

**BEFORE SH.R.S.RAI, ADJUDICATING OFFICER,
THE REAL ESTATE REGULATORY AUTHORITY, PUNJAB
PLOT NO.3, BLOCK-B, FIRST FLOOR, SECTOR 18A,
MADHYA MARG, CHANDIGARH.**

Complaint No.AdCNo.0055 of 2022

Date of Institution: 09.08.2022

Date of Decision:24.02.2026

Jaspal Singh son of Thandu Ram, Ward No.9, Gurudwara Street Mansa, Tehsil Mansa, Punjab, Pin Code 151505.

..... Complainant.

Versus

1. The Chief Administrator, Bathinda Development Authority, PUDA Complex, Bhagu Road, Bathinda, Punjab, Pin Code 151001.

2. Estate Officer, PUDA Bathinda, PUDA Complex, Bhagu Road, Bathinda, Punjab, Pin Code 151001.

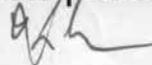
..... Respondents.

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

Present: Mr. J.S.Dhaliwal Advocate, for the complainant.
Mr. Balwinder Singh, Mr. Bhupinder Singh
Advocates, for respondents.

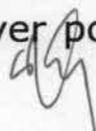
ORDER

Present complaint has been filed by the complainant, under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as "the Act") read with Rule 37 of the Punjab State Real Estate (Regulation and Development) Rules 2017, (hereinafter called as the Rules) against the respondent/promoter, seeking compensation on account of

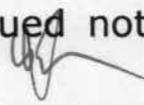


delay in handing over possession of plot in question and litigation expenses.

2. Brief facts of the case of the complaint are that respondents launched scheme Annexure A1 for development of free hold residential plots at Mansa @ Rs.7000/- per square yard. That Nirmla Rani wife of Mithu Singh, resident of Mansa applied for a plot of 150 square yards in general category, vide Application No.0059 on 17.12.2013 by depositing 10% earnest money of Rs.1,05,000/- and Letter of Intent was issued on 24.03.2014 demanding 15% more amount of Rs.1,57,500/- which was deposited on 20.05.2014 alongwith penal interest of Rs.2500/-. Allotment letter was issued on 11.01.2017 allotting plot No.203, copy of which is Annexure A2. Thereafter, Nirmla Rani applied for transfer of ownership of the plot in favour of complainant on 31.03.2015 by depositing requisite fee of Rs.29,000/-. That the penal interest of Rs.4,460/-, appeal fee of Rs.15 and Admin charges of Rs.17,338/- were paid to respondents who transferred ownership of the plot to complainant vide Re-allotment letter dated 10.03.2017 with all rights and obligations of allotment, copy of which is Annexure A3. Complainant has paid total sum of Rs.3,15,813/- to respondents, fully described in property ledger, copy of which is Annexure A4. The respondents have failed to complete the project and deliver possession by due date i.e



10.07.2018 as promised by them in Scheme, copy of which is Annexure A1. Possession of the plot was to be delivered within 18 months from the date of Allotment letter or at the completion of the development works at the site, whichever is earlier, copy of Allotment letter is Annexure A2. The project is still incomplete and is not in a habitable condition even after passing of four years from the due date of completion. Moreover, basic amenities like drinking water, electricity and sewage are not available till date. These facts have been admitted by them in letters Annexure A5 (Colly) and in status report by way of affidavit dated 25.10.2018, copy of which is Annexure A6. Admittedly, respondents installed tubewell upon ground water for water supply against terms of allotment which prohibits ground water even for construction purposes. Moreover, Mansa is a cancer prone belt and its untreated ground water is unfit for human consumption due to presence of high toxins in it. Complainant was planning to construct his house in the project had the respondents developed it in time, as per layout plan, copy of which is Annexure A7. Identical matters have been allowed by the Bench of Sh. Ajay Pal Singh, Member RERA, Punjab and by the Bench of Sh.N.S.Kang, Chairperson, RERA Punjab solely on the basis of order passed by the Hon'ble REAT, Punjab, copy of which is Annexure A6. Respondents issued notice, copy of which is



Annexure A8 which was replied vide Annexure A9 seeking refund. Respondents sent refund proposal, copy of which is Annexure A10 which was objected to vide reply Annexure A11. Thereafter, respondents refused to refund vide Letter dated 14.12.2020, copy of which is Annexure A12. The complainant had been visiting office of respondents for refund since December 2020 but ultimately they flatly refused to refund on 14.07.2022 after making false excuses. That complainant has invested his hard earned money, but respondents have failed to develop the project and have caused mental agony, harassment and loss of precious time and money. That there is a clear violation of the terms and conditions of allotment, Layout Plan, provisions of the Act & Rules. Hence, the present complaint.

3. Upon service, respondents put in appearance and contested this complaint, by taking preliminary objections that the present complaint is liable to be dismissed for non-joinder and mis-joinder of necessary parties. The allotment has been made by PUDA, therefore, Bathinda Development Authority is not necessary party to the complaint. The allotment has been made under the provisions of the Act of 1995, (hereinafter referred to as the Act of 1995) and there is a remedy of Appeal and Revision under Section 45 thereof and complainant has failed to avail the remedies available to him under the ibid Act and present case deserves dismissal

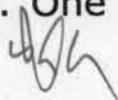


on this ground alone. The complainant has failed to deposit

said objective of the Act, Punjab Urban Planning & Development Authority under Section 17 and Bathinda Urban Area Development Authority, under Section 29 of the said Act, were constituted by the Government of Punjab. That Section 43 of the Act empowers the Authority to frame scheme for development of land owned by it or transferred by the Government and disposal of the said land without development on the terms and conditions as determined by the Authority. That in view of the above provisions of the Act, PUDA Authority framed a scheme for allotment of 200 free hold Residential Plots at PUDA ENCLAVE, Mansa remained open for general public from 18.11.2013 to 17.12.2013. The terms and conditions for allotment of plots in the above said scheme were detailed in the brochure for information of the general public and particularly for prospective applicants, copy of which is Annexure A/1. Further, it is averred that the present complainant had purchased the plot in question from original allottee Nirmla Rani, with his open eyes and after going through the terms and conditions of allotment applied for a plot measuring 150 square yards in the above said scheme and requisite certificate in this regard was also given by her. That Nirmla Rani was successful in the draw of lots held on 21.02.2014, Letter of Intent dated 24.03.2014 for allocation of residential plot measuring 150 square yards was issued to her by

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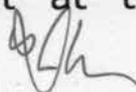
Estate Officer, PUDA Bathinda and thereafter Allotment Letter was also issued on 11.01.2017. As per condition No.3 (II) & (III) of the Allotment Letter, Smt. Nirmla Rani was required to pay 75% of the tentative price of the plot either in lumpsum with 5% rebate without any interest within 60 days of the issuance of Allotment Letter (excluding date of issue) or in 6 equated half yearly installments (with first installment falling due after one year from the date of issuance of Allotment Letter) alongwith interest @ 12% per annum as indicated in the schedule given in the Allotment Letter. However, the original applicant as well as complainant failed to pay the installments towards the price of the plot in question. Hence, notices under Section 45 of the Act of 1995 had been issued to the complainant. The possession of the plot was to be handed over to the complainant within 18 months from the date of Allotment letter. In terms of Allotment Letter issued on 11.01.2017, possession of the plot was required to be handed over to the original applicant Nirmla Rani on 09.07.2018. In the meanwhile, complainant purchased the plot from said original applicant and for transfer of allocation of the plot in the name of complainant said Nirmla Rani applied for grant of permission on 31.03.2015, which was granted to her vide Letter No.1463 dated 18.06.2015 subject to certain conditions mentioned therein. One of the conditions is that



the period of permission is 60 days and thereafter, this permission will lapse automatically. Copy of letter dated 18.06.2015 is Annexure R-1. Further, it is averred that complainant applied for transfer of plot with a delay of 176 days, due to which she was asked to pay Rs.17,338/- as administrative charges vide letter dated 21.04.2016. The complainant deposited the demanded charges in the office of respondent No.2 on 23.01.2017. Thereafter, re-allotment letter was issued to the complainant on 01.03.2017 (Annexure A/3 with the complaint), subject to the same terms and conditions mentioned in the Allotment Letter issued in favour of original applicant. The complainant had purchased the plot after inspecting the site, and he also submitted an affidavit dated 30.03.2015 to abide by the terms and conditions of the Allotment Letter and had also undertaken to pay the payments due to PUDA. Copy of said affidavit is Annexure R/2. That possession of the plot was offered to the complainant vide letter dated 27.12.2017, however, he neither took possession of the plot nor cited any reason, copy of said letter is Annexure R/3. The present complaint is totally false, frivolous and misleading. The averment of complainant that there is no development work at the site is without any substance. As per proceedings held on 21.12.2017 under the chairmanship of Chief Administrator of the Authority, the development works of



the site in question has been completed. Apart from this Divisional Engineer PUDA, Bathinda vide Letter dated 22.11.2017 reported that development works relating to Civil, Public Health, Electricity and Horticulture had been completed. Copies of proceedings dated 21.12.2017 and Letter dated 22.11.2017 and photographs are Annexure R/4 to R/6 respectively. The completion certificate of the plots in a plotted colony is not mandatory for PUDA. As per condition No.4 (1) of the Allotment Letter, possession of the plot is to be offered after completion of development works at the site. Otherwise also, there is no such condition in the Allotment Letter that possession shall be offered after obtaining of completion certificate nor there is provision in the Act of 1995 under which the allotment in question has been made. It has been denied that respondents have failed to provide basic amenities like water, electricity and sewerage and also failed to deliver the possession by due date of 09.07.2018. All the amenities have been provided to the allottees of the said project. The possession of the plot had been offered to complainant vide letter dated 27.12.2017 (Annexure R/3). In fact, most of the allottees applied for the plots with the sole purpose of investment and due to slow down the real estate market and are seeking refund of money deposited by them alongwith interest, which is unjust enrichment at the cost of the public



exchequer. Further, assertion of complainant that he was planning to construct his house in the project of respondents had the development works been completed in time is also wrong. In fact, the complainant was required to get the building plan sanctioned and then to apply for water connection, so he cannot assert that basic amenities like water, electricity and sewerage etc. are not available at the site. The complainant being subsequent transferee, thus, as per the judgment of the Hon'ble Supreme Court in the matter of "Wing Commander Arifur Rehman Khan and Others V. DLF Southern Homes Pvt Ltd, is not entitled for any relief. Further, it is averred that Section 11(4) (b) of the Act, there is one of the functions of the promoter to obtain completion certificate, but there is nowhere mention that it is to be obtained prior to handing over of possession. Since complainant failed to pay the installments, so notice under Sections 45(1) and 45 (2) of the Act of 1995 had been issued on 27.07.2020 & 13.07.2022, copy of which is Annexure A/8. In response to notice dated 27.07.2020, it is contended that complainant is not liable to pay installments since the development at the site is only for the name sake and requested to withdraw the notice and refund the amount deposited by him with interest @12% in addition to compensation of Rs.1,00,000/-. Copy of notice dated 13.07.2022 is Annexure R/7. Further, as per policy dated



02.01.2027 framed in compliance with directions issued by the Hon'ble High Court in CWP No.4108 of 2016, and as observed by the Hon'ble RERA Tribunal Punjab in case of Inder Mohan Jeet Kaur Vs. GMADA, wherein it has been held that it is not within the jurisdiction of RERA Authority as well as RERA Tribunal to implement the policies framed by the government or its agencies. There is again repetition of Sections 45 and 174 of the Act of 1995 and Arbitration clause in the Allotment letter. Denying rest of the averments of the complaint, it was prayed that the same be dismissed, being devoid of any merit.

4. Rejoinder to the written reply was not filed by the complainant. However, he reiterated the contents of the complaint and denied those of the reply filed by the respondent, at every stage of the proceedings in this case.

5. Violations and contraventions contained in the complaint were put to the representative of the respondent, to which he denied and did not accept the allegations. Then the complaint was proceeded for further enquiry.

6. I have heard learned authorized representatives of the respective parties and have gone through the record of this case carefully, with their able assistance. Each party argued his case on the lines of his pleadings, as detailed in earlier part of this order.



As per case of the complainant and arguments of his representative, the complainant purchased the plot in question from the original allottee Nirmla Rani and on application for transfer of ownership of the plot of 150 square yards in general category by depositing 10% of earnest money the same was transferred by the respondents to the complainant vide re-allotment letter dated 10.03.2017 with all rights and obligations of allotment. He argued that possession of the plot was to be delivered within 18 months from the date of Allotment Letter or at the completion of the development works at the site. He argued that the respondents failed to complete the project and deliver the possession by due date i.e 10.07.2018 as promised by them. That the respondents refused to refund vide letter dated 14.12.2020 and as a result of which the complainant filed complaint before the Hon'ble Authority (Complaint No.0412 of 2022) and vide order dated 28.02.2025, the complainant was allowed refund of the amount deposited by him with the respondents, with interest. In the present case, he has claimed compensation to the tune of Rs.5 lacs on the ground of mental agony and harassment suffered by him at the hands of the respondents, alongwith litigation expenses. On the basis of these submissions of Ld. representative for the complainant, coupled with documents of the complainant and copy of order dated 28.02.2025 passed by the Hon'ble



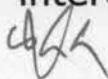
Authority (RERA) he prayed that the present complaint may be allowed, as per its prayer.

On the other hand, Ld. Representative for the respondents vehemently opposed the submissions of Ld. Counsel for the complainant and submitted that this complaint does not fulfill the requirements of Sections 18 & 72 of the Act, so it deserves dismissal. That the possession of the plot was offered to the complainant vide letter dated 27.12.2027, however, he never took possession of the plot nor cited any reason. He further argued that respondents have very well provided basic amenities like water, electricity and sewerage etc. at the spot. That the original allottee Nirmla Rani and the complainant did not make the payments as agreed between the parties, so the respondents issued notice under Section 45(1) and 45(2) of the Act, 1995. He further argued that the complainant himself was at fault, as is mentioned in detail in written reply filed by the respondents, so he cannot be allowed to take benefits of his own wrongs. Ld. Counsel further submitted that the order passed by the Hon'ble Authority (RERA), does not help the complainant in any manner. He lastly prayed for dismissal of this complaint, with costs.

7. I have paid a considerable thought to the submissions of both parties and have perused their pleadings, documents, placed on record.



Admittedly, complaint of the complainant Jaspal Singh seeking relief of refund and interest has been allowed by the Hon'ble Authority vide order dated 28.02.2025, passed in case (GC No.0412 of 2022). Copy of this order is available on record of the complaint in hand, and the same has not been set aside by any competent authority. Accordingly, both parties are bound by its findings. Same legal objections and pleas were taken by the respondents in the said complaint, which have been rejected by the Hon'ble Authority by holding that provisions of the Act 2016 are applicable to the said case. Similarly these provisions are also applicable to the case in hand. Hon'ble Authority has clearly held in Para No.8 of the said order that the complainant had purchased the plot from the original allottee Nirmla Rani, who got it transferred in favour of the complainant vide Re-allotment letter dated 10.03.2017. The respondents failed to complete the project and deliver possession of the plot on due date i.e 10.07.2018 as promised by them. It has been further held by the Hon'ble Authority that the complainant is well within his rights to demand for refund alongwith interest under Section 18 of the Act, if the possession of the plot in question has not been provided within the stipulated time. Accordingly, a case was made out in favour of the complainant party, for refund of the amount alongwith interest, as per provisions of



Section 18(1) of the Act. Jaspal Singh complainant, was allowed refund of the amount to the tune of Rs.3,15,813/- alongwith interest etc. Vide the said order, Hon'ble Authority never said that the complainant was at fault, at any stage.

Now coming to the case in hand, it is crystal clear that the complainant has withdrawn from the project of the respondents. He has been allowed refund of the amount deposited by him alongwith interest. Keeping in view all these facts and circumstances, complainant Jaspal Singh deserves compensation, as per provisions of Sections 18(1) and 72 of the Act. These provisions are very important to be considered here, so they are reproduced as under:-

"18.(1) If the promoter fails to complete or is unable to give possession of an apartment, plot or building, —

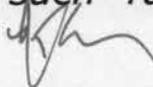
(a) in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein;

or

(b) xxxx xxxx

*he shall be liable on demand to the allottees, **in case the allottee wishes to withdraw from the project**, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf **including compensation** in the manner as provided under this Act*

*"Provided that where an **allottee does not intend to withdraw** from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed."*



72. Factors to be taken into account by the adjudicating officer: while adjudging the quantum of compensation or interest, as the case may be, under section 71, the adjudicating officer shall have due regard to the following factors, namely:—

- (a) the amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;
- (b) the amount of loss caused as a result of the default;
- (c) the repetitive nature of the default;
- (d) such other factors which the adjudicating officer considers necessary to the case in furtherance of justice.

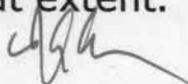
As per order of the Hon'ble Authority dated 28.02.2025, provisions of the Act were applicable to the complaint of complainant seeking relief of refund etc., so certainly provisions of the Act are also applicable to the complaint in hand. It stands proved on record from the documents that there is delay of about 4 years in delivering possession of the plot to the complainant. Since the complainant has withdrawn from the project, so apart from relief of refund and interest as allowed by the Hon'ble Authority, he is also entitled for compensation as per Section 18(1) of the Act. While granting compensation, this Bench has to consider the factors as mentioned in Section 72 of the Act.

Section 72 has given scope of considering other factors, which are considered necessary in furtherance of justice. Since the complainant has not been able to get possession of the unit in question, we have to consider



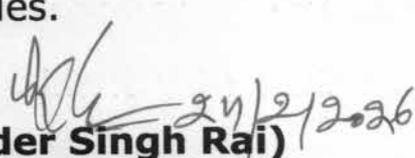
psyche of the Indian Society, in this regard. Normally, Indians are emotionally attached to own a property. They are prepared to spend major share of their life time earning and also ready to obtain loans from the financial institutions in the hope of getting property. Since the complainant, without his fault, has not been able to get possession of the flat in question for a long time of about 4 years and had to seek the remedy under existing law and for that has to suffer harassment, mental agony and has to incur expenses to initiate this litigation for claiming his right, so certainly he is entitled for reasonable compensation and litigation expenses.

Keeping in view the entire facts and circumstances narrated above and taking into account the amount paid by the complainant, with regard to the purchase of the flat in dispute and the duration for which the possession has been delayed coupled with his harassment, mental agony etc., an amount of Rs.1,50,000/- is assessed as compensation in lump sum by approximation. Apart from this, the complainant had to pursue this litigation by engaging the advocate, and spending considerable time from his busy schedule, for attending the proceedings of this case, so he is also entitled for litigation expenses to the tune of Rs.30,000/-. Accordingly, this complaint deserves to be allowed partly upto that extent.



8 As a result of my above discussion, this complaint stands partly allowed and disposed of. Complainant is held entitled to recover the total compensation to the tune of Rs.1,80,000/- (Rs.1,50,000/- + Rs.30,000/-) from the respondents. Accordingly, respondents are directed to pay the amount of compensation to the complainant within 90 days, from the date of this order. Reasons for not disposing of this complaint within 60 days as required under Section 71 of the Act, are that no Adjudicating Officer was posted in this office w.e.f 21.10.2024 to 13.05.2025 and due to rush of work as well. Copy of this order be sent to the parties, free of costs, under rules. File be consigned to the record room, after necessary compliance under rules.

Pronounced
Dated:24.02.2026


(Rajinder Singh Rai)
Adjudicating Officer
RERA, Punjab