

**BEFORE SHRI BINOD KUMAR SINGH, MEMBER
REAL ESTATE REGULATORY AUTHORITY, PUNJAB**

Complaint No.0429 of 2024

Date of Institution : 09.12.2024

Date of Decision: 26.09.2025

Uma Gupta, House No.165/1, Sector 41-A, Chandigarh, Pin Code
160036

....Complainant

Versus

M/s Manohar Infrastructure and Constructions Private Limited,
Manohar Campus, SCO No.149-141, Sector 17-C, Chandigarh, Pin
Code 160017.

....Respondent

Complaint in Form 'M' u/S 31 of the Real Estate
(Regulation and Development) Act, 2016, read
with Rule 36 (1) of the Punjab State Real Estate
(Regulation and Development) Rules, 2017.

**(Registration Number: PBRERA-SAS80-
PR0092)**

Present: Ms. Uma Gupta, complainant in person
Shri Manmohan Sharma, Advocate for respondent

Complainant seek relief of possession of the 2BHK Flat
bearing No.1542, First Floor, in the project "The Palm Residence
(Classic)" being developed by respondent.

2. In brief, it is the case of complainant that she booked a 2BHK
Flat No. 1542, First Floor, in the project "The Palm Residency
(Classic)" of respondent being developed at Mullanpur, New
Chandigarh on 15th August, 2018. Thereafter an agreement was
entered into with respondent on 18.10.2018 and accordingly
Possession was to be delivered within 30 months i.e by April, 2021.
Out of total sale consideration of Rs.40,30,740/- the Complainant
has paid Rs. 32,24,592/- till date. It is contended that six years

have elapsed but project is not complete. Being a senior citizen, the action of respondent caused mental harassment. It is the prayer of complainant to issue direction to respondent to deliver possession and also to pay interest for the period of delay. In support of her contention, the complainant filed the copy of agreement and payment receipts showing that she has paid ₹32, 24, 592 against the total value of plot of ₹40, 30, 740. She also filed the copy of allotment letter, letter showing commencement of construction and the demand letters issued by respondent. As per the demand letter dated 4th April 2023 issued by the respondent, it is affirmed that the complainant has paid ₹32,24,592 and the balance amount of ₹2,79,036 was due to be paid later on. The complainant also filed the copy of photograph showing that the construction is still not complete except that for the few floors the civil work has been done.

3. The respondent filed the reply on 20.03.2025 and contended that the present application is not filed in accordance with the Real Estate (Regulation and Development) Act 2016 and is not validly Instituted so it is liable to be dismissed. The respondent also challenged the jurisdiction of the authority to entertain and try the present complainant. Respondent submitted that the complainant has concealed the fact that she had herself shown expression of interest to buy a plot, has failed to follow the financial discipline and failed to deposit the balance of the outstanding due, despite the demand letter was issued which impacted the construction and caused delay. It was further averred that respondent was compelled to stop the construction of the project under consideration due to unavoidable circumstances and there is no possibility to complete the construction in the nearby future as

well. Thus, the respondent submitted, has no option left but to refund the received amount to the complainant, along with the interest from the date on which possession was committed. It was also suggested by the respondent that in case the complainant wishes to remain with the project, then the company may exchange the property of the complainant with an alternative flat to be constructed in the same project whose possession is likely to be delivered within 8 to 10 month after the discussion on agreement for the alternative property.

4. On merits, respondent admitted the booking of 2BHK Flat (980 sq. ft) bearing Flat No.1542, First Floor on 16.08.2018 in upcoming project "The Palm Residency". However, denied the cost of flat to be Rs.40,30,740/- but admitted execution of agreement between complainant and respondent on 18.10.2018. Respondent further denied that possession was to be delivered on April 2021. It is also stated that possession of the flat is not possible nearby in future.

5. Complainant reiterated the contents of her complaint and prayed that she wants possession of her flat in the same project itself and also interest for the period of delay in delivery of flat.

6. The undersigned considered the rival contentions of both the parties , perused the available record and heard their contentions during hearing.

7. As the respondent had submitted that *due to technical issues the construction has been stopped* and there is prospect of alternative unit, the respondent was asked to submit affidavit in corroboration of its submission.

8. In compliance of above directions, Counsel for the respondent submitted affidavit on 26.08.2025. After perusing the contents of above said affidavit, the respondent was asked to furnish the Master Plan of the project, List of allottees to whom the payment has been refunded in the project in question and the reason for not carrying out further the project in question.

9. During the hearing proceeding, the complainant reiterated the contents of her complaint and prayed that possession of the flat may be given along with interest for the delay in the delivery of the flat. During the subsequent hearing, the council of respondent stated that due to technical issue, the construction has been stopped on which he was asked to file an affidavit stating when the building will be completed along with reason of delay. He was also asked to provide the details of any alternative unit as mentioned in their previous reply. The respondent submitted an affidavit on 26.08.2025, affirming that there is no possibility to carry out the project further. It was affirmed that on account of its location issue, the company has abandoned the project which comprises the flat under consideration. It was also declared that since there is no possibility to carry out the project further thus the company has started refunding the invested amount with interest to applicant as is it not feasible to make allotment of the flats. It was also informed that out of 39 applications of the refund, the company has already refunded investment of 29 applicants (one applicant has nil deposit) and the remaining applications has been cancelled. In the affidavit, it was also submitted that the matters which are under litigation, the Respondent company has



proposed to make refund, which is pending adjudication. The respondent further submitted that on account of the locational issue arising from the non-acquisition of land by GAMADA, the company, which had intended to develop and construct a project comprising of 2BHK flats, could not proceed with the same and since road connectivity to the project is important, so it is not feasible to commence a project which will not get occupation and completion certificate for lack of connectivity. It was further contended that since there is no likelihood of acquisition of land for road connectivity to the project by GAMADA in the near future, the possibility of carrying out the project without the same does not exist, nearby in future. The respondent concluded that due to these reason the company has already refunded to the investor in the project. It was also prayed that as the list of allottees enclosed is confidential record, so the same is not liable to be shared with the complainant.

10. Perusal of the agreement dated 16.10.2018 reveal that possession of flat was to be provided within 30 months from its date of signing i.e by April 2021 and cost of the flat was at Rs.40,30,740/-, out of which complainant paid Rs.32,24,592/-. The prayer of complainant is for possession of 2 BHK flat and interest for the period of delay.

11. On the other hand, respondent stated that no construction is possible and also filed affidavit and submissions as mentioned above. During the hearing proceeding the council of respondent submitted the computation of interest based on period of delay in handing over possession and also on the basis of full refund. The same was appraised to the complainant during the hearing.

12. Thus, from the above facts, it is established on record that complainant booked 2 BHK flat bearing No.1542, First Floor on 16.08.2018 in upcoming project "The Palm Residency", for a total sale consideration of Rs.40,30,740/- mentioned in the agreement dated 18.10.2018 and possession thereof was to be delivered on April 2021, and till date possession has not been offered to complainant. Thus, complainant is entitled for payment of interest as per Section 18(1) of the Act of 2016 with effect from 17.04.2021 the agreed date of possession.

13. Considering the relief sought that complainant intend to get the delay period interest along with submission of the respondent that the project is likely to be not completed in close proximity and the Respondent has not given any commitment of time to complete the project, the allottee can't be left to wait indefinitely and she can't be left in lurch, the complaint is partly allowed and respondent is directed to :-

13.1 Pay interest on the amount of Rs.32,24,592/- along with interest at the rate of 10.85% per annum (today's State Bank of India highest Marginal Cost of Lending Rate of 8.85% plus two percent) prescribed in Rule 16 of the Rules of 2017 with effect from 17.04.2021 till the date of this order.

13.2 Respondent is further directed to pay interest on the amount of Rs.32,24,592/- along with interest at the rate of 10.85% per annum (today's State Bank of India highest Marginal Cost of Lending Rate of 8.85% plus two percent) prescribed in Rule 16 of the Rules of

2017 with effect from date of this order till next one year.

13.3 If there is no further construction in one year, which has to be certified by the Govt approved Architect with a minimum of 10 year of experience , respondent to refund the amount of Rs.32,24,592/- deposited along with interest at the rate of 10.85% per annum (today's State Bank of India highest Marginal Cost of Lending Rate of 8.85% plus two percent) prescribed in Rule 16 of the Rules of 2017 with effect from respective date of payment till 16.04.2021.

14. File be consigned to record room after due compliance.



(Binod Kumar Singh)
Member, RERA, Punjab