

**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.RERA/AdC No.1527/2020

Date of Institution: 16.01.2020

Date of Decision:20.03.2026

1. Vinod Mahajan.
  2. Rama Mahajan, Both R/o House No.1230, Sector 22B, Chandigarh, Pin Code 160022.
- .....Complainants.

Versus

M/s Altus Space Builders Private Limited, SCO No.22, Ist Floor, Phase 10, SAS Nagar (Mohali), Punjab, Pin Code 160062.

.....Respondent

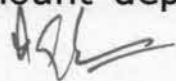
Complaint under Section 31 of the Real Estate (Regulation and Development) Act 2016.

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Present: Mr.Sudhir Kashyap Adv, for complainants.  
Mr.Amit Sharma Adv,for respondent.

**ORDER**

A composite complaint has been filed by the complainants, 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) before this Bench, seeking refund of the entire amount deposited by them



with the respondent, alongwith interest @ 18% per annum from the date of their respective deposits, till actual payment and also Rs.5,00,000/- as compensation for mental harassment and Rs.1,00,000/- as costs of litigation.

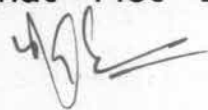
It is pertinent to mention here that respondent had appeared and filed reply to the complaint. Both parties placed on record their documents. After hearing them, learned Adjudicating Officer decided the matter vide order dated 26.08.2021 vide which relief of refund alongwith interest and compensation amount was allowed. Respondent preferred appeal against the said order. Hon'ble Appellate Tribunal RERA, Pb. vide its order dated 17.04.2023, set aside the said order dated 26.08.2021 and remanded back the case with direction to the parties to appear before the Authority/Adjudicating Officer on 22.05.2023.

As per directions of Hon'ble Tribunal contained in above said order, parties appeared before the Adjudicating Officer. In compliance with the said order dated 22.05.2023, coupled with findings of our Hon'ble Apex Court in **Civil Appeal No.6745-6749 of 2021 titled M/s Newtech Promoters and Developers Pvt. Ltd. Vs. State of UP and others etc.** alongwith

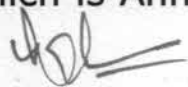


connected appeals decided on 11.11.2021, the matters pertaining to the reliefs of refund and interest under Section 18(1) of the Act are required to be heard by the Real Estate Regulating Authority (RERA) whereas the question of compensation is to be heard and decided by the Adjudicating Authority. So vide order dated 28.04.2023 passed in this case, by the Adjudicating Officer, present complaint was segregated. It's one set of paper book was put up before the Hon'ble Authority (RERA) for deciding the claim of refund and interest sought by the complainants, whereas the present case was retained with this Bench, for adjudication of the relief of compensation.

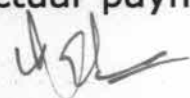
2. As per complaint, complainants booked a residential plot measuring 250 square yards (tentative) in the project i.e. ALTUS MUIRWOODS ECOCITY (Phase II), New Chandigarh, SAS Nagar, by depositing booking amount of Rs.1,00,000/- as registration fee (Annexure C-1) vide proposal form for provisional registration dated 20.09.2012. Respondent assured the complainants, that development activities of the project were in full swing and possession of the plot would be delivered to them within 12 months from the date of booking. Further, it was also assured, by respondent that Plot Buyer's



Agreement would be executed between the parties, within a few days from the date of booking. That the respondent vide its letter dated 11.10.2012 asked the complainants to deposit 25% of basic sale price, inclusive of Rs.1,00,000/- of booking amount and as such, they deposited Rs.7,43,750/- towards basic sale price and a consolidated receipt of Rs.8,43,750/- was issued on 25.10.2012. Thereafter, the respondent intimated the complainants that Punjab Government has raised fee for infrastructure and they were asked to pay Rs.700/- per square yard, as external development charges, so they deposited Rs.1,75,000/- accordingly, through cheques. Subsequently, respondent vide its letter dated 24.08.2015, informed complainants that draw of lots for allotment of plots, would be held on 30.08.2015. The draw was held and respondent started compelling the complainants for obtaining their consent to sign a unilateral and unfair agreement i.e. Plot Buyer's Agreement dated 24.08.2015, which is Annexure C-4, with increased price with new payment schedule and extension of time period for handing over the possession of plot by 36 months, from the date of agreement. The complainants were allotted Plot No.297, vide provisional plot allotment letter dated 30.08.2015, which is Annexure

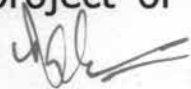


C-5, in their proposed township. Further, complainants also paid an additional amount to the tune of Rs.4,63,050/- to the respondent-developer, vide cheque bearing No.583617 dated 23.10.2015. That as per Article 5 of the agreement, it was categorically assured/agreed by the respondent-company that possession of the plot was to be given within thirty months or within an extended period of six months from the date of the agreement by the purchaser. That respondent cleverly and intentionally gave an unsigned draft of the Plot Buyer's Agreement, shifting its liability on the complainants to execute the agreement, whereas it was the respondent to execute the agreement. The intention of the respondent was to deceive the credulous people to get proposal form without mentioning the exact location of the area. This is unfair trade practice on the part of the respondent, not to give the correct particulars of the area. That complainants have paid Rs.14,81,800/- out of the total sale price of Rs.47,65,000/- (Rs.19,060/- per square yard) and no Buyer's Agreement was ever executed by the respondent in their favour. The complainants have sought refund of the entire amount deposited by them with the respondent with interest @ 18% per annum from the date of their respective deposits till actual payment,



and also Rs.5,00,000/- as compensation for mental harassment and Rs.1,00,000/- as costs of litigation. Hence, the present complaint.

3. Respondent appeared and contested this complaint, by taking preliminary objections that the present complaint is not maintainable in its present form. That the Adjudicating Officer has power to determine violations under Section 12, 14, 18 & 19 of the Act, whereas the Authority has specific power to levy penalty and set aside an order cancelling an allotment, but is not specifically empowered by any provision to award any of the reliefs enumerated in the aforementioned Sections. Further, complainants have wrongly stated that there is delay in handing over the possession. As per declaration given by the promoter, under Section 4(2) (1) (c) of the Act, the date for completion of the project has been mentioned as five years from the date of registration. That complainants were required to make payments as agreed in table 2 of the Plot Buyer's Agreement dated 24.08.2015, which is AnnexureC-4, according to which amount of Rs.35,18,750/- was due to be paid by them. But they have failed to do so and filed this complaint, because of slump in real estate sector. So the present complaint is liable to be dismissed. That project of the



respondent is Residential Housing Project, duly approved by the Government, regarding which CLU was approved on different dates for different parcels of land. The layout plan was approved on 08.05.2014 and subsequently the layout plan was submitted on 07.02.2015 and the same was cleared by Chief Town Planner, Punjab on 31.03.2015. Copies of CLUs dated 17.11.2011, 14.05.2012, 25.06.2013 and 10.09.2012 and copy of layout plan approved on 08.05.2014 and letter dated 20.07.2015 regarding approval of another layout plan are Annexures R1 to R6. That Plot Buyer's Agreement dated 24.08.2015, which is Annexure C-4 was entered into between the complainants and respondent, as per Article 5 and clause 5.1 of the said agreement, possession of the plot was to be delivered within 30 months or within an extended period of 6 months, from the date of Buyer's Agreement, subject to timely payments by the buyers. Further, clause 5.1 (d) mentions that in the event of any default of purchaser in fulfillment of terms and conditions of Plot Buyer's Agreement and subsequent allotment, the developer shall be entitled to reasonable extension of offering/delivery of possession of plot to the purchaser. Thus, delivery of possession of the plot in question, becomes due on completion of terms and conditions of



the Plot Buyer's Agreement and payment of balance amount by complainants. That development work of the project is at final stage and the respondent is ready to hand over possession of the plot to complainants on payment of balance due amounts, copy of photographs are Annexure R-7 (Colly). As per clause 5.1 (c) of the Plot Buyer's Agreement dated 24.08.2015, which is Annexure C4, respondent is liable to pay charges @ Rs.5/- per square yard per month of the area of plot for the period of delay in offering the possession of said plot beyond the period indicated in clause 5.1 (a). That clause 5.1 of the Plot Buyer's Agreement contains, "Force Majeure" condition, which provides that the developer shall not be held responsible for delays including delay due to sanction of layout, zoning plans/grant of completion occupation certificate etc. by the competent authority or due delay in provision of Peripheral Services/Sector Grid Roads/Master Plan Roads and allied services by the State Government/concerned authorities. That it further includes circumstances beyond the control of the Developer including the act of God, inability to procure or general shortage of energy, labour, equipment, facilities, materials or supplies, failure of transportation, strikes, lock outs etc., or any other cause not within the control of





the developer. That there is no delay on the part of respondent, but there is delay in approval of detailed Project Report as well as peripheral services/Sector Grid Roads/Master Plan Roads and allied services by the State Government/concerned authorities. That Covid-19 pandemic was an act of God, the Nation as well as the State of Punjab remained under curfew/lockdown which resulted in shortage of labour, material supply, failure of transportation etc. falls under the "*Force Majeure*".

On merits, it is averred that complaint filed by complainants would lie before the Adjudicating Officer. Further, as per Article 13 clause 13.1 and clause 13.2 of Plot Buyer's Agreement dated 24.08.2015. Authority has no jurisdiction over this matter, which is liable to be sent for arbitration under the provisions of Arbitration and Conciliation Act. It is averred that fact of booking of plot by complainants and allotment of Plot vide provisional letter dated 30.08.2015, which is Annexure C-5 are matter of record. Further, it has been denied that complainants have paid Rs.14,81,800/-, in fact, only an amount of Rs.10,18,750/- has been paid by them. The bare perusal of Plot Buyer's Agreement dated 24.08.2015, Annexure C-4 shows that no such promise to hand over possession of the plot within 12 months had been made



by the respondent. The total price of the plot is Rs.35,18,750/- but complainants have failed to pay the balance amount to which they agreed in the Plot Buyer's Agreement. Even then, respondent has allotted Plot No.297 to complainants as per provisional plot allotment letter dated 30.08.2015. Further, respondent has already sent Plot Buyer's Agreement to complainants, but they failed to execute the said agreement, as they did not pay the balance installments. It was mentioned in the Plot Buyer's Agreement that the buyer/purchaser had to execute the Plot Buyer's Agreement and to deliver the agreement within 30 days from the date of receipt of the agreement and thereafter, putting signatures of authorized signatory of the company, one copy of the agreement was to be returned to the buyer/purchaser. It is further averred that respondent is ready to hand over possession of plot to complainants on payment of balance amount. In view of the facts and circumstances, complainants are not entitled to any relief and present complaint is liable to be dismissed. Rest of the averments of complaint have been denied and a prayer has been made for dismissal of the complaint.

4. Rejoinder to the reply was not filed by the complainants, however, the complainants have verbally



reiterated the contents of their complaint and denied those of the reply filed by the respondent.

5. Violations and contraventions contained in the complaint, were put to the representative for the respondent. He totally denied all of them, including allegations of the complainants. Thereafter, the complaint was proceeded for further enquiry.

6. I have heard the representatives of the parties, who addressed arguments on the basis of their pleadings/submissions, as summarised in the earlier part of this order. I have also carefully gone through the case file, with their able assistance.

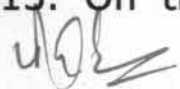
Each party argued its case on the lines of its pleadings, documents, as detailed in earlier part of this order. Admitted facts need not to prove. Booking of the plot in question by the complainants in the project of the respondent, is not in dispute. It is also on record that the possession was not delivered within prescribed time, although respondent has alleged that the delay if any, cannot be attributed to it. As is clear from Para No.1 of this order, one set of this complaint, was sent to the Hon'ble Authority RERA, for deciding the claim of refund and interest, whereas the present case was kept before this Bench for adjudication of relief of compensation,



litigation expenses, as per prayer of the complainants. Our Hon'ble Authority has decided the said complaint vide order dated 08.09.2025 (AdC No.152 of 2020) and complainants have been allowed relief of refund of the amount to the tune of Rs.10,18,750/- alongwith interest. Copy of this order is available on the record of this case. Questions of jurisdiction of the Authority and referring the matter to the Arbitration, were not raised before the Hon'ble Authority. Otherwise also, a conjoint reading of Sections 79, 88 & 89 of the Act, makes it clear that despite there being Arbitration Clause, the remedy available to the complainant under the Act still subsists, as it is in addition to remedy available before any other Forums. So objections of the respondent in this regard carry no weight.

Order dated 08.09.2025, passed by our Hon'ble Authority, has not been set aside by any competent authority, so the same has become final and parties are bound by its findings. As per this order, complainants have withdrawn from the project of the respondent, as they have been allowed refund alongwith interest.

7. Booking of the plot was made on 20.09.2012 and as per plea of the complainants, its possession was to be given within 12 months i.e by 20.09.2013. On the

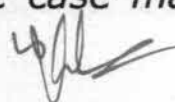


other hand, it is plea of the respondent that they had given a declaration for completion of the project by 31.07.2022, so this was the date of possession. At the time of booking, RERA was not in force, so the respondent cannot take the benefit of the completion date of the project i.e 31.07.2022, given at the time of registration of the project. However, said date could be applicable to the future allottees and not to these complainants. Accordingly there was delay in delivery of possession of the plot to the complainants. Learned representative of the respondent could not convince this Bench as to how the respondent is not responsible for the said delay in delivery of possession.

8. It is pleaded case of the complainants that due to said delay in delivery of possession, they have suffered mental harassment, agony etc. So they have moved this complaint under Section 18 (1) of the Act. Keeping in view the pleadings and submissions of both the parties, for proper and effective disposal of this complaint, perusal of Sections 18 & 72 of the Act are very important, which 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."*

9.        A close scrutiny of the aforesaid Section 18(1) of the Act, leaves no manner of doubt that this Section deals with the matters in which the project of the case is not completed by the promoter, within the stipulated period as per terms and conditions settled between the parties, then the allottee has the option of withdrawing from the project and seek the relief of refund of the paid amount alongwith interest, as per rules and also compensation. However, if the complainant chooses to remain in the project, then the only remedy provided for the default of the promoter in completion of the project, is


to get interest on the paid amount from the stipulated date of possession, till the actual date of delivery of possession.

**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.

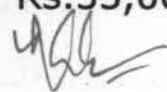
As per order dated 08.09.2025 passed by the Hon'ble Authority, the complainants have withdrawn from the project of the respondent. So apart from relief of refund with interest, complainants are also entitled for compensation as per Section 18(1) of the Act. While granting compensation, this Bench has 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 complainants have not been able to get



possession of the plot 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 complainants, without their fault, have not been able to get possession of the plot in question for a long time of about 12 years and had to seek the remedy under existing law and for that had to suffer harassment, mental agony and had to incur expenses to initiate this litigation for claiming their right, so certainly they are 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 complainants, with regard to the purchase of the plot in dispute and the duration for which the possession has been delayed, an amount of Rs.1,50,000/- is assessed as compensation in lump sum by approximation. Apart from this, the complainants had to pursue this litigation by engaging the advocate, and spending considerable time from their busy schedule, for attending the proceedings of this case, so they are also entitled for litigation expenses to the tune of Rs.35,000/-.

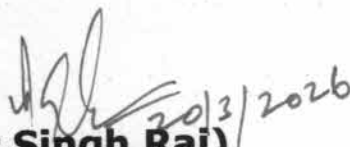




Accordingly, this application deserves to be allowed partly, upto that extent.

10 As a result of my above discussion, this complaint stands partly allowed and disposed of. Complainants are held entitled to recover the total compensation to the tune of Rs.1,85,000/- (Rs.1,50,000/- + Rs.35,000/-) from the respondent. Accordingly, respondent is directed to pay the amount of compensation to the complainants within 90 days from the date of this order. Copy of this order be sent to the parties, free of cost, under rules. File be consigned to the record room, after necessary compliance under rules.

**Pronounced**  
**Dated:20.03.2026**

  
**(Rajinder Singh Rai)**  
**Adjudicating Officer,**  
**RERA, Punjab.**