

**BEFORE SHRI J. S. KHUSHDIL, MEMBER  
THE REAL ESTATE REGULATORY AUTHORITY, PUNJAB  
PLOT NO.3, BLOCK-B, FIRST FLOOR, MADHYA MARG,  
SECTOR 18A, CHANDIGARH**

Complaint No.GC1205/2019  
Date of Institution: 05.02.2019  
Dated of Decision: 20.11.2019

Nikhil Juneja, resident of #128, Shakti Nagar, Jalandhar,  
Pin Code-144001 Punjab.

.....Complainant

Versus

Punjab Urban Planning and Development Authority, PUDA  
Bhawan Sector 62, SAS Nagar (Mohali), Pin code 160062  
Punjab.

.....Respondent

Complaint under Section 31 of the Real Estate  
(Regulation and Development) Act 2016.

Present: Shri Ved Parkash and Ms. Manju Goyal  
representatives for complainant in  
Shri Bhupinder Singh representative for  
respondent.

**ORDER**

1. Succinctly put, the version of the complainant, as  
contained in the complaint, is that he purchased plot  
No.65C at Old Jail Site, (PUDA) Jalandhar for a sum

of Rs.1,14,02,358/- plus cess amount of  
Rs.2,28,047/-. The complainant paid the said amount  
to the respondent and allotment letter was issued to

*Shri Khushdil*  
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the complainant on 17.08.2016. It is further the version of the complainant that possession of the said plot was not delivered to him within one year as agreed upon by the respondent and offer of possession was made on 02.07.2018 and as such, there is delay of about 02 years and 03 months. Despite of making of lump-sum payment by the complainant on 14.04.2018, no due certificate has not been issued to him. In the end a prayer for grant of interest at the rate of 18% per annum on the amount paid by him has been made alongwith litigation expenses and compensation.

2. Upon notice, respondent contested the complaint challenging the maintainability thereof, but, admitting the fact that the residential plot in question was allotted to the complainant. It is further alleged that the possession of the plot was to be handed over to the allottee after completion of development work and there was no cut of date for that purpose and as such the complainant is not entitled to grant of any relief sought by him as the respondent has not claimed any interest from the complainant alongwith instalments.

*J. K. Shrivastava*  
20/11/2018

It is admitted that the complainant has made the lump sum payment on 17.04.2018 and possession of the plot has been offered to him on 26.06.2018. Rest of the averments of the complaint have been denied and a prayer for dismissal of complaint has been made.

3. After hearing both the parties, notice under Section 18 read with Section 11 of the Act was served upon the respondent through its representative, to which, he pleaded not guilty. The explanation furnished by the representative for respondent was not found satisfactory and it was found that there was a need for further hearing into the complaint.
4. Both the parties have relied upon documents attached with their pleadings and closed the evidence.
5. I have heard the parties and have gone through the record thoroughly. Both sides by and large have addressed the arguments in the light of their pleadings and as such it would not be in the interest of justice, to repeat the same here again.

6. It is an admitted fact that plot bearing NO.65C, Old Jail Site, Jalandhar was purchased by the

complainant and it was allotted to him vide allotment letter dated 17.08.2016. It is also an admitted fact that the sale price of the plot has also been paid by the complainant to the respondent and it is also apparent from the copy of ledger of the respondent/PUDA. The perusal of clause 4 of the allotment letter dated 17.08.2016 shows that possession of the plot in question was to be handed over to the allottee within one year and as per clause 6(iii) the allottee was to construct the building within three years from the date of possession. The possession in this case was actually delivered on 02.07.2018 as is admitted by both sides, though, it was to be delivered by 16.07.2017 as per clause 4 of the allotment letter. The perusal of copy of the payment schedule of respondent itself shows that the payment was to be made up to 21.10.2019, whereas, the complainant already made the payment till 19.04.2017. As such, it appears that the payments have been made within the stipulated time period. In these circumstances, the submission raised by the representative for respondent that the

*S. K. Prasad*  
*20/11/2019*

PUDA/respondent has not charged any interest from the complainant on the instalments is devoid of any force as the interest could only be charged if there was any delay in making instalments despite demand having been raised which is not the condition in this case as the payment of instalments has been made within the stipulated period by the complainant.

7. Similarly, the submission of the representative for the complainant that the complainant could not get loan and he will have to pay non-construction charges, is also devoid of any force, as the possession was to be handed over to the complainant by 16.08.2017 and construction was to be raised within three years i.e. till August, 2020, which is still about nine months away from today.

8. No doubt, delay has occurred in delivery of possession of the plot to the complainant despite of the fact that the payment huge amount towards price of the plot made by him i.e. Rs.1,14,55,544/- (including cess and TDS). In these circumstances, as the promoter was under obligation to provide lawful possession of the plot within the stipulated period

*S. Kumar*  
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failing which he was to pay interest on the delayed period in delivery of possession as per the provisions of Section 18 of the Act. Apart-from that, Clause 9.2 of the specimen of proforma of agreement depicted in Punjab RERA Rules prescribes the rights of the allottee in case of default by the promoter, which runs as under:-

9.2 In case of default by promoter under the conditions listed above, the allottee is entitled to the following:-

- (i) stop making further payments to the promoter as demanded by the promoter. If the allottee stops making payments, the promoter shall correct the situation by completing the construction milestone and only thereafter the allottee will be required to make the next payment without any penal interest; or
- (ii) the allottee shall have the option of terminating the agreement in which case the promoter shall be liable to refund the entire money paid by the allottee under any head whatsoever towards the purchase of the apartment/plot along with interest at the rate specified in the Rules within ninety days of receiving the termination notice;

*S/Sherlock*  
26/11/2018  
**Provided that where an allottee does not intend to withdraw from the project or terminate the agreement, he shall be paid by the promoter, interest at the rate specified in the Rules for every**

***month of delay till the handing over of the possession of the apartment/plot.”***

9. As the complainant side does not intend to withdraw from the project and is seeking possession of the plot, which has not been delivered so far and rather the respondent has utilized the amount paid on account of basic sale price by the complainant side and has earned interest thereon, then, the similar benefit cannot be denied to the complainant side on the said amount for the delayed period in delivery of possession of the plots as per clause 9.2 mentioned above. As such, the respondent is liable to pay interest on the amount so paid by the complainant to the respondent towards basic sale price at the prescribed rate as per Rule 16 of the Rules i.e. State Bank of India highest marginal cost of lending rate plus 2% from the stipulated date of delivery of possession i.e. w.e.f. 16.08.2017 till 01.07.2018 (as the actual physical possession has been delivered to the complainant on 02.07.2018)..

10. Since, the complainant side could not get possession of the plot within the stipulated period and has to

seek the remedy under the existing law by way of engaging representative and contesting this complaint. As such, the complainant is entitled to litigation charges and he is granted litigation expenses to the tune of Rs.25,000/-.

11.The complaint is, therefore, accepted to the following extent and heads:

01.	Simple Interest	At the State Bank of India highest marginal cost of lending rate plus 2% on basic sale price from the stipulated date of delivery of possession i.e. 16.08.2017 till 01.07.2018 ( as the actual physical possession has been delivered to the complainant on 02.07.2018).
02.	As litigation expenses	Rs.25,000/-

The respondent is directed to pay the arrears of above said amount on account of interest plus litigation expenses within sixty days from today. The parties shall remain bound by the statutory obligations laid down under the Act. A copy of this order be supplied to the parties under rules. File be consigned to record room after due compilation.

Dated:20.11.2019

(J.S. Khushdil)  
Member  
Real Estate Regulatory Authority

20/11/2019