recovered these charges (confirm specifics against your own receipts and a lawyer)

This kit is general information, not legal or tax advice — your agreement's exact wording and your state's RERA rules govern the outcome, so consult a qualified property lawyer before sending a demand or filing a complaint.