

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

Complaint No.0310 of 2025UR

Date of Institution: 06.08.2025

Dated of Decision: 03.03.2026

1. Mr Badri Narayanan Gururajan and

2. Ms Akhila Sowmya Rao Parigi

Both Residence of 002 Block B, Skanda Enclave Rajeev Nagar  
Banglore- 85 Karnataka - 560097

....Complainants

Versus

M/s Royale Empire through its Director Jiwan Garg

Royale Empire Peer Muchhalla, Zirakpur, SAS Nagar Mohali

....Respondent

Present: 1. Mohd. Sartaj Khan, Advocate for the complainant.  
2. Respondents Exparte

**ORDER**

1. 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 06.08.2025 by the complainants in their individual capacity against the respondent seeking following reliefs:

1.1 In light of Sections 18 & 19 of the RERA Act 2016, Respondents be directed to refund the entire amount paid by the Complainants, i.e., Rs. 26,10,000/- along with interest as per RERA Rules from the respective date of payments.

1.2 Respondent be directed to Pay Rs. 1,50,000/- as the cost of litigation.

2. The brief facts mentioned in the complaint by the complainant are as under: -

2.1 The complainants have purchased/booked the residential flat and have been allotted Residential flat bearing No. 302, Block -K, having a Covered Area of 1490 Sq. Ft./138.4 Sq. Mtr. and Super Area 1800 Sq. Ft./167.2 Sq. Mtr in the Project named "Royale Empire", situated at Peermuchhalla, Zirakpur, Distt. Mohali, Punjab. The project is still unregistered with the RERA Authority.

2.2 The complainants have paid an amount of Rs. 3,00,000/- as a booking amount on 27.03.2011 and on the same day, the Buyer's Agreement was executed. As per the Agreement to Sell dated 27.03.2011, the total price of the unit was Rs.35,00,000/- and complainant has paid an amount of Rs. 26,10,000/- till date.

2.3 The Complainants have made payment of Rs. 4,00,000/- vide Cheque. No.060166 dated 18.04.2011, Rs 11,50,000/- vide Cheque. No.857892 dated 01.05.2011, Rs 1,00,000/- vide Cheque. No.864333 dated 15.08.2011 & Rs 1,00,000/- on 14.04.2013. Copy of the payment receipts given by the Respondent Company is annexed as Annexure C-2(Colly).

2.4 The complainants availed a bank loan for the aforementioned flat from the Housing Development Finance Corporation Limited (HDFC). The bank approved and subsequently disbursed the loan amount of Rs.18,88,590/- in accordance with the agreed terms. A Copy of the Statement of Account is marked and annexed as Annexure C-3.

2.5 As per Clause 7 of the Agreement to Sell dated 27.03.2011, the possession of the unit was to be delivered within 18-21 months, i.e., 27.09.2012, which has been further delayed, and the project is nowhere near completion. The Respondent Company did not offer any legal

possession till date and the project has been indefinitely delayed. Neither the interest for delayed possession nor any compensation has been paid by the promoter to the complainant till date. Even the Occupancy Certificate/ Completion Certificate has not been obtained by the promoter till date.

2.6 The Complainants have visited and contacted the answering respondent repeatedly through various calls as well as in person to get actual legal possession of the unit along with the delayed period interest of the above-said unit, but the Respondent failed to hand over possession. Subsequently, the respondent entered into a settlement with the complainants, agreeing to offer an alternative flat and the respondent Company allotted Flat No. 302 in Block No. P in the project Royale Empire, Peermuchalla, Zirakpur, District Mohali, Punjab in lieu of the earlier allotment of Flat No. 302 in Block No. K in the project Royale Empire, Peermuchalla, Zirakpur, District Mohali, Punjab. The Complainants had already paid the amounting to Rs. 26,10,000/- out of total sale consideration of amount of Rs. 35,50,000/- and the same was adjusted towards the new allotment. The Respondent Company issued an Allotment Letter Cum Compromise Agreement dated 19.01.2020, and thereafter, the Respondent Company cancelled the original agreement and retrieved the original agreement from the complainants. Copy of the Allotment Letter Cum Compromise Agreement dated 19.01.2020 is marked and annexed as Annexure C-4.

2.7 The respondent company issued a possession letter (no specific date is mentioned on possession letter by the Respondent), which is merely a paper possession, and no physical possession of the flat has been handed over to the complainants till date. Copy of the Possession Letter is marked as annexed as Annexure C-5.

2.8 The complainants had visited the site of Flat No. 302 in Block P, the complainants observed that the building was under construction and remained incomplete till date. The construction has not been completed, and

no further work is being carried out on the above-mentioned project, effectively rendering it an abandoned site. Copy of the site photographs is marked and annexed as Annexure C-6 (Colly).

2.9 Due to delay for more than 12 years, now the Complainants wants to withdraw from the project without prejudice to any other remedy available, and is seeking return of his amount i.e. Rs.26,10,000/- received by the Respondent Company with respect of the above stated flat with delayed interest/compensation.

2.10. The complainant also referred the landmark judgment of the Apex court in the case titled M/s. NEWTECH PROMOTERS AND DEVELOPERS PVT. LTD. Versus STATE OF UP & ORS. ETC., bearing Civil Appeal No(s). 6745-6749 of 2021, delay of one single day has been made by the promoter/developer, the allottee(s) have an indefeasible right to seek refund of the entire amount paid to the promoter/developer in respect of the apartment/unit/plot booked by the allottee(s).

3. Notice of the complaint was issued to the respondent vide Memo no. 13112 dated 27.08.2025 which was received back undelivered with remarks "left without instructions". Thereafter 1<sup>st</sup> reminder notice issued vide Memo No. 15976 dated 09.10.2025 which was also received back undelivered with remarks "refused". Further in compliance to interim order dated 28.10.2025, next date of hearing was informed to the respondent through email ID available on record. Nobody appeared on behalf of the respondent. Thereafter, again 2<sup>nd</sup> reminder **dasti** notice was issued vide Memo No. 610 dated 14.01.2026 was issued through representative of the Authority which also could not be issued due to non-availability of any official / office of the respondent. Neither any reply to complaint was filed by respondent nor there was any representation on behalf of respondent till date. Keeping in view of the above, exparte proceedings is proceeded against the respondent. Matter is reserved for detailed order vide proceeding dated 12.02.2026.

4. This authority has heard the argument of the complainant and have also gone through the documents produced on record.

5. While reiterating the contents of complaint, learned counsel for the complainants highlighted the main facts of the case. He pointed out that vide allotment letter dated 27.03.2011 the complainants were allotted Flat No.302 (Block K) having covered area of 1490 sq. ft. and super area of 1800 sq. fts in the project "Royal Empire". The total cost of the flat was Rs.35,00,000/- out of which the complainants have already paid an amount of Rs.26,10,000/- to the respondent after obtaining housing loan amounting to Rs.18,88,590/- from HDFC Ltd. Thereafter, the respondent entered into a settlement with the Complainants, agreeing to offer an alternative flat and the respondent Company allotted Flat No. 302 in Block No. P in the project Royale Empire, Peermuchalla, Zirakpur, District Mohali, Punjab in lieu of the earlier allotment of Flat No. 302 in Block No. K in the project Royale Empire, Peermuchalla, Zirakpur, District Mohali, Punjab on the earlier sale consideration. The complainants also stated that as per clause 7 of the agreement, the respondent was bound to handover the possession of the flat within 18-21 months from the date of agreement i.e. by 27.09.2012. This stipulation had however been violated by the respondent and even after delay of more than 12 years, legal possession along with completion certificate/occupation certificate of the flat was still not handed over to the complainants. Therefore, the respondent/ promoter was liable to refund the principal amount along with interest at the rate prescribed in the Punjab State Real Estate (Regulation and Development) Rules, 2017 from the respective dates of deposits till its realization.

6. The case of complainants and the claim made thereunder including the documents produced on record in support thereof remained unrebutted as respondent chose not to appear despite service and he was thus was proceeded against exparte. From the documents placed on record by the

complainants, it was evident that despite making more than 74% of the sale consideration, the complainants were not given possession of the flat. By way of the present complaint, complainants seek only the refund of their amount having been paid alongwith interest as they did not intend to remain in project and their claim for that is very much justified and rightful under the circumstances.

7. 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 promoter 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.

8. Since the possession of flat 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.*

9. It is pertinent to mention that the previous allotment of the flat no. 302, Block K, in the Project "Royale Empire", situated at Peermuchhalla, Zirakpur, Distt. Mohali, Punjab was cancelled and fresh allotment letter was issued on 19.01.2020 for flat no. 302, Block P, in the Project "Royale Empire", situated at Peermuchhalla, Zirakpur, Distt. Mohali, Punjab. Accordingly, any deficiency in service has to be ascertained for the flat no.302, Block P, in the Project "Royale Empire", situated at Peermuchhalla, Zirakpur, Distt. Mohali, Punjab.

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

10.1 To refund the amount of Rs. 26,10,000/- 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 from 19.01.2020 till the date of actual refund.

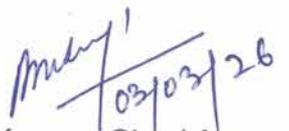
10.2 Respondents are further directed to refund the amount of Rs. 26,10,000/- along with interest thereon to the complainant within the statutory time i.e. ninety days stipulated under Rule 17 of the Rules of 2017 from the date of receipt of this order and submit a compliance report to this Authority 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 complainant is also directed to submit report to this Authority that they have received the amount along with interest as per directions issued in this order. Till then the complainant shall have the charge on the allotted flat No. 302 in Block No. P in the project Royale Empire, Peermuchalla, Zirakpur. The complainant is further directed to execute a Cancellation Deed on receipt of full payment of refund and interest thereon from the respondents thereafter.

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

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

  
(Binod Kumar Singh)  
Member, RERA, Punjab