

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

Complaint No.0373 of 2022  
Date of Institution: 13.07.2022  
Date of Decision: 09.04.2026

Dinesh Chandra, Shitla Mata Mandir, Phase-2, Sector-26,  
Chandigarh 160019

....Complainant

Versus

1. M/s Innovative Housing & Infra. Pvt Ltd through its director  
Jagjeet Majha,
2. M/s Innovative Housing & Infra. Pvt Ltd

Both at SCO-198 Opposite Sports Stadium, Sector 7-C,  
Chandigarh-160019

....Respondents

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.

Present: Shri Roopaam Jain, Advocate for the complainant  
Shri Berjeshwar Singh Jaswal, Advocate for respondent  
no.1 & 2.

**ORDER**

This complaint in Form 'M' under Section 31 of the Real Estate (Regulation and Development) Act, 2016, (hereinafter referred to as the Act of 2016) read with Rule 36 (1) of the Punjab State Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the Rules of 2017) was instituted on 13.07.2022 by complainant as individual against respondent seeking possession of the allotted plot of 125 Sq Yards along with interest for the period of delay in handing over valid possession and litigation charges to the tune of Rs.2,00,000/-.

2. The brief facts of the complaint as submitted by complainant is summarized below: -

2.1 The complainant had entered into sale agreement for 125 Sq. Yds residential Plot @ Rs.13000/- per Sq. Yards plus Rs.3500/- per Sq. Yards (Development charges to be given at the time of development) vide application No. PCL Greenways 162 dated 25.01.2018 in the upcoming Project PCL-Greenways by M/s Innovative Housing & Infrastructure (P) Ltd (Respondent). On the acceptance an application, complainant have deposited an amount of Rs.15,50,000/- with the company on account of land cost installment for residential plot of 125 Sq. Yards.

2.2 There was no communication from the respondents regarding physical possession of the plot. Complainant kept on inquiring from the company office about the delivery of the physical possession of plot which was to be allotted to him but the company failed to give any input in this regard. Thereafter, on 18.05.2022 the complainant came to know that an amount of Rs.15,50,000 has been deposited in his bank account through Cheque No.003821 dated 04.05.2022 issued by respondent. The respondents have illegally, fraudulently and deliberately returned Rs.15,50,000 in complainant's bank account as the prices of the plot has escalated many folds and the respondents have returned the money just to earn their own profits by cheating the complainant.

2.3 Thereafter, complainant re-deposited an amount of Rs.15,50,000/- to the bank account of the respondent and complainant also served a legal notice dated 19.05.2022 to the respondents for handing over them the physical possession of the plot.

2.4 In reply dated 09.06.2022 to the legal notice received by complainant on 11.06.2022, he came to know that the above said project has already been scraped by respondent.

2.5 The respondent has again deposited the amount on 21.06.2022 in the account of complainant's wife through NEFT whereas she is not the applicant.

2.6 On inquiry, complainant came across a judgment dated 28.10.2021 by RERA Authority wherein the respondent company has itself admitted that the project in question has been scraped by the Chief Town Planner, Punjab on 31.03.2016. However, the respondent had accepted the application bearing No. PCL Greenways162 of the complainant on 25.01.2018 and thereafter collected their hard-earned income against the said project which was already scraped on 31.03.2016.

3. Upon notice Ms Manisha Maggu, Advocate appeared for respondents no.1 and filed reply dated 10.07.2025 which is summarized below: -

3.1 In reply, respondent no. 1 agreed that the complainant applied for the plot measuring 125 sq. Yard vide application no.162 dated 25/01/2018 in upcoming project PCL Greenways of the respondent. the complainant deposited an amount of Rs.15,50,000/- with the respondent towards part payment of the booked plot.

3.2 The respondent entered into MOU with Government of Punjab for setting up real estate project on 9th December,2013 by the name PCL Greenways at revenue areas of village Rane Majra & Bhagat Majra. Copy of the same is attached here as Annexure R/1.

3.3 The respondent applied for Change of Land Use under PAPRA Act to the department of Town & Country Planning Vide Reference letter No. IHI/PCL/241/28/12/2012 for 111.5 Acres. Their application was processed by the department and a letter dated 12/01/2015 was issued to us asking for 25% ownership of the project land in our name before the application could be considered further for approval, A copy of the said letter is attached as Annexure R/2.

3.4 The respondent's application for Change of Land Use was kept in abeyance by the department of town planning as the respondent had acquired land measuring 18.34 Acres only but this chunk of land was only 15.83% of the proposed project land and the respondent was not meeting the 25% ownership criteria to become eligible for grant of Change of Land Use for the proposed housing project.

3.5 Keeping in view the above situation, the respondent decided to call off the project and return the amount to the prospective buyers. The project land already acquired was also put on sale. The land for the proposed project was sold in the year 2022. Respondent further stated that the project was not scrapped by Country & Town Planning on 31st March 2016. This fact was wrongly mentioned in the order dated 20.10.2021 of Hon'ble Adjudicating Officer, RERA, Punjab. The respondent had already challenged the said order dated 20.10.2021 of Hon'ble Adjudicating Officer, RERA, Punjab before Real Estate Appellate Authority, Punjab and the matter was again remanded back to the authority for adjudication.

3.6 Respondent also stated that the project has not come into existence after applying for approvals in 2012 and signing MOU with government of Punjab in 2013, and has been finally called off and money returned to the Prospective buyers. Accordingly, the

project is also not registered with the authority. Further, the respondent has not entered into builder buyer agreement with the complainant. The complainant is not entitled to seek any relief in the complaint before this Hon'ble bench.

3.7 The respondent refunded the booking amount of Rs.15,50,000/- to the complainant vide cheque no. 003821 dated 04.05.2022 which has been duly acknowledged by the complainant in their complaint before the authority.

3.8 After receipt of full payment, the complainant served a legal notice dated 19.05.2022 to the respondent asking for handing over of the physical possession of the plot instead of refund of the booking amount as above. The said notice was duly replied by the respondent on 09.06.2022 stating the reason of refund of booking amount as the project has been called off.

3.9 Since the booking amount has already been refunded to the complainant, the cause of action for filing the complaint before the Hon'ble authority does not arise. Moreover, the respondent has never entered into builder buyer agreement with the complainant.

4. Complainant filed their rejoinder controverting the allegations of the written reply filed by respondents and reiterating the averments of the complaint. The counsel of the complainants pointed out that the respondents was selling the plots to the general public even after getting the project scrapped on 31.03.2016. The respondents in virtue of scrapping the Project-II (PCL-Greenway), had also given option to some other applicants for taking plots in their already ongoing project-I(PCL-Gateway), but in case of complainant such option was never offered despite the fact that the case of the complainant has similar facts, location

of land, same project undertaken by the similar developers (i.e. Respondent).

5. The undersigned heard the parties on the stipulated date of hearing.

5.1 The complainant had entered into sale agreement for 125 Sq. Yds residential Plot @ of Rs. 13000/- per Sq. Yards plus Rs.3500/- per Sq. Yards vide application No. PCL Greenways 162 dated 25.01.2018 in the Project PCL-Greenways by Respondent. Complainant have also deposited an amount of Rs. 15,50,000/- with the company on account of Land Cost Installment for Residential Plot of 125 Sq. Yds @ 13000/- per Sq Yard. Till date no possession of the plot has been handed over to the complainant. The respondent also admitted the above said facts. The respondent further stated that as per letter dated 12.01.2015 of Town and country planning department, the respondent has to owned 25% of project land in his own name before granted permission for 'Change of Land use', but the respondent could not meet the requirement of 25% ownership criteria to become eligible for grant of 'Change of Land Use' for the proposed housing project. Thereafter, the respondent decided to call off the project and return the amount to the prospective buyers. The complainant however, contended that the project land already acquired was also put on sale and the land for the proposed project was sold in the year 2022. The default on the part of respondent is clear that delay of such a long period has to be considered as unreasonable. In such eventuality, the promoter was at fault as he failed to offer the possession of the plot. No agreement to sale has been executed between the complainant and respondent. Further,

neither there is any allotment of plot number whatsoever made by the respondents to the complainant nor there is any buyer agreement where from inference could be taken that specific plot number has been allotted to the complainant.

5.2 It is evident from the submission placed on record that the respondent's application for Change of Land Use was kept in abeyance by the department of town planning as the respondent had acquired land measuring 18.34 Acres only, this land was 15.83% of the proposed project land and the respondent was not meeting the 25% ownership criteria to become eligible for grant of 'Change of Land Use' for the proposed housing project. Thereafter, the respondent decided to call off the project and return the amount to the prospective buyers.

5.3 Respondent also stated that the project has not come into existence after applying for approvals in 2012 and signing MOU with government of Punjab in 2013, and has been finally called off and money returned to the Prospective buyers. Accordingly, the project is also not registered with the authority. The respondent refunded the booking amount of Rs.15,50,000/- to the complainant vide cheque no. 003821 dated 04.05.2022 which has been duly acknowledged by the complainant in their complaint before the authority. However, the complainant returned the deposit amount to respondent through bank transfer. Later on, the deposit amount Rs.15,50,000/- was again transferred to the complainant wife' bank account by respondent.

6. From the documents placed on record by the complainants, it was evident that despite making more than 95% of the sale consideration, the complainants were not given possession of the

plot. Further, by way of the present complaint, complainants seek possession of plot. The respondent decided to call off the project as he was unable to meet the condition of the Deptt. Of Town Planning and decided to return the amount to the prospective buyers. In his relief, complaint also prayed to award any other relief in the interest of justice. Since the respondent has no alternative plot in the project namely 'PCL Greenway', hence prayed of the complainant to allot alternative plot cannot be considered.

7. From the discussion in the preceding paragraphs it is evident that the Allottee-cum-complainant has deposited a sum of Rs.15,50,000/- with the promoter-cum-respondent for purchase of a plot as per application for allotment of plot dated 25.01.2018. The respondent failed to deliver the unit to complainant neither in the stipulated time and nor as on date. The reasons of such failure cited by the respondent being non-availability of sufficient land which ought to have been provided by Competent Authority does not absolve the right of allottee to claim the refund and interest thereupon for which he is entitled as <sup>per</sup> for the statutory provisions of READ Act.

8. Further, Hon'ble Supreme Court of India, in Para 77, of its judgment in M/s. Newtech Promoters and Developers Pvt. Ltd. Vs. State of U.P. and others in Civil Appeal Nos. 6745-6749 of 2021. has reiterated the law declared by the court in Imperia Structures Ltd.(supra). The same is reproduced below: -

"77. ....The submission has no foundation for the reason that the legislative intention and mandate is clear that Section 18(1) is an indefeasible right of the allottee to get a return of the amount on demand if the promoter is

*unable to handover possession in terms of the agreement for sale or failed to complete the project by the date specified and the justification which the promotor wants to tender as his defence as to why the withdrawal of the amount under the scheme of the Act may not be justified appears to be insignificant and the regulatory authority with summary nature of scrutiny of undisputed facts may determine the refund of the amount which the allottee has deposited, while seeking withdrawal from the project, with interest, that too has been prescribed under the Act..”*

Hence, complainants are liable for refund of the entire amount paid by the complainant, alongwith prescribed rate of interest.

9. Since the possession of plot has been delayed inordinately; therefore, as per provisions of Section 18 the complainant is entitled to claim refund alongwith interest. It reads 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) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason, 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.*

10 As a net result of the above discussion, this complaint is accordingly partly allowed and respondents are directed:

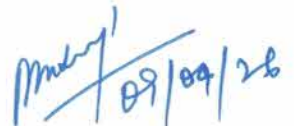
10.1 To refund the amount of Rs. 15,50,000/- along with interest @ 10.80% (i.e. 8.80% SBI's Highest MCLR Rate applicable as on 01.04.2026 + 2%) as per Rule 16 of the Punjab State Real Estate (Regulation & Development) Rules, 2017 from respective date of

payment till the date of actual refund i.e.04.05.2022. In this case Rs.15,50,000/- has already been transferred to complainant's wife bank account. Therefore, respondent directed to pay the due interest @ 10.80% from respective date of payment in account of respondent till the date of actual refund i.e.04.05.2022 and submit a compliance report to this Authority about releasing the amount along with interest as directed.

11. It may be noteworthy that in case compliance report is not submitted by the respondents after the expiry of above stated period of ninety days and further any failure to comply with or contravention of any order, or direction of this Authority may attract penalty under Section 63 of this Act of 2016.

12. The issue of cost of litigation has not been pressed during the course of argument, so it is not being adjudicated upon.

13. File be consigned to the record room after due compliance.



(Binod Kumar Singh)  
Member, RERA, Punjab