

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

Complaint No. GC No.0334 of 2022

Date of Institution: 22.06.2022

Dated of Decision: 28.07.2025

Sukhdev Singh son of Arjun Singh, R/o VPO
Datewas, Tehsil Budhlada, Mansa

...Complainant

Versus

1. Bathinda Development Authority Bathinda through its Chief Administrator, PUDA Complex Bhagu Road, Bathinda.
2. Estate Officer, PUDA, PUDA Complex Bhagu Road, Bathinda.

...Respondents

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

Present: Sh. Jagtar Singh Dhaliwal, Advocate
representative for the complainant
Sh. Balwinder Singh, Advocate
representative for the respondents

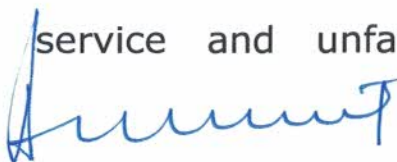
ORDER

The 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) against the respondent seeking refund of the amount paid by the complainant alongwith interest.

2. The gist of the complaint is that respondent launched a scheme on 27.09.2012 for the allotment of

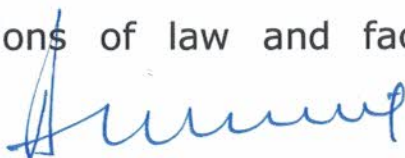


freehold residential plots at PUDA Enclave, (Sugar Mill Site) Budhlada. The applications were invited with 10% earnest money of the total sale consideration. The complainant applied for 400 Sq. Yards plot vide application no.0778 and deposited a sum of Rs.2,40,000/- as earnest money with the respondent. On 15.01.2013 draw of lots was conducted and the complainant became successful in the draw. A letter of intent dated 12.04.2013 was issued to the complainant. Thereafter, the complainant paid Rs.3,60,000/- being 15% of the sale consideration, by way of demand draft. In this way, the complainant paid a total sum of Rs.6 lacs to the respondent. As per terms of the scheme, the possession was to be handed over to the complainant after completion of development work at site or 18 months from the date of issuance of allotment letter whichever was earlier. But till date no development was made. While visiting the office of the respondent, the complainant further came to know that certain permissions were pending which are necessary for the approval of the project, which the respondent had not taken. The respondent till date has not obtained the completion certificate or other required documents from the concerned departments. The complainant requested the respondent to deliver the possession of the plot but to no avail. This act and conduct of the respondent amounts to deficiency in service and unfair trade practice. The



complainant feeling dissatisfied because of the unnecessary delay in completion of the project chose to withdraw from the project and seek refund of the amount paid alongwith interest. Hence, the present complaint.

3. Upon notice, respondent appeared and filed its written statement taking preliminary objections that the complainant has no cause of action to file the present complaint. As per the terms and conditions of the Letter of Intent dated 12.04.2013, the complainant was to deposit 15% of the cost of the plot within 30 days of the issuance of the said letter to complete 25% price of the plot. However, the said amount was not deposited by the complainant within the stipulated period and had deposited of his own after the delay of 96 days. Therefore, the Letter of Intent issued to the complainant was cancelled vide order dated 22.09.2014. Appeal filed by the complainant against the said order was accepted by the Addl. Chief Administrator, PUDA, vide order dated 26.11.2014 and the LOI was restored subject to payment of interest and penalty i.e. Rs.27,850/- for the delayed period, which the complainant had not deposited. The complainant has not come before this Authority with clean hands and tried to mislead this Authority. The complaint deserves to be dismissed being barred by limitation. The present complaint involves intricate questions of law and facts, which cannot be



decided in summary proceedings by this Authority. On merits, it was admitted that the complainant applied for 400 Sq. Yards plot and deposited a sum of Rs.2,40,000/- being earnest money. It was also admitted that the complainant further deposited Rs.3,60,000/- being 15% of the sale consideration but the said amount was not deposited within the stipulated period. It was further submitted that the amount of Rs.6,28,000/- deposited by the complainant with the office of Estate Officer, PUDA, Bathinda had been refunded to him as per terms and conditions of allotment and a cheque of the said amount had been released to him on 23.02.2021. Now, he was no more an allottee of PUDA and thus was not entitled to invoke the provisions of RERA. Respondent denying rest of the averments of the complaint prayed for dismissal of the complaint.

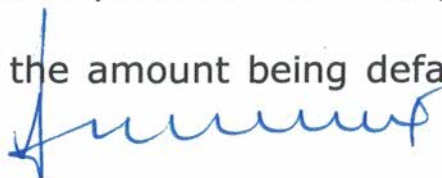
4. Complainant filed rejoinder, wherein the averments of the written reply were denied and those of the complaints were reiterated.

5. While reiterating the contents of complaint, learned counsel for the complainant argued that vide letter of intent dated 12.04.2013 issued to the complainant, he was earlier allotted one plot measuring 400 Sq. Yards. The complainant paid Rs.6 lacs in total (Rs.2,40,000/- as earnest money + Rs.3,60,000/-) being 15% of the sale consideration. He further argued that as per terms of the



scheme, the possession was to be offered after completion of development work at site or within 18 months, whichever was earlier. However, development work was not complete and even no completion certificate was received by the respondent from the competent authorities. The prayer of the complainant is for issuance of direction to the respondents to refund the amount paid alongwith interest.

6. On the other hand, learned counsel for the respondents while repeating the scheme, allotment thereof to the complainant, reiterated the contents of his reply argued that the complainant did not deposit 15% amount within the stipulated period as per the terms and conditions of the Letter of Intent dated 12.04.2013 and as such the LOI issued to the complainant was cancelled vide order dated 22.09.2014. Appeal filed by the complainant against the said order was accepted by the Addl. Chief Administrator, PUDA, vide order dated 26.11.2014 and the LOI was restored subject to the condition of interest and penalty i.e. payment of Rs.27,850/- for the delayed period, which the complainant had not deposited. He further argued that since the allotment was made prior to coming into force of RERA, Punjab i.e. 12.04.2013, there was no such agreement to sell, but terms and conditions of the LOI were binding on both the parties. The complainant does not deserve refund of the amount being defaulter. There being



no merit in the complaint, the same deserves to be dismissed.

7. This authority has carefully considered the rival contentions of both the parties and perused the record of the case.

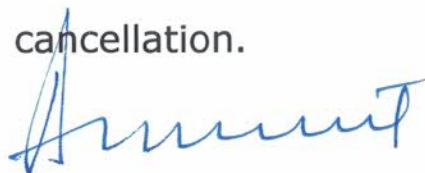
8. It is noteworthy that the scheme was floated for allotment of 976 freehold residential plots at PUDA Enclave (Sugar Mill Site), Budhlada and opened from 27.09.2012 till 31.10.2012. As per clause 12 of the letter of intent possession was to be handed over to the allottee after completion of development works at site or 18 months from the date of issue of allotment letter whichever was earlier. A bare perusal of the minutes of 92nd meeting of the Finance and Accounts Committee, PUDA (Agenda Item No.92.02) (Annexure A-11 attached with the complaint) held on 28.06.2019, it was clearly stated therein that due to non-completion of development works on time, interest be not claimed from the allottees on 75% amount till the handing over of possession. The non-completion of the development works was further corroborated by letter dated 02.11.2017 issued by Sub Divisional Engineer, PUDA, Bathinda addressed to Superintending Engineer, PUDA, Bathinda enclosing therewith completion/ partial completion and the relevant contents are reproduced below: -



1. Civil Works: 85%
2. Public Health Works: 90%
3. Electrical Works: 80%
4. Horticulture Works: --

9. From the above, it was clear that certain development works in the fields of Civil, Public Health and Electrical remained to be completed. Since the development work in the project was incomplete and on account of non-delivery of possession, the complainant is entitled to refund alongwith interest upon it. From the pleadings of the parties, it is a matter of record that whatever amount was deposited by the complainant, that had been refunded to him on 23.02.2021 by the respondents by way of cheque. However, as per decision taken by the competent authority in its 92nd meeting held on 28.06.2019, the respondents had suo moto refunded only the principal amount to the allottees without any interest.

10. Otherwise also looking at the case from another angle and in the light of the fact asserted by respondent that complainant's allotment was cancelled and he was no more an allottee of respondent the money deposited by him was refunded on 23.02.2021 only. It means they used his money that was supposed to be returned to him immediately on cancellation.



11. In view of the above discussion, since the respondents have used the amount deposited by the complainant for a considerable period, he is entitled for interest as per Section 18(1) of the RERA Act on the principal amount which was refunded to him by the respondents suo moto without any interest.

12. As an outcome of the above, the complaint is accepted and the respondents are directed to pay interest on the total amount paid by the complainant after deducting Rs.27,850/- @ 10.90% per annum (today's highest MCLR rate of 8.90% plus 2%) as per the provisions of Section 18(1) of the Act, read with Rule 16 of the Punjab State (Regulation and Development) Rules 2017 from the date of deposit till refund of the principal amount by respondents was made and with future interest on the amount becoming due as interest on said rate i.e. @ 10.90% per annum till realization. The payment should be made within the time stipulated under Rule 17 of the Punjab State Real Estate (Regulation and Development) Rules, 2017.

**Announced:
28.07.2025**


**(Arunvir Vashista),
Member, RERA, Punjab**