

Real Estate Regulatory Authority, Punjab

First Floor, Block-B, Plot No. 3, Sector-18 A, Madhya Marg, Chandigarh - 160018
Phone No. 0172-5139800, email id: pschairrera@punjab.gov.in & pachairrera@punjab.gov.in

Before the Bench of Sh. Rakesh Kumar Goyal, Chairman.

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| 1. Complaint No. | :- | GC No. 0060/2023UR |
| 2. Name & Address of the complainant (s)/ Allottee | :- | Sh. Buta Singh
Village Chuhan Ke Khurd
Barnala, Punjab - 148109 |
| 3. Name & Address of the respondent (s)/ Promoter | :- | 1. Patiala Development Authority through
Its Chief Administrator
2. Estate Officer PDA Patiala
(Both at PUDA Bhawan Urban Estate
Phase-II Patiala, Punjab - 147002)
3. M/s. Omaxe Ltd. through its authorised
signatory,
Regional Office SCO 143-144,
Sector 8-C, Chandigarh - 160018. |
| 4. Date of filing of complaint | :- | 07.03.2023 |
| 5. Name of the Project | :- | PDA Omaxe City, Patiala |
| 6. RERA Registration No. | :- | Unregistered |
| 7. Name of Counsel for the complainant, if any. | :- | Sh. Vipul Monga, Advocate for the complainant. |
| 8. Name of Counsel for the respondents, if any. | :- | Sh. Ashish Grover, Advocate for respondents no.1
& 2.

Sh. Munish Gupta, Advocate respondent no. 3
(through V.C.) |
| 9. Section and Rules under which order is passed | :- | Section 31 of the RERD Act, 2016 r.w. Rule 36 of
Pb. State RERD Rules, 2017. |
| 10. Date of Order | :- | 07.04.2026 |

Order u/s. 31 read with Section 40(1) of Real Estate (Regulation & Development) Act, 2016 r/w Rules 16, 24 and 36 of Pb. State Real Estate (Regulation & Development) Rules, 2017

The present complaint dated 07.03.2023 has been filed by Sh. Buta Singh (hereinafter referred as the 'Complainant' for the sake of convenience and brevity) u/s. 31 of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred as the 'RERD Act, 2016' for the sake of convenience and brevity) read with Rule 36 of the Punjab State Real Estate (Regulation & Development) Rules, 2017 (hereinafter referred as the 'Rules' for the sake of convenience and brevity) before the Real Estate Regulatory Authority, Punjab (hereinafter referred as 'Authority') relating to an *Un-Registered Project 'PDA-Omaxe City'* Sirhind Road, Baran, Patiala **seeking refund of amount alongwith its interest till its realization.**



2. The complainant submitted that respondent no.1 and respondent no.2 launched a housing scheme on 27.04.2010 for development of a

township namely PDA Omaxe City at Sirhind Road, Village Baran, Patiala, which included EWS category flats, and the scheme remained open till 26.05.2010. The complainant applied under the SC/ST category for allotment of a second floor flat vide application no.10275 dated 22.05.2010 by depositing an amount of Rs.31,702/- as earnest money. It was further submitted that the complainant was declared successful in the draw of lots held on 28.07.2010 and consequently allotment letter bearing no.408 dated 31.01.2011 was issued in his favour for allotment of Flat no. SF-1, Block Daisy Cluster-B. It was averred that as per the allotment letter, 25% of the total consideration amounting to Rs.77,504/- was to be deposited, and the complainant deposited further amount of Rs.45,802/- on 09.05.2011 along with penalty of Rs.1,895/- on 01.08.2011. It was further pleaded that the complainant paid installments as per schedule, including Rs.26,351.36 on 09.05.2011, Rs.25,770.08 on 01.08.2011, Rs.25,189/- on 01.11.2011, Rs.24,608/- on 02.02.2012 and Rs.24,027/- on 22.05.2012, and in **total deposited an amount of Rs.2,05,324/-**. For ready reference payment details so made by the complainant is as under:-

Before Sh. Rakesh Kumar Bagraj
Chairperson RERA Punjab
Mobile No. 981202300

Bata Singh
vs
PDA and others

Subject :- Calculation of Payments

Total consideration as listed Rs - 310016/-

Sl. No.	Payments	Amount Paid		Remarks
			Date	
1	31,702		22-05-2010	1st time of booking
2	45,802		09-05-2011	15%
3	26,351		09-05-2011	
4	1,895		24-07-2011	
5	25,770		31-08-2011	
6	25,189		01-11-2011	
7	24,608		02-02-2012	
8	24,027		22-05-2012	
Total amount paid		2,05,324	/- till 22-05-2012	

Through A/c Uited Money

17/10/2025



2.1 It was also contended that as per the terms of allotment, possession was to be delivered within three years from the date of allotment letter 31.01.2011 i.e. by 30.01.2014, however, even till date neither the project has been completed nor possession has been offered. It was further submitted that despite non-completion of the project, respondent no.1 and 2 raised a demand vide memo no.1067 dated 27.06.2019 towards enhanced land compensation, which is not payable by the complainant. It was also submitted that the complainant had earlier filed a complaint bearing AdC No.1704/2020 dated 18.08.2020 before the Adjudicating Officer, which was dismissed on 24.02.2022 as not maintainable with liberty to file afresh. It was contended that in view of subsequent legal position, the present complaint is maintainable. The complainant prayed for **refund of the entire deposited amount of Rs.2,05,324/- along with interest till its realisation** under Section 18(1) of the RERD Act, 2016.

3. In reply, respondent no.1 and respondent no.2 submitted that the project was undertaken in collaboration with respondent no.3 under a Joint Development Agreement dated 16.11.2006 and as per the said agreement, respondent no.3 was solely responsible for development, provision of infrastructure and timely completion of the project. It was submitted that delay occurred due to failure of respondent no.3 to fulfil its obligations within stipulated period. It was further contended that the allotment was governed by the provisions of the Punjab Regional and Town Planning and Development Act, 1995 and the complainant has not availed alternative remedies under the said Act. It was also submitted that in view of Section 174 of the said Act, this Authority lacks jurisdiction to entertain the present complaint. The respondents further raised objection regarding existence of arbitration clause in the allotment letter dated 31.01.2011 and submitted that disputes are to be referred to arbitration. It was also contended that the complainant is a defaulter as he failed to deposit installments from sixth to twelfth installment as



per schedule and also failed to deposit enhanced land compensation demanded vide letters dated 01.10.2014, 17.05.2017 and 27.06.2019. It was further submitted that the earlier complaint filed by the complainant was dismissed on 24.02.2022 and therefore the present complaint is barred by *res judicata*. It was also contended that the project was applied for registration on 29.09.2017 but the application was rejected on 21.06.2018, and therefore the project remains unregistered and the provisions of the Act are not applicable.

4. Respondent no.3 in its reply submitted that it is merely a developer and the ownership and control of the project vests with respondent no.1 i.e. PDA. It was further submitted that development of the project was stalled due to litigation initiated by landowners in CWP No.8100 of 2011 wherein status quo order was passed on 29.07.2011 which remained operative till 26.09.2013. It was further submitted that respondent no.1 issued termination notice dated 20.06.2011 against respondent no.3, and thereafter development could not proceed due to inter-se disputes and lack of permission from respondent no.1. It was also submitted that another writ petition bearing CWP No.14348 of 2016 is pending before the Hon'ble Punjab and Haryana High Court wherein issues regarding development of the project are under consideration. It was further contended that as per status report dated 21.08.2023 submitted before the Hon'ble High Court, approximately 98% of the work has been completed. It was also contended that the complaint is barred by limitation as last payment was made in the year 2012 and further that the complainant is not entitled to interest in view of terms of the allotment letter.

5. No rejoinder has been filed by the complainant to the replies filed by the respondents.

6. The violations and contraventions contained in the complaint were given to the representative of the respondents to which they denied and did not plead guilty. The complaint was proceeded for further inquiry.



7. That representatives for parties addressed arguments on the basis of their submissions made in their respective pleadings as summarised above. I have duly considered the documents filed and written & oral submissions of the parties i.e., complainant and respondents.

8. From the pleadings and record, it is not in dispute that the complainant applied for allotment on 22.05.2010 and was allotted a flat vide allotment letter dated 31.01.2011. It is also not disputed that the complainant deposited an amount of Rs.2,05,324/- towards the said allotment. It is further admitted that possession of the flat has not been delivered till date and no completion certificate has been obtained for the project. It is also an admitted fact that the project has not been registered under the provisions of the RERD Act, 2016 and proceedings u/s. 59 of the RERD Act, 2016 is pending adjudication separately before this Authority.

9. The learned counsel appearing on behalf of respondent No. 1 and 2 has raised a preliminary objection to the maintainability of the present complaint on the ground that the project in question is admittedly not registered with this Authority. It is contended that in the earlier round of litigation, vide Complaint AdC No. 1704 of 2020 (UR) titled Buta Singh Vs. PDA and Ors., the then Adjudicating Officer, while disposing of the said complaint vide order dated 24.02.2022, had categorically observed that the complainant would be at liberty to file a fresh complaint only after the project in question is duly registered with this Authority.



9.1 It is further submitted that since the project continues to remain unregistered till date, the present complaint has been filed in contravention of the liberty so granted and is, therefore, premature and not maintainable at this stage. Reliance has also been placed upon the findings recorded in the said order passed in Complaint AdC No. 1704 of 2020 (UR) titled Buta Singh Vs. PDA and Ors., wherein it was observed that complaints in respect of

unregistered ongoing projects are not maintainable unless the said project is first registered under Section 3 of the Real Estate (Regulation and Development) Act, 2016, and accordingly, the earlier complaint was dismissed with liberty as aforesaid. For ready reference, the relevant extract of the order dated 24.02.2022 passed by the then Adjudicating Officer in the said matter is reproduced hereinbelow:

10.Even the Full Bench of the RERA Authority relying upon the judgment of the Hon'ble Apex Court in *M/s Newtech Promoters case (supra)* while deciding *Dr. Anjali Sharma and connected complaints (Supra)* was pleased to hold that the complaints against unregistered ongoing projects would not maintainable unless the said projects are got registered under Section 3 of the Act. Thus, the present complaint, having been filed under Section 31 of the Act, in relation to the going project which was not got registered would not be maintainable and the same is accordingly dismissed. **It is further made clear that the complainants would be at liberty to file fresh complaint after registration of the project of the case in hand with the RERA, Punjab**".

(Emphasis supplied)

9.2 Per contra, the complainant has opposed the said preliminary objection by contending that the issue regarding maintainability of complaints pertaining to unregistered projects now stands settled in view of the law laid down by the Hon'ble Real Estate Appellate Tribunal, Punjab in **Appeal No. 60 of 2022 titled Aman Sethi and another Vs. M/s Dara Buildtech and Developers Pvt. Ltd. & Anr. and other connected matters**. The relevant findings of the Hon'ble Tribunal dated 25.04.2021, as relied upon by the complainant, are reproduced hereinbelow:-

"25. Such being the mandate of law, the Authority was clearly wrong in declining interference in the complaints and that too without applying its mind to the facts of each case, through a generalized circular debarring complaints.

26. A generalized decision through a circular dated 06.12.2021 cannot be sustained and thus the decision of the Authority to this extent of Clause 1(a) (b) is set aside.



27. To make matters worse, in two of the cases (Appeals No.64 of 2022 and 65 of 2022), a decision has been communicated through email by the Secretary, RERA, Punjab. Such a mechanical course that the Authority has prescribed for itself, would defeat the quasi judicial nature of the functioning of the Authority, which was never envisaged in the statute.

28. We are also of the opinion and observe at the cost of repetition that the Authority wrongly interpreted the judgment of the Hon'ble Supreme Court. The retroactive operation of the Act, as observed by the Hon'ble the court A Supreme, and as the language of the statute also suggests would protect a developer from registration and consequences of the Act, only in a situation, where the project stood completed with a completion certificate but to establish a fact, whether a project is ongoing or complete to resultantly liberate the promoter of the consequences of the Act are matters of fact to be determined during the course of proceedings initiated by an aggrieved person. The non-applicability of the Act cannot be a presumption to be derived from a fact simplicitor of a project not being registered.

29. The proceedings under Section 59 of the Act is a course available to the Authority in addition to the one that a determination of a complaint would warrant. It is not desirable to ask an allottee/complainant to file a separate complaint to invoke Section 59 of the Act. This is a provision empowering the Authority to penalize a defaulting promoter, once any complaint is filed on issues pointing out deficiencies and default of a promoter, the Authority after entering upon a complaint has to decide from itself, whether a course prescribed under Section 59 has to be resorted to. A separate complaint qua this aspect is not essential.

30. Consequently the impugned orders in all the appeals are set aside and the matter is remitted back to the Authority to decide the complaints in accordance with law and in light of the observations made above.

31. Disposed of. File be consigned to record room and a copy of this order be filed in the file of the connected appeals and also be communicated to the parties as well as to the Real Estate Regulatory Authority, Punjab.”



9.3 Upon consideration of the rival submissions advanced by the parties and perusal of the material available on record, this Bench of Authority finds that the preliminary objection raised by the respondents cannot be sustained in view of the subsequent authoritative pronouncement of the Hon'ble Real Estate Appellate Tribunal, Punjab in Aman Sethi's case (supra). The Tribunal has categorically held that non-registration of a project cannot be a ground to non-suit an allottee at the threshold and that the Authority is obligated to examine the facts of each case, including whether the project is ongoing or completed, during the course of adjudication. It has further been clarified that the provisions of the RERD Act, 2016 including Section 59, empower the Authority to take action against defaulting promoters, and an allottee cannot be left remediless merely on account of non-registration of the project.

9.4 This Bench of Authority is of the view that the earlier order dated 24.02.2022 passed by the then Adjudicating Officer, relied upon by the respondents, stood rendered in a legal position which has since been clarified and settled by the Hon'ble Appellate Tribunal. Therefore, the condition imposed therein requiring prior registration of the project before filing a fresh complaint cannot be construed as an absolute bar to the maintainability of the present complaint, particularly in light of the subsequent binding interpretation of law.

9.5 In view of the foregoing discussion and in the light of the law laid down by the Hon'ble Real Estate Appellate Tribunal, Punjab, particularly in Appeal No. 60 of 2022 titled Aman Sethi and another Vs. M/s Dara Buildtech and Developers Pvt. Ltd. & Anr. and other connected matters, the preliminary objection raised by respondent No. 1 and 2 does not merit acceptance and is hereby rejected, being devoid of legal substance, as the objection founded on non-registration of the project cannot be sustained in view of the settled position that such non-registration does not bar the jurisdiction of this Authority under Section 31 of the Real Estate (Regulation and Development) Act, 2016; consequently, it is held that even if any earlier order passed by the learned Adjudicating Officer had restricted the filing of proceedings or appeal subject to registration of the project, the same stands impliedly overruled and cannot operate as a bar, and further, where any complaint has been previously rejected or dismissed solely on the ground of the project being unregistered, there is no necessity for the aggrieved allottee to first prefer an appeal against such order as a precondition to



approaching this Authority, and therefore, the present complaint is held to be fully maintainable and liable to be adjudicated on merits in accordance with law.

10. Another preliminary objection, the respondent has argued on the arbitration clause in the allotment letter, which binds the complainant to go in for arbitration before coming before this Authority. This matter has now been laid to rest by the Hon'ble Apex Court in case of ***Emaar MGF Land Ltd vs Aftab Singh, review petition Nos. 2629-2630 of 2018, in CA Nos 23512-23513 of 2017***, wherein, it has been held that, the provisions of the Act would supersede any such arbitration clause. Hence, the said argument of the respondent also holds no water.

11. The last objection of the respondent No.1 & 2, in regard to limitation, is also not maintainable in view of findings of the Full Authority, contained in order dated 09.08.2021, passed in case of ***Kanishk Kapoor Vs. ATS Estates***, wherein, it has been held that the provisions of the Limitation Act 1963 would not be applicable to the proceedings under the Real Estate (Regulation and Development) Act 2016, as the Authority set up under that Act being quasi-judicial.

12. On merits, learned counsel for the complainant argued that despite lapse of more than 12 years from the date of allotment, possession has not been delivered and there is no certainty regarding completion of the project. It was contended that as per Section 18(1) of the Act, the complainant is entitled to refund along with interest. It was further submitted that the complainant cannot be termed as defaulter as the delay on part of respondents justified withholding of further payments.

13. Per contra, learned counsel for respondent no.1 and 2 argued that the project was delayed due to circumstances beyond their control including litigation and failure of respondent no.3, which falls under force majeure conditions as per allotment letter dated 31.01.2011. It was further argued that the complainant defaulted in making payments beyond fifth installment and therefore is not entitled to any relief. Learned counsel for respondent no.3 argued that it is merely a developer and cannot be held liable for refund and further that development was stalled due to status quo orders and inter-se disputes with respondent no.1.



14. This Bench of Authority has considered the pleadings, documents placed on record, and the submissions advanced by the parties. It is an admitted position that the allotment in question was made on 31.01.2011 and the stipulated period for delivery of possession was three years therefrom, i.e., on or before 30.01.2014. However, it is not in dispute that even after the lapse of more than 12 years from the date of allotment, the respondents have failed to complete the project or offer possession of the allotted unit to the complainant.

14.1 The contention raised by the respondents that the delay has occurred on account of litigation and inter se disputes is found to be untenable and does not absolve them of their liability towards the allottee. Any dispute between the promoters *inter se*, namely between PDA and Omaxe Ltd., cannot be permitted to prejudice the rights of the complainant, who is a *bona fide* allottee. It is held that both PDA, being the landowning agency, and Omaxe Ltd., being the developer under the Joint Development Agreement, are jointly & severally responsible and accountable to the allottee for fulfillment of obligations arising out of the allotment, including refund of the amount deposited.

14.2 The plea of *force majeure* and pendency of litigation is also devoid of merit in the facts and circumstances of the present case, particularly when the project remains unregistered and development activities have remained incomplete for more than a decade. Such prolonged and unexplained delay cannot be justified on the said grounds. The allottee cannot be compelled to wait indefinitely for possession of the unit, especially when there is no reasonable certainty regarding completion of the project.



14.3 Further, the plea of the respondents that the complainant is a defaulter is not sustainable. It is evident from the record that the complainant had already deposited a substantial amount of Rs. 2,05,324/-. In view of the failure of the respondents to complete the project within the stipulated period, the complainant was justified in withholding further payments. The delay and default on the part of the respondents cannot be used as a ground to attribute default to the complainant. In view of the aforesaid findings, this Bench of Authority holds that both the respondents have failed to discharge their contractual and statutory obligations, and the complainant cannot be made to suffer on account of such failure.

15. 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..."



16. As regards contention of the Respondent that complainants did not make full payment, Hon'ble Supreme Court in his judgment in ***M/s. Newtech Developers Pvt. Ltd. (supra)*** in Para 80 has held as follows:-

“80. The further submission made by learned counsel for the appellants that if the allottee has defaulted the terms of the agreement and still refund is claimed which can be possible, to be determined by the adjudicating officer. The submission appears to be attractive but is not supported with legislative intent for the reason that if the allottee has made a default either in making instalments or made any breach of the agreement, the promoter has a right to cancel the allotment in terms of Section 11(5) of the Act and proviso to sub-section 5 of Section 11 enables the allottee to approach the regulatory authority to question the termination or cancellation of the agreement by the promoter and thus, the interest of the promoter is equally safeguarded.”

17. The respondent had the option to initiate the process for cancellation of the allotment, in case of the default committed, by the complainants. However, the same was not done and promoter itself failed to offer possession, within the agreed upon/extended period, in terms of Agreement for Sale. The promoter has neither completed the project nor has obtained Occupancy Certificate/Completion Certificate till date. The project is not progressing. The flat has neither been cancelled on any ground nor offered possession. The allottee has the right to get refund of the amount paid alongwith interest u/s. 31 as per provisions of Section 18 of the RERD Act, 2016. Hence, he is liable for refund of the entire amount paid by the complainant, alongwith prescribed rate of interest.

18. Since the construction has been delayed inordinately; therefore, as per provisions of Section 18 the complainant is entitled to claim refund alongwith interest as per its choice in case of non-completion on due date. 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."

19. In view of the above, the complaint deserves to be **Partly Allowed**. The complainant is entitled to refund of the deposited amount of ₹2,05,344/- along with interest @ 10.80% (i.e. 8.80% SBI's Highest MCLR Rate applicable as on 15.02.2026 + 2%) as per Rule 16 of the Punjab State Real Estate (Regulation & Development) Rules, 2017. The interest is being calculated on monthly basis for the whole month as a unit for the purpose of charging interest. The period for payment of interest will be considered from the next month in which payment was effected by the allottee to the previous month of the date in which payment has been effected by the promoter. Therefore, the calculation of refunds and interest upto 31.03.2026 is calculated as follows:-

Interest payable from	Principal Amount	Interest calculated till	Rate of Interest	No. of months	Interest Amount
01-06-2010	31702.00	31.03.2026	@ 10.80% (i.e. 8.80% SBI's Highest MCLR Rate applicable as on 15.02.2026 + 2%)	190	54150.00
01-06-2011	72153.00	31.03.2026		178	115522.00
01-08-2011	1895.00	31.03.2026		176	2992.00
01-09-2011	25770.00	31.03.2026		175	40600.00
01-11-2011	25189.00	31.03.2026		173	39271.00
01-02-2012	24608.00	31.03.2026		170	37570.00
01-06-2012	24027.00	31.03.2026		166	35856.00
	205344.00				325961.00
GRAND TOTAL (Rs.2,05,344/- Principal Amount and Rs.325961/- towards its interest)					531305.00

20. The Hon'ble Supreme Court, in its judgment in the matter of *M/s. Newtech Promoters and Developers Pvt. Ltd. Vs. State of U.P. and Others (Civil Appeal Nos. 6745-6749 of 2021)*, has upheld that the refund to be granted u/s. 18 read with Section 40(1) of the Real Estate (Regulation &



Development) Act, 2016 is to be recovered as Land Revenue alongwith interest and/or penalty and/or compensation.

21. In view of the aforesaid legal provisions and judicial pronouncement, it is hereby directed that the refund amount along with the accrued interest shall be recovered as Land Revenue as provided u/s. 40(1) of the RERD Act, 2016. Accordingly, the Secretary is instructed to issue the requisite Debt Recovery Certificate and send it after 90 days as per Rule 17 of the Punjab Real Estate (Regulation & Development) Rules, 2016 to the relevant Competent Authorities under the Punjab Land Revenue Act, 1887 for due collection and enforcement in accordance with law.

22. Further the principal amount is determined at Rs.2,05,344/- and interest of Rs.3,25,961/- the rate of interest has been applied @ 10.80% (i.e. 8.80% SBI's Highest MCLR Rate applicable as on 15.02.2026 + 2%) as per Rule 16 of the Punjab State Real Estate (Regulation & Development) Rules, 2017. Hence, the promoter is liable to pay a **total amount of Rs.5,31,305/-** upto 31.03.2026 (i.e. principal amount Rs.2,05,344/- and interest of Rs.3,25,961/-), and any amount due as interest **w.e.f. 01.04.2026 of Rs.1,848/- per month till the realization of payment.** Any amount paid by the promoter will be considered as payment against the interest whatever is due. After payment of whole of interest only then the payment will be considered against principal and accordingly the principal will be reduced and interest will be charged on the balance principal amount till the principal amount is fully paid. Even any payment after reduction in principal amount if any will be first considered towards interest payment, if any becomes due on the unpaid principal amount. This amount of Rs.1,848/- will change according to the principal amount due at the start of the month as per the method narrated hereabove in the para.



23. Further, the promoter is directed not to sell, allot, book the Flat no. SF-1, Block Daisy Cluster-B in respondent's project PDA-Omaxe City' Sirhind Road, Baran, Patiala allocated to the complainants till the whole payment payable to the complainant of Rs.5,31,305/- upto 31.03.2026 (i.e. principal amount Rs.2,05,344/- and interest of Rs.3,25,961/-), and subsequent interest amount w.e.f. 01.03.2026 @ Rs.1,848/- per month, if any, becomes dues is fully paid to the complainant. The complainant will have its continuous lien over the said unit till the refund alongwith interest is not fully paid by the promoter to the complainant as determined in this order and/or mentioned in the Decree Certificate. The promoter is free to sell the unit in question after duly obtaining the receipt of the due payment from complainant as per this order. Both the promoters i.e. Estate Officer, Patiala Urban Planning & Development Authority PDA and M/s. Omaxe Ltd. are held to be jointly & severally liable for payment declared under this order irrespective of their inter-se party agreement/MOU/share in the project.

24. The amount of Rs.5,31,305/- upto 31.03.2026 (i.e. principal amount Rs.2,05,344/- and interest of Rs.3,25,961/-), as determined vide this order u/s. 31 of the Real Estate (Regulation & Development) Act, 2016; has become payable by the respondent to the complainant and the respondent is directed to make the payment within 90 days from the date of receipt of this order as per Section 18 of the Real Estate (Regulation & Development) Act, 2016 read with Rules 17 of the Punjab Real Estate (Regulation & Development) Rules, 2017. The amount of Rs.5,31,305/- upto 31.03.2026 (i.e. principal amount Rs.2,05,344/- and interest of Rs.3,25,961/-) determined as refund and interest amount thereon and further a sum of Rs.1,848/- to be payable as interest per month from 01.04.2026 is held "Land Revenue" under the provisions of Section 40(1) of the RERD Act, 2016. The said amounts are to be collected as Land Revenue by the Competent



Authorities as provided/authorised in the Punjab Land Revenue Act, 1887 read with section 40(1) of the Real Estate (Regulation and Development) Act, 2016. It is directed at the cost of repetition that primarily the promoter/respondents i.e. Estate Officer, Patiala Urban Planning & Development Authority PDA and M/s. Omaxe Ltd. is responsible for refund of money determined in this order. The proceedings u/s. 40(1) of the RERD Act, 2016 for issue of recovery certificate are additional and a parallel legal remedy to recover the dues determined under this order to be collected by the prescribed authority under Punjab Land Revenue Act, 1874.

25. However, at the cost of repetition it is ordered in addition to the above direction and discussion in various paras, the following ordered specifically for necessary compliance:-

- i. The present complaint has been held to be maintainable notwithstanding the fact that the project is unregistered, in view of the law laid down by the Aman Sethi vs M/s Dara Buildtech and Developers Pvt. Ltd., wherein it has been clarified that non-registration of a project cannot defeat the rights of an allottee and the Authority is duty-bound to adjudicate complaints on merits.
- ii. It has been held that the complainant was allotted a flat on 31.01.2011 with a stipulated possession period of three years, i.e., by 30.01.2014, and has deposited a total amount of ₹2,05,344/-. However, even after more than 12 years, the respondents have failed to complete the project or offer possession. It has further been held that both the respondents, namely the Patiala Development Authority and M/s Omaxe Ltd., being landowner and developer respectively, **are jointly and severally liable towards the complainant**, irrespective of their internal arrangements.
- iii. It has also been held that the complainant cannot be termed as a defaulter, as the failure of the respondents to complete the project within the stipulated time justified withholding of further payments. In light of the provisions of Section 18(1) of the Real Estate



(Regulation and Development) Act, 2016, as interpreted by the Hon'ble Supreme Court in M/s Newtech Promoters and Developers Pvt. Ltd. vs State of U.P., the complainant has been held entitled to refund of the entire deposited amount along with interest, as the right to seek refund is an indefeasible statutory right in cases of failure to deliver possession within the agreed timeline.

- iv. Accordingly, the complaint has been partly allowed and the respondents have been directed to refund the principal amount of ₹2,05,344/- along with interest calculated at the rate of 10.80% per annum, amounting to ₹3,25,961/- up to 31.03.2026, thereby totaling ₹5,31,305/-. The respondents have further been directed to pay continuing interest at the rate of ₹1,848/- per month from 01.04.2026 till the date of actual realization. The entire amount has been declared recoverable as arrears of land revenue under Section 40(1) of the Act, and the Authority has directed issuance of a Debt Recovery Certificate in case of non-payment within 90 days.
- v. It has also been directed that the respondents shall not sell, allot or create third-party rights in respect of the subject unit i.e. Flat no. SF-1, Block Daisy Cluster-B, until the entire dues of the complainant are fully satisfied, and the complainant shall have a continuing lien over the said unit till realization of the awarded amount. The Secretary of the Authority has been directed to initiate recovery proceedings in accordance with law, and both respondents have been held jointly and severally liable for compliance of the order.



26. **The Secretary of this Authority is hereby directed to issue a “Debt Recovery Certificate” immediately and send the same to the Competent/ jurisdictional Authority as mentioned in the Punjab Land Revenue Act, 1887 after 90 days of the issuance of this order to be recovered as arrears of “Land Revenue”. The complainant & the respondent are directed to inform the Secretary of this Authority regarding any payment received or paid respectively so as to take the same in to account before sending “Debt Recovery Certificate” to the Competent Authority for**


recovery. Further, Sh. Buta Singh is held to be Decree Holder and the Respondent i.e. Estate Officer, Patiala Urban Planning & Development Authority PDA and M/s. Omaxe Ltd. as judgment debtor for the purposes of recovery under this order.

27. No other relief is made out.

28. A copy of this order be supplied to both the parties under Rules and file be consigned to record room.

Chandigarh
Dated: 07.04.2026





(Rakesh Kumar Goyal),
Chairman,
RERA, Punjab.

Endst. No./CP/RERA/PB/PA/Sec.31/ 597-604

Dated:- 10/4/2026.

A copy of the above order may be sent by the Registry of this Authority to the followings: -

1. Sh. Buta Singh, Village Chuhan Ke Khurd, Barnala, Punjab – 148109
2. Patiala Development Authority through Its Chief Administrator
3. Estate Officer PDA Patiala
(Both at PUDA Bhawan Urban Estate Phase-II Patiala, Punjab – 147002)
4. M/s. Omaxe Ltd. through its authorised signatory, Regional Office SCO 143-144, Sector 8-C, Chandigarh – 160018.
5. The Secretary, RERA, Punjab.
6. Director (Legal), RERA, Punjab.
7. The Complaint File.
8. The Master File.


(Sawan Kumar),
P.A. to Chairman,
RERA, Punjab.