

**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. AdC No.0062 OF 2022UR  
Date of Institution:26.08.2022  
Date of Decision:26.02.2026

Smt. Arpita Garg W/o Pankaj Garg, R/o House No.19-A, Civil Lines, Near Old Session Court, Ambala City, Haryana, Pin Code 134007.

.....Complainant

Versus

1. Bathinda Development Authority, Through its Chief Administrator, PUDA Complex, Bhagu Road, Bathinda, Punjab Pin Code 151001.
2. Estate Officer, PUDA Bathinda, PUDA Complex, Bhagu Road, Bathinda, Punjab Pin Code 151001.

.....Respondents

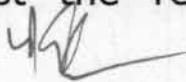
**Complaint under Section 31 of the Real Estate  
(Regulation and Development) Act 2016.**

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Present: Mr. Jaynish Saini Advocate, for the complainant.  
Mr. Bhupinder Singh, Mr. Balwinder Singh  
Advocates, for respondents.

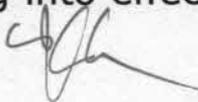
**ORDER**

Present complaint has been filed by 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 respondents/promoters

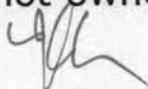


seeking compensation and litigation expenses for suffering unbearable mental agony, harassment, financial loss.

2. Brief facts of this complaint are that Scheme Annexure-1 was launched in June 2013 by respondents, for development of free hold residential plots @ Rs.9000/- per square yard at Faridkot. Complainant applied for a plot of 200 square yards in general category vide Application No.PUD000022 on 01.07.2013 by depositing 10% EM of Rs.1,80,000/-. Then, Letter of Intent Annexure A2 was issued on 03.01.2014 demanding Rs.3,06,000/- (15% allotment money of Rs.2,70,000/- + 2% cess of Rs.36,000/-) within 30 days, which was deposited on 28.01.2014, copy of Ledger Account Summary is Annexure A3. Thus, complainant had paid total sum of Rs.4,86,000/- till date. As per clause 2(1), payment schedule clause of scheme Annexure A1, remaining 75% amount was to be paid in lump sum or in 6 half yearly installments, after issuance of allotment letter and the allotment letter has not been issued even after passing about a decade. It was promised by respondents to hand over possession of the plot within 18 months from the date of issuance Allotment letter or at the completion of the development works at the site, whichever is earlier. That cause of action has arisen to the complainant to file complaint for refund. However, scheme was launched in 2013, much before coming into effect of the Act, but it is not



complete even till date, so, respondents were under legal obligation to get the project registered with the Authority as required under section 3 of the Act, but they did not do so. That complainant was waiting to construct her dream house in fully developed project, but the respondents have miserably failed even to start the development works of the project and handover possession of the plot to the complainant, even after 8/9 years since its launch. Further, complainant also served legal notices Annexure A6 and A8 to the respondents, but all in vain and they did not give reply to the said notices. Postal receipts are Annexures A7 & A9 respectively. It was their legal duty to let complainant know about all the development updates as per chapter III of the Act. This is a blatant misuse of power and negligence by the respondents being state agency towards the development of the project and obligation to provide necessary information to the complainant. Vakalatnama is Annexure 10. Earlier complaint/RERA/AdC No.0090 of 2021UR BF-TR was dismissed as withdrawn vide order dated 11.02.2022, copy of which is Annexure A11, with liberty to file afresh in view of supreme court judgment. Now at time of filing present complaint, complainant came to know from judgment, copy of which is Annexure A12 that respondents were reprimanded for adopting unfair and mal trade practice while holding that they are not owners of the project land nor they

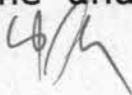


are in possession of the same which gave further cause to file the present complaint for refund. Further, it is averred that now complainant is no more interested in the project of the respondents and cannot wait endlessly for possession of the plot. That respondents cannot withhold her hard earned money without developing the project and keeping her in dark. So she wants exemplary compensation for suffering unbearable mental agony, harassment, loss of precious time and money upon transportation and forced litigation etc. Moreover, nowadays construction cost has increased many times. Separate complaint for compensation in form 'M' is being filed. Complainant has sought exemplary compensation of Rs.10,00,000/- for suffering unbearable mental agony, harassment, loss of precious time and money upon transportation and forced litigation etc. Hence, this Complaint.

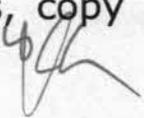
3. Upon notice, respondents put in appearance and contested the complaint by taking preliminary objections that certain provisions of the Act, introduced vide Notification dated 26.04.2016, were made applicable w.e.f 01.05.2016 and remaining sections of the Act are applicable from 01.05.2017 vide notification dated 19.04.2017 issued by the Central Government. That above said provisions of the Act have been made applicable prospectively i.e 01.05.2016 and 01.05.2017 and no provision of the Act has been made



applicable retrospectively. That as per Section 3 of the Act, the promoter is bound to register its project with the Real Estate Regulatory Authority prior to the advertisement, marketing, booking, selling or offer for sale or inviting persons to purchase any plot or apartment of the project. However, proviso given under this Section provides that ongoing projects, for which completion certificate has not been issued, also requires registration within a period of 3 months from the date of commencement of this Act. Further, the definition of 'Ongoing Projects' has been enshrined in Rule 2 (h) of the Rules, 2017. That in the present case, no development work is going on as such, this project does not fall in the above said definition of 'Ongoing Projects' and the project is not registered under the Act with the Authority. Further, it is averred that as per latest judgment of Hon'ble Supreme Court of India in case of M/s New Tech Promoters and Developers Pvt. Ltd Vs. State of UP and Others, the complaint against projects which are not registered under the Act, is not maintainable and as such, this Bench has no jurisdiction to entertain and adjudicate the present complaint and it is liable to be dismissed. Since there is no agreement to sell or allotment letter as such, there is no question of violating terms of the agreement to sell. That the project in question is to be developed on the land transferred to PUDA under OUVGL Scheme and the sale proceeds of the said



project/land are to be deposited with the Government. The project is to be developed under the directions and guidelines of the Government. There is no provision in the Act to file complaint against order/decision of the State Government. That the State of Punjab enacted the Punjab Regional and Town Planning & Development Act, 1995 (hereinafter referred to as the Act of 1995) with an intent to develop the land in a planned manner in State of Punjab. That to achieve the said objective of the Act, Punjab Urban Planning & Development Authority under Section 17 and Bathinda Urban Area Development Authority, under Section 29 of the Act ibid were constituted by the Government of Punjab. Section 43 of the Act empowers the Authority to frame scheme for development of land owned by it or transferred to it by the State Government and disposal of the said land without development on the terms and conditions as determined by the Authority. Further, under the scheme known as OUVGL (Optimum Utilization of Vacant Government Land), State Government transferred the land of Sugar Mill Site, Faridkot to PUDA for development and disposal. That PUDA framed a scheme for allotment of 428 free hold residential plots at PUDA Enclave (Sugar Mill Site), Faridkot on the above said land. Detailed terms and conditions of allotments of plots had been given in the Brochure issued for general public and prospective applicants, copy of which is Annexure A1. That



complainant after going through the terms and condition of the Brochure, submitted an application on 01.07.2013 for allotment of plot measuring 200 square yards in the project in question. Complainant was fully aware of the condition that possession of the said plots shall be handed over to the allottees, after completion of development works at the site or within 18 months from the date of issuance of allotment letter, whichever is earlier. That complainant was successful in the draw held on 30.08.2013 for allocation of plot measuring 200 square yards, letter of intent dated 03.01.2014 containing certain terms and conditions of allotment and possession mentioned in the brochure of the scheme had been issued to the complainant, which had been accepted by her. Copy of Letter of Intent dated 03.01.2014 is Annexure A2. The provisions of the Act, 2016 are not applicable in the present case since the project in question is not registered with RERA Authority, however, as per Section 18 of the Act, the Promoter is only liable to return the amount received by him alongwith interest, if he fails to do so, in accordance with the terms of the agreement to sell. There is an arbitration clause in the allotment letter to settle dispute or differences between the parties. The matter if required to be adjudicated, shall be referred to the Arbitrator under the provisions of Arbitrator and Conciliation Act, 1996. Denying rest of the averments of the complaint, it was



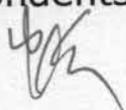
prayed that the same may be dismissed, being devoid of any merit.

4. Rejoinder to the written reply was not filed by the complainant, however, she orally rebutted the pleadings of the respondents and reiterated the contents of her complaint, at every stage of the proceedings in this case.

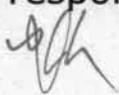
5. Violations and contraventions contained in the complaint were put to the representative of the respondents. He totally denied all of them, including allegations of the complainant. Thereafter, enquiry was proceeded further.

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

It is admitted case of the parties that the scheme of free hold residential plots was launched in June 2013 by respondents. It is also admitted that complainant had applied for a plot of 200 square yards and had deposited Rs.4,86,000/- total amount. Possession of the plot was to be delivered within 18 months from the date of allotment or at the completion of development work at the site, whichever is earlier. As per case of the complainant, nothing has been done by the respondents at the spot, so the complainant has



moved the Hon'ble Authority RERA for seeking refund etc. Present complaint has been moved by her seeking compensation etc., on the basis of her mental agony, harassment etc. On the other hand, respondents have raised so many legal objections as detailed in Para No.3 of this order. Similar objections were also raised by them in the complaint of the complainant moved before the Authority seeking refund etc., and vide order dated 25.02.2025, Hon'ble Authority RERA dismissed all these objections of the respondents. Vide this common order dated 25.02.2025 passed in two similar complaints (GC No.437/2022 UR & GC No.438/2022 UR) titled as Smt. Arpita Garg Vs PUDA etc. and Smt. Kusum Lata Garg Vs PUDA etc., both these complainants were allowed the refund alongwith interest. Smt. Arpita Garg complainant of the case in hand is the same person who was the complainant before the Hon'ble Authority in the above said complaint. Each of the complainants had applied for the plot of 200 square feet in the said scheme with the respondents, but nothing was done at the spot by the respondents. Although it has been vehemently argued on behalf of the respondents that provisions of the Act are not attracted in the case in hand, but in Para No.15 of the said common order dated 25.02.2025 passed by the Hon'ble Authority, it has been held that project of the respondents PUDA Enclave (Sugar Mill



Site) at Faridkot, was an Ongoing Project, as per provisions of the Act. So, both the complaints for the relief of refund have been allowed, under the Act. Said order of the Hon'ble Authority has not been set aside by any competent authority, so both parties are bound by its findings.

It stands proved on record that complainant has withdrawn from the project of the respondents, and she has been allowed the relief of refund alongwith interest by the Hon'ble Authority. There is delay of about 10 years in delivering possession of the plot, to the complainant, in view of which she has moved this complaint under Section 18 of the Act seeking compensation etc. Keeping in view all these facts and circumstances, for proper and effective disposal of this complaint, perusal of Sections 18 & 72 of the Act is 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".*

**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.

Order dated 25.02.2025 passed by the Hon'ble Authority (RERA) pertaining to the case of the present complainant, vide which she has been allowed refund amount alongwith interest, is available on the record of this case. This order has not been set aside by any competent authority, so it has become final and it is binding upon both the parties. It is specifically held by the Hon'ble Authority in the said order that provisions of the Act are attracted in the complaint seeking refund. So, in the same way, they are also attracted in the case in hand. Keeping in view the findings of the Hon'ble Authority contained in the said order, there is delay of about 10 years in delivering possession to the



complainant. Accepting plea of the complainant to be true and correct, the said complaint of the complainant was allowed by the Hon'ble Authority vide order dated 25.02.2025. Meaning thereby, the complainant has withdrawn from the project. So apart from relief of refund with interest, she 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.

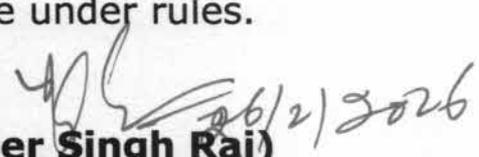
Section 72 has given scope of considering other factors, which are considered necessary in furtherance of justice. Since the complainant has not been able to get possession of the unit in question, we have to consider psyche of the Indian Society, in this regard. Normally, Indians are emotionally attached 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 her fault, has not been able to get possession of the plot in question for a long time of about 10 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 her right, so certainly she 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 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 complainant had to pursue this litigation by engaging the advocate, and spending considerable time from her busy schedule, for attending the proceedings of this case, so she 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. 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:26.02.2026**

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