



## Real Estate Regulatory Authority, Punjab

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

1. Complaint No.	GC No. 0097/2024
2. Name & Address of the complainant (s)/ Allottee	1. Sh. Rahul Sharma 2. Ms. Chanchal Devi (Both r/o 233, Prem Nagar, Near ISBT, Una Himachal Pradesh – 174303)
3. Name & Address of the respondent (s)/ Promoter	1. Balaji Developers, Shop No. 124, Anaj Mandi, Kurali, Tehsil Kharar, SAS Nagar (Mohali), Punjab – 140103. 2. Sh. Ashu Goyal, House No. 46, Ward No. 2, Kurali, Tehsil Kharar, SAS Nagar (Mohali), Punjab – 140103.
4. Date of filing of complaint	28.02.2024
5. Name of the Project	Balaji Homes-2
6. RERA Registration No.	PBRERA-SAS80-PR0726
7. Name of Counsel for the complainant, if any.	Sh. Arun Vats, Advocate for the complainant.
8. Name of Counsel for the respondents, if any.	Ms. Manisha Maggu, Advocate for the respondent.
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	15.01.2026

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

1. The present complaint has been filed by the complainants under Section 31 of the Real Estate (Regulation and Development) Act, 2016 seeking appropriate directions against the respondent promoter for handing over possession, whose allotment was unilaterally cancelled by the respondent vide Flat No.124-C (2nd Floor) in the project “Balaji Homes-2” situated at Village Chanalon, Hadbast No.110, Kurali, SAS Nagar (Mohali), Punjab, which stands registered with this Authority vide Registration No. PBRERA-SAS80-PR0726.

2. The case of the complainants, as set out in the complaint, is that they booked the aforesaid flat on 07.11.2022 for a total sale consideration of ₹27,75,000/- and paid an amount of ₹7,50,000/- to the respondent promoter through cheques, being ₹2,50,000/- on 07.11.2022 and ₹5,00,000/- on 29.11.2022. It has been pleaded that at the time of booking, the respondent assured that possession of the flat would be handed over by May, 2023. However,



despite repeated requests and follow-ups, possession was not offered. It is further alleged that the respondent thereafter demanded additional amounts over and above the agreed consideration and ultimately, without the consent of the complainants and without any prior intimation, refunded the booking amount on 19.02.2024, thereby unilaterally cancelling the booking. Aggrieved by the said acts and omissions of the respondent, the complainants have approached this Authority seeking possession of the booked flat.

3. Upon issuance of notice, the respondent filed its reply raising a preliminary objection regarding maintainability of the complaint on the ground that no agreement for sale was executed between the parties and, therefore, the complainants do not fall within the definition of "allottee" under the Act. It has further been pleaded that the complainants did not cooperate for execution of the agreement for sale despite repeated requests and that, under the said circumstances, the respondent was constrained to refund the booking amount. Further, it is also submitted by the respondent that Rs.7,50,000/- vide cheque no. 33249 dated 19.02.2024 had already been returned to the complainants. The respondent has denied any deficiency on its part and has asserted that the project is substantially complete. Respondent further requested for dismissal of the present complaint.

4. 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.

5. The complainants filed a rejoinder controverting the averments made in the reply and reiterating that no effort was ever made by the respondent to execute the agreement for sale and that the refund of the amount was effected unilaterally, without their consent and against their clear intention to continue with the allotment and obtain possession of the flat.



6. The undisputed facts emerging from the record are that the complainant applied for allotment of the aforesaid residential unit and an allotment letter dated 07.11.2022 was issued in his favour. It is also undisputed that the complainant paid a total amount of ₹7,50,000/- out of total sale consideration of Rs.27,75,000/- to the respondent promoter in November, 2022. It is further an admitted position that no agreement for sale was executed between the parties and that the respondent refunded the said amount to the complainant on 19.02.2024. The factum of refund has not been disputed by the complainant.

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. This Bench of Authority has heard the learned counsels of both the parties and has carefully examined the pleadings and the material placed on record. The first legal argument of the respondent at the outset was that the complainant had no *locus standi* to file the present complaint because they did not fall in the definition of allottee(s) and no agreement to sell in respect of any particular unit in the project was executed between the parties and therefore the complaint was not maintainable. The argument is however without merit in-as-much as the complaints could be filed u/s. 31 of the Act even by any person aggrieved against the promoter of the project. The complainant need not to be necessarily an allottee for filing of complaint. For ready reference, Section 31 of the Act runs as under:-

***“31. Filing of complaints with the Authority or the adjudicating officer:-***

(1) Any aggrieved person may file a complaint with the Authority or the adjudicating officer, as the case may be, for any violation or contravention of the provisions of this Act or the rules and regulations made thereunder against any promoter allottee or real estate agent, as the case may be.

*Explanation.—For the purpose of this sub-section “person” shall include the association of allottees or any voluntary consumer association registered under any law for the time being in force.*



(2) *The form, manner and fees for filing complaint under sub-section (1) shall be such as may be specified by regulations."*

[Emphasis supplied]

8.1 The complainant further stated that despite accepting the said payments neither any allotment letter/buyer agreement was executed by the respondent nor any efforts for offer of possession of any such unit was made by the respondent- promoter despite lapse of almost one year and six months (*i.e. till the time of filing the present complaint*). The respondent could not explain that why the payment was accepted if it was not related to booking of unit. It is held that the complainant is an allottee u/s. 2(d) and the complaint filed u/s. 31 of the Act being 'Aggrieved Person' as well as "allottee" is valid. Accordingly, the preliminary objection raised by the respondent regarding *locus standi* and maintainability of the complaint is rejected and it is held that the complaint filed under Section 31 of the Act is maintainable.

9. The learned counsel for the complainant has argued that the complainants booked the flat on 07.11.2022 for a total sale consideration of ₹27,75,000/- and paid a substantial amount of ₹7,50,000/- towards the same. It has been contended that at the time of booking, the respondent assured delivery of possession by May, 2023. Although the allotment letter does not mention a specific date of possession, it has been submitted that such assurance was clearly conveyed to the complainants. It has further been argued that despite repeated follow-ups, the respondent failed to offer possession and instead started demanding additional amounts beyond the agreed sale consideration. According to the complainant, the respondent thereafter, without issuing any prior notice and without obtaining consent, refunded the booking amount of ₹7,50,000/- on 19.02.2024 and unilaterally cancelled the allotment. It has been submitted that unilateral cancellation of allotment without notice is illegal, arbitrary, and contrary to the provisions of the Act, and that refund of the amount without the



complainants' consent does not extinguish their right to seek possession of the allotted unit.

10. Ld. Counsel for the respondent, on the other hand, has argued that in the absence of an executed agreement for sale, no enforceable right accrues in favour of the complainant. It has been submitted that the complainant neither came forward to execute the agreement for sale nor paid the balance sale consideration and, therefore, cannot seek possession. It has further been contended that the refund of the entire amount brings the transaction to an end and no relief can be granted.

11. Upon careful consideration of the pleadings, documents placed on record, and submissions advanced by both the parties, this Bench records the following findings: -

- i) It is evident from the record that after accepting letter dated 07.11.2022 and receipt of ₹7,50,000/-, both parties remained silent for a prolonged period of more than one year. The complainant has failed to place on record any documentary evidence to show that he approached the respondent for execution of the agreement for sale or demanded possession. Likewise, the respondent has not produced any contemporaneous communication to show that it called upon the complainant to execute the agreement for sale or comply with any payment schedule. The conduct of both parties reflects lack of due diligence and absence of *bonafides*.
- ii) The allotment letter on record does not contain any payment schedule or stipulated date of possession. It also does not bear the signatures of the respondent promoter, though its issuance has not been disputed.



iii) The Bench further observes that the complainant paid an amount exceeding 10% of the total sale consideration without execution of an agreement for sale, which is in contravention of Section 13(1) of the Act, to which **Registry of this Authority is also directed to send a copy of this order to the Secretary for taking necessary action as ordered above and putting up the same separately before the same bench where proceedings are going on or otherwise before this Bench, to avoid multiplicity.**

iv) With regard to the impleadment of Mrs. Chanchal Devi as complainant No.2, it is observed that the allotment letter dated 07.11.2022 bears the name of only one allottee, namely Sh. Rahul Sharma. All documents on record, including the allotment letter, bear the signatures of only Sh. Rahul Sharma. The transaction before Rahul Sharma and Balaji Developers is not as per the procedure and law prescribed under RERD Act, 2016. The promoter being well equipped with legal advisers and professional has an onus not to accept money for any sale except following the due procedure prescribed under the law. The same is also applicable on the complainant too.

v) In view of the foregoing findings, this Bench is of the considered opinion that the complainant has failed to establish entitlement to restoration of allotment or delivery of possession. The prolonged silence of both parties, absence of an agreement for sale, non-payment of balance consideration, and refund of the entire amount disentitle the complainant from the Right to restore the booking, allotment, and finally sale of the unit in his favour. The procedure & transaction involved are not as per the provisions of the RERD Act, 2016 and both parties have violated the provisions by not following it in letter and spirit. There is no direct provision in the Act to deal this kind of situation, facts and



circumstances of the case. The Hon'ble Supreme Court in the case of **"Subhash Aggarwal Vs. Mahender Pal Chhabra & Anr. in SLP (Civil) No. 30936 of 2025"** in the same kind of facts has held as under: -

*"6. As held by this Court in multiple cases, there is no straitjacket formula with regard to 'readiness and willingness'. The same has to be construed with respect to the facts and circumstances of each case. In light of the facts of this case, and bearing in mind the passage of more than seventeen years since the execution of agreement, we agree with the view of the Division Bench that the grant of specific performance is not an equitable relief at this stage.*

*7. It is a settled principle that equity must operate in a manner that prevents unjust enrichment and restores the parties to their original position, as far as possible particularly where both the parties are at fault. We, therefore, are of the view that directing forfeiture of the earnest money would result in an equitable windfall to the respondents."*

In this case the specific performance is not possible as no such performance can be inferred in the facts & circumstances where both parties have erred and has dealings in a way not prescribed under the law. There are no proper documents of allotment, agreement for sale and only a copy of application not signed by the promoter evidencing any acceptance of any transaction except two receipts of Rs.2.5 lakh and Rs.5.00 lakh received are on the record without mentioning the mode of payment, and purpose of receipts. None of the documents leads to a conclusion that any transaction of booking allotment of plot/Unit (2BHK) 124-C, 2<sup>nd</sup> Floor of 123.181 sq. yards in any project has been entered finally and conclusively between the parties.

vi) However, it is an admitted position that the respondent retained and utilized the complainant's amount of ₹7,50,000/- from 07.11.2022/29.11.2022 till 19.02.2024. Even though the complainant is not entitled to possession or restoration of allotment, the respondent



cannot be permitted to retain the said amount without compensating the complainant for the period of such retention. Accordingly, the respondent is directed to pay interest on the amount of ₹7,50,000/- at the rate prescribed under the Act for the period from 07.11.2022/29.11.2022 till 19.02.2024, within the time stipulated under the Act.

12. In view of the above, the complaint is **disposed of as per above directions** and complainant is **entitled to interest** upon the already refunded amount of Rs.7,50,000/- **for the period 07.11.2022/29.11.2022 till 19.02.2024 @ 10.80%** (i.e. 8.80% SBI's Highest MCLR Rate applicable as on 15.12.2025 + 2%) as per Rule 16 of the Punjab State Real Estate (Regulation & Development) Rules, 2017. 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 30.11.2025 is calculated as follows:-

Interest payable from	Principal Amount paid	Interest calculated till	Delay in months	Interest payable
D	E	F	I	J
01.12.2022	7,50,000/-	31.01.2024	14	94,500/-
<b>Total interest to be refunded</b>				<b>94,500/-</b>

13. 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.

14. In view of the aforesaid legal provisions and judicial pronouncement, it is hereby directed that the 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.

15. Further the interest of Rs.94,500/- the rate of interest has been applied @ 10.80% (i.e. 8.80% SBI's Highest MCLR Rate applicable as on 15.12.2025 + 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.94,500/- entitled to interest** upon the already refunded amount of Rs.7,50,000/- for the period 07.11.2022/29.11.2022 till 19.02.2024.

16. The amount of **Rs.94,500/-** as determined vide this order u/s. 31 of the Real Estate (Regulation & Development) Act, 2016; has become payable by the respondent to Sh. Rahul Sharma 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.94,500/-** determined as interest amount as per Para no. 11 & 12 of this order, 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.

17. 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. Rahul Sharma is held to be **Decree Holder** and



**the Respondent i.e. M/s. Balaji Developers as judgment debtor for the purposes of recovery under this order.**

18. No other relief is made out.

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

Chandigarh  
Dated: 15.01.2026



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

Endst. No./CP/RERA/PB/PA/Sec.31/ 133-140

Dated:- 21/01/2026

A copy of this order is hereby forwarded to the following for their information and necessary action: -

1. Sh. Rahul Sharma
2. Ms. Chanchal Devi  
(Both r/o 233, Prem Nagar, Near ISBT, Una Himachal Pradesh – 174303)
3. Balaji Developers, Shop No. 124, Anaj Mandi, Kurali, Tehsil Kharar, SAS Nagar (Mohali), Punjab – 140103.
4. Sh. Ashu Goyal, House No. 46, Ward No. 2, Kurali, Tehsil Kharar, SAS Nagar (Mohali), Punjab – 140103.
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.