

**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.0067 of 2024

Date of Institution:13.05.2024

Date of Decision:15.04.2026.

Jasvir Singh, R/o House No.241, Phase-1, SAS Nagar
(Mohali). Punjab Pin Code 160047.

.....Complainant.

Versus

1. Greater Mohali Area Development Authority Through its
Chief Administrator, PUDA Bhawan, Sector 62, SAS
Nagar (Mohali), Punjab Pin Code 160062.
2. CA Greater Mohali Area Development Authority, PUDA
Bhawan, Sector 62, SAS Nagar (Mohali), Punjab Pin
Code 160062.

..... Respondents.

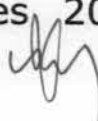
Complaint under Section 31 of the Real Estate
(Regulation and Development) Act 2016.

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Present: Mr. Vipin Kumar Advocate, for the complainant.
Mr. Sandeep Bhardwaj Advocate, for the
respondents.

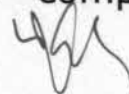
ORDER

This 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

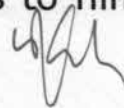


called as the Rules) against the respondents/promoters, seeking compensation of Rs.7 lacs and Rs.50,000/- towards litigation expenses.

2. Brief facts of the complaint are that on 20.11.2020, the complainant's son Jasjot Singh purchased 200 square yards plot bearing No.3108 Block-D, at Sector 89 Mohali, in re-sale from Jagjit Singh Banwait. Letter of intent No.2263 of 21.01.2014 and allotment letter were already issued in favour of previous owner Jagjit Singh Banwait on 03.02.2019 by the respondents. Possession was to be handed over within 3 years from the letter of intent. Plot was purchased after following the proper procedure and obtaining due permission, including no due certificate from the respondent and sale deed was also registered. That on 17.02.2021 Jasjot Singh applied for approval of building plan through Architect and deposited fees etc., alongwith layout /building plan, duly approved by the respondents. Thereafter, Jasjot Singh asked the respondents to conduct demarcation and to hand over physical possession of the said plot, but the respondents put off the matter on one pretext or the other. In the meantime, in a family settlement, said plot No.3108 was transferred in the name of father of Jasjot Singh i.e the present complainant Jasvir Singh. On 29.07.2021 Jasjot Singh applied for permission to transfer the plot in favour of the complainant. On

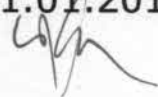


06.08.2021 this plot was transferred in the name of complainant and transfer deed was also got registered in this regard. Respondents also transferred this plot in favour of the complainant on 16.08.2021. On 22.06.2022, complainant applied for its demarcation, but the respondents again put off the matter on the one pretext or the other. Lastly, on 13.04.2023, disposed of application of the complainant by saying that plot No.3108 was not possession-able, as the said area was yet to be developed. Complainant moved an RTI seeking information for not handing over the physical possession of this plot and also to know the reason behind it. But, the respondents did not bother to provide the information. Then the complainant filed appeal, where the respondents provided information to the complainant that as the development work was not complete, so the plot was not feasible. It is further averred in the complaint that there is actual delay of more than 7 years in handing over the actual and legal possession of the said plot to complainant and this delay is still continuing. The complainant was entitled for possession on 20.11.2020, when the said plot was purchased, but of no use. So the complainant has suffered a loss, harassment, monetary loss, due to the act and conduct of the respondents. It is the prayer of the complainant that the respondents may be directed to give compensation of Rs.7 lacs to him alongwith



an amount of Rs.50,000/- towards litigation expenses. Hence, this complaint.

3. Upon notice, respondents appeared and filed reply with the submissions that the complainant had purchased a plot from its earlier owner, vide sale deed dated 06.08.2021, being aware of the situation that the pace of the development works of this scheme and the ownership of this plot was transferred in his name only on 25.08.2021. So he is not entitled for any compensation. That the complainant did not abide by terms and conditions of the allotment letter dated 06.02.2019 and in view of condition 24 of the said letter, the complainant should have approached the Chief Administrator for resolution of his dispute, so the present complaint before this Bench is not maintainable. That letter of intent of the plot in question, was originally issued vide No.2263 dated 21.01.2014 to Amrik Singh and other land owners whose land falling in village Bairamput, SAS Nagar had been acquired for development of Urban Estate, Sector 88/89, SAS Nagar and who had given their consent claiming land pooling under Land Pooling Policy. Thereafter, these land owners namely Amrik Singh and others vide their application dated 10.06.2014 had applied for transfer of Letter of Intent dated 21.01.2014 in favour of Sudesh Rani wife of Balwant Rai and Vide memo no.17085 dated 26.06.2014. Letter of Intent dated 21.01.2014 was

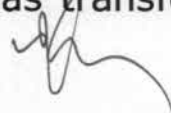


transferred in the name Sudesh Rani on the same terms and conditions contained in original Letter of Intent dated 21.01.2014. Thereafter, Sudesh Rani wife of Balwant Rai vide her application dated 10.04.2015 had further applied for transfer of Letter of Intent dated 21.01.2014 in favour of Jagjit Singh Banwait and vide memo No.13439 dated 16.04.2015, Letter of Intent dated 21.01.2014 was transferred in the name of Jagjit Singh Banwait son of Sohan Singh Banwait on the same terms and conditions. That in so far as possession of the plot is concerned, Conditions No.5 & 6 of the Letter of Intent dated 21.01.2014 are relevant, which are as under:-

"5.The said plot is being offered on "as is where is" basis.

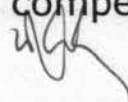
6. Possession of plot shall be handed over to the allottee after completion of development works."

Later on, vide memo No.7513 dated 03.02.2019, Allotment Letter of plot in question was also issued in favour of Jagjit Singh Banwait on "as is where is" basis and Conveyance Deed of this plot was also got executed by this allottee in his favour on 17.08.2020. That Jagjit Singh Banwait vide his application dated 19.08.2020 had applied for permission for sale of plot in question in favour of Jasjot Singh Parmar and vide memo No.33190 dated 15.09.2020, permission for sale of plot was issued. Thereafter, on the application of Jasjot Singh Parmar, the ownership of this plot was transferred in



his name vide Memo No.51668 dated 17.012.2020 on the basis of Registered Sale deed dated 20.11.2020 executed by earlier owner. Subsequently, the owner Jasjot Singh Parmar vide his application dated 14.07.2021 had applied for permission for sale of plot in question in favour of complainant and vide Memo No.730 dated 29.07.2021, permission for sale of plot was issued. Thereafter, on the application dated 12.08.2021 of complainant, the ownership of this plot was transferred in his name vide Memo No.641 dated 25.08.2021 on the basis of Registered Sale Deed dated 06.08. 2021 executed by earlier owner and also subject to the terms and conditions of allotment, which are contained in Letter of Intent dated 21.01.2014 as well as Allotment Letter dated 03.02.2019. That the respondents are considering to allot alternate feasible plots to such allottees in Sector 95-96, SAS Nagar who are alleging non-feasibility of their plots and the present complainant will also be considered with similarly placed other allottees as his case cannot be decided in isolation. Denying rest of the averments of the complaint, a prayer has been made for dismissal of this complaint.

4. During pendency of this complaint, a legal issue was raised on behalf of the respondents that although the present complaint has been moved by the complainant under Section 18 of the Act, seeking compensation on the

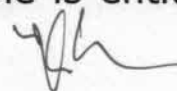


ground of delay in delivery of possession of the plot in dispute, but this complaint is not maintainable, as the complainant has not withdrawn from the project.

5. I have heard the representatives of the parties on the above said legal issue as to whether or not the present complaint is maintainable before this Bench.

Learned representative for the complainant submitted that ownership of the plot in question, in favour of the complainant, is not disputed. It is also not disputed that delay has been caused in delivery of possession of the plot to the complainant. There is nothing on record to suggest that the complainant is at fault, in any manner, in this regard. Learned representative further submitted that the complainant has already suffered mental harassment, monetary loss etc., due to delay in delivery of possession of the plot in his favour, so the present complaint is maintainable before this Bench. Accordingly, the complainant is entitled for the compensation alongwith litigation expenses, as per prayer of the complaint.

On the other hand, learned representative for the respondents vehemently opposed the submissions of the learned representative of the complainant and submitted that as per Section 18 of the Act, the complainant can only be granted compensation if he withdraws from the project. If he does not intend to withdraw, then he is entitled only for



interest on the deposited amount for the delayed period, as per provisions of Section 18 of the Act. Since the case in hand, the complainant is still continuing with the project of the respondents and has not withdrawn, so the present complaint moved by him seeking compensation for delay in delivery of possession of the plot, alongwith litigation expenses is not maintainable. He prayed for its dismissal.

6. I have paid a considerable thought to the submissions of both the parties and have perused their pleadings and documents, with their able assistance. For the proper decision of the question qua maintainability of the present complaint before this Bench, reference of Section 18 (1) of the Act is necessary, which is reproduced as under:-

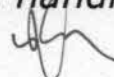
"18.(1) If the promoter fails to complete or is unable to give possession of an apartment, plot or building, —

(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."

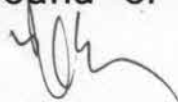
7. Now coming to the case in hand, admittedly, the complainant has not withdrawn from the project, rather, he is seeking compensation on the ground of delay in delivery of possession of the plot, under Section 18 (1) of the Act. This provision of the Act, as aforesaid, makes it crystal clear that complainant is only entitled for compensation etc., if he withdraws from the project of the respondents. If he continues with the project, then as is clear from Section 18(1) of the Act, he is entitled for the relief of interest on the deposited amount, for the delayed period. In view of findings of our Hon'ble Supreme Court in **Civil Appeal 6745-6749 of 2021, titled M/s Newtech Promoters and Developers Pvt. Ltd. Vs State of UP and others etc.**, alongwith connected appeal decided on 11.11.2021, remedy seeking relief of Interest, Refund Amount, lies with the Hon'ble Regulatory Authority (RERA), whereas remedy qua compensation lies with this Bench, as is clear from Para 86 of this authority as mentioned below:-

*"86. From the scheme of the Act of which a detailed reference has been made and taking note of power of adjudication delineated with the Regulatory Authority and Adjudicating Officer; what finally culls out is that although the Act indicates the distinct expression like 'refund', 'interest', 'penalty' and 'compensation', a conjoint reading of Sections 18 and 19 clearly manifests that when it comes to refund of the amount, and interest on the refund amount, **or directing payment of interest for delayed delivery of***



possession, or penalty and interest thereon, it is the Regulatory Authority which has the power to examine and determine the outcome of a complaint. At the same time, when it comes to a question of seeking the relief of adjudging compensation and interest thereon under Sections 12, 14, 18 and 19, the Adjudicating Officer exclusively has the power to determine, keeping in view the collective reading of Section 71 read with Section 72 of the Act. If the adjudication under Sections 12, 14, 18 and 19 other than compensation as envisaged, if extended to the Adjudicating Officer as prayed, that, in our view, may intend to expand the ambit and scope of the powers and functions of the Adjudicating Officer under Section 71 and that would be against the mandate of the Act 2016."


Admittedly the complainant has chosen to continue with the project, so he is not entitled to seek compensation under the Act, as is clear from above mentioned Section 18 (1) of the Act. Wording of this provision of the Act, makes it crystal clear that allottee/complainant can only seek compensation, if he withdraws from the project. Otherwise, if he does not intend to withdraw from the project, he shall be paid only interest for every month of delay, till handing over of the possession, at such rate as may be prescribed. Keeping in view all these facts and circumstances, coupled with Section 18 of the Act, since the complainant has not withdrawn from the project, so he is not entitled for compensation, as claimed by him through this complaint. Resultantly, he is also not entitled for litigation expenses. Accordingly, the present complaint of the complainant seeking compensation alongwith litigation expenses on the ground of delay in



delivery of possession, is not maintainable. So, this complaint deserves dismissal.

8. As a result of my above discussion, this complaint being not maintainable, stands dismissed and disposed of, with no order as to costs. However, parties are at liberty to avail appropriate remedy, before the competent authority, as per law. A copy of this order be sent to both the parties, free of costs, under rules. File be consigned to the record room, after necessary compliance under rules.

Pronounced
Dated:15.04.2026.


(Rajinder Singh Rai)
Adjudicating Officer,
RERA, Punjab