# 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.**

| | | |
|---|---|---|
| 1. | Complaint No. | GC No.0512/2022 |
| 2. | Name & Address of the complainant / Allottee | Mr. Rajesh Verma S/o Sh. Khushi Ram, R/o V&PO Lodhimajra, Tehsil Baddi, Distt. Solan-174101. |
| 3. | Name & Address of the respondent / Promoter | Punjab Urban Planning and Development Authority through its Estate Officer, PUDA Bhawan, Sector 62, SAS Nagar (Mohali), Punjab – 160062. |
| 4. | Date of filing of complaint | 17.10.2022 |
| 5. | Name of the Project | Gateway City, Sector 118-119, SAS Nagar (Mohali) |
| 6. | RERA Registration No. | Un-registered Project |
| 7. | Name of Counsel for the complainant, if any. | Sh. Vinod Verma, Advocate |
| 8. | Name of Counsel for the respondents, if any. | Sh. Ashish Grover, Advocate |
| 9. | Section and Rules under which order is passed | Section 31 & 40(1) of the RERD Act, 2016 r.w. Rule 16, 24, 25 & 36 of Punjab State RERD Rules, 2017. |
| 10. | Date of Order | 15.09.2026 |

**Order u/s. 31 & 40(1) of the Real Estate (Regulation & Development) Act, 2016 r/w Rule 16, 24, 25 & 36 of Pb. State Real Estate (Regulation & Development) Rules, 2017**

1. The present complaint has been filed by the complainant under the provisions of the Real Estate (Regulation and Development) Act, 2016 seeking, inter alia, physical possession of plot alongwith occupation/ completion certificate and other amenities needed for habitation purposes subject to payment of remaining installments, pay interest for delayed possession @ 12% per annum for delayed period & waive off the interest upon the installments as the said project was not complete in respect of residential plots in Gateway City, Sector 118-119, S.A.S. Nagar, Mohali, and any other relief as the Authority may deem fit and proper.

2. Briefly stated, the case of the complainant is that he had applied for allotment of 400 sq. yards plot vide application Form No.15647 with the respondent. He was declared as successful vide S. L. No. 61. The allotment of plot was communicated vide Letter of Intent Memo No. PUDA-E.O. Gateway city/ 2015(27408) dated 10.07.2015. He paid ₹.21,00,000/- as per allotment letter dated 16.08.2016 which was adjusted towards initial 25% of price of the plot. Thereafter a sum of ₹.1,13,400/- was paid vide draft dated 12.09.2016. The possession of the plot was to be given to the complainant after the completion of development work at site or 18 months from the date of issuance of the allotment letter whichever is earlier. According to the complainant, he waited till February, 2018 for completion of project and take possession of the plot. No intimation or

possession letter or demand of the balance amount was made by the respondent. The complainant made a representation dated 08.01.2019 through which it was stated that the possession of plot had not been handed over to him and if the authority is not able to handover the possession of the plot allotted, the deposited amount along with interest may be refunded and if the authority is ready with possession and same can be handed over and exempt the interest on balance amount payable. According to the complainant, the project was not developed. Another representation dated 10.01.2020 was also made. The complainant submitted that he is ready to pay the remaining amount of the plot in lump sum to respondent, if the respondent is able to give immediate possession of the plot and charge no interest upon payment of balance amount. Further the complainant is also entitled to 5% rebate on the payment of remaining installment. Since the respondent has kept the complainant's amount for a long time without giving any possession or interest and compensation for delayed possession, the complainant prayed that the Hon'ble authority may order the respondent to offer the possession and waive the interest upon the remaining amount. The complainant submitted that he got legal notice dated 26.08.2022 issued and no response was received. The complainant also submitted that he received letter dated 22.07.2022 from the respondent demanding outstanding amount and penal interest which is not legal.

3. The complainant prayed for following reliefs:-

*A) Direction to the respondent to give physical possession of plot along with occupation / completion certificate and sewerage connection and other amenities as needed for habitation purposes subject to payment of deposit of remaining installments.*

*B) Direction to the respondent to pay interest for delayed possession, as the same is required to be given within 18 months from the date of issuance of the allotment letter along with interest 12 % per annum for delay period and waive off the interest upon the remaining amount as the project was not complete and even the revenue rasta were acquired later on.*

*C) Any other relief which this Hon'ble Chairperson/ Authority/ Member may pass or deem fit and proper in the interests of justice.*

4. The respondent contested the complaint and filed its reply dated 08.05.2023. It was contended that the project was completed prior to coming into force the provisions of RERD Act, 2016. It was also submitted that the said RERA registration PBRERA-SAS81-PR0022 was not obtained for this chunk of land but was for the balance land. It was also informed that the complainant failed to

deposit the balance 75% in lump sum within 60 days of issuance of allotment letter or 6 equated half yearly installments alongwith interest @ 12% p.a. According to the respondent, the complainant was required to take possession as per condition no. 4(i) of the Allotment Letter. The complainant neither took possession nor pointed out to the respondent reasons for not taking possession. It was contended that there was no condition of issuing any demand for depositing balance amount and the complainant was bound to pay in accordance with schedule provided in the allotment. It was also contended that the complainant's representation dated 08.01.2019 was duly responded vide letter No. 779 dated 22.02.2019 informing therein that possession of the allotted plot can be taken after payment of due installments along with penal interest. It was also informed that in response to the complainant's representation dated 09.11.2021, the complainant was duly intimated vide letter dated 13.07.2022 that plot at the site is lying vacant and feasible for raising construction and construction can be done after getting building plans sanctioned and payment of outstanding amount. Partial completion Certificate from the Competent Authority was duly obtained on 28.04.2017. It was also contended that allotment of the plot is governed by the provisions of Punjab Regional and Town Planning and Development Act, 1995 and there is a remedy of appeal and revision under section 45 of Punjab Regional and Town Planning and Development Act, 1995. The complainant failed to avail the said remedy. The attention of the Authority was also drawn to the provisions of section 174 of Punjab Regional and Town Planning and Development Act, 1995, according to which the order passed by State Government or Competent Authority is final and can not be questioned in any suit or other legal proceedings. It was also informed that there is an arbitration clause in the allotment letter to settle dispute or difference arising out of allotment. The matter, if required to be adjudicated shall be referred to the Arbitrator under provisions of Arbitration and Conciliation Act, 1966. The balance documents i.e. Annexure - 5 & 6 to the reply dated 08.05.2023 were duly submitted vide application dated 06.12.2023.

5. The complainant vide submission dated 27.07.2023 submitted replication on the reply submitted by the respondent. According to the complainant, RERA authority was established as per provisions of section 20 of the said Act and this section came into force on 01.05.2016. Moreover the ongoing project is fully defined in section 2, which was made applicable w.e.f. 01.05.2016. According to him, RERD Act, 2016 came into force on 01.05.2016 and there was no completion certificate on that date and there was no completion certificate on that date, therefore the promoter shall make an application to the Authority for registration of the said project. The registration certificate had

already been taken as PBRERA-SAS-81-PR0022 and the project is covered under RERA as per provisions of Section 20 of the Act. According to the complainant, the un-registered projects can also be assailed before Real Estate Appellate Authority. The complainant also contended that the respondent had admitted that allotment shall be governed by provisions of Punjab Regional and Town Planning and Development Act, 1995 and the provisions of the allotment letter states before imposing penalty, Estate Officer will give notice and provide opportunity of hearing and then pass order in writing. It was contended that the balance amount was not deposited as the development work was not complete.

6. Before going to the controversary involved in the complaint, it is necessary to discuss the project registered with this Authority vide registration no. PBRERA-SAS81-PR0022 through Memo No. RERA/2017/47-48 dtd. 04.09.2017. As represented by the Ld. Counsel for the respondent, the above said RERA registration was for 29.79 acres out of total area of 121.25 acres which were yet to develop. According to the respondent and as submitted before this Authority at the time of said registration, the partial completion certificate for 91.46 acres out of total area of 121.25 acres was already obtained and the same was not registered. This land was developed by the respondent in joint venture with EMMAR MGF Land Ltd. group under the Land Owners Become Partner Scheme of Govt. of Punjab [Govt. of Punjab's Notification No. 6/23/13-6Hg1/1440 dated 19.06.2013]. Under this policy, land owners can become partners with the Development Authority and the Development Authority shall develop the land belonging to the Land Owners and sell developed land in accordance with policy of the Authority. The profit earned was to be shared in the ratio of 80:20 between the Land Owners and Development Authority in this case. The agreement was signed on 03.03.2014 between EMAAR MGF & PUDA in terms of Policy as discussed above. The supplementary agreement between EMAAR MGF & PUDA was signed on 24.09.2014 which exempted the project from application of Punjab Apartment and Property Regulation Act, 1995 except section 5(9) [Internal Development Works such as roads, water supply, sewerage, and drainage] and section 32 [Deposit Service charges into the designated state fund]. Against this project land, the change of land use was issued vide Memo No. 13-CTP(PB)/SP-432(M) dated 03.12.2014 by Chief Town Planner Punjab. The NOC from Punjab State Power Corporation Limited was issued vide Memo No. 3968/121.25 Acres, Gateway City, Mohali/ RID-15496 dated 06.10.2016. The Lay Out plan was approved vide Memo No. 2301-2309 dated 31.10.2014. The complainant's contention in Form M regarding RERA No. is not correct. Accordingly, it is held that the complaint is in respect of unregistered project under Real Estate

Regulation and Development Act 2016 which was completed before the commencement of the RERD Act, 2016.

7. Another contention raised by the complainant is that the Real Estate Regulation and Development Act, 2016 came into effect on 01.05.2016. The complainant has contended that the Real Estate Regulation and Development Act, 2016 came into effect on 01.05.2016. It is not correct. The Real Estate Regulation and Development Act, 2016 came into force in two phases, with initial sections taking effect on May 1, 2016, and the remaining provisions coming into force on May 1, 2017. The provisions like mandatory project registration and core regulatory protections for buyers etc. came into effect only from 01.05.2017 only. The Govt. of India, Ministry of Housing & Urban Affairs also issued FAQ on the RERD Act, 2016. The Question No.3 [Objects and Reasons] reads as under:-

> *3. When did RERA come into force?*
> *The Real Estate Bill was passed by the Rajya Sabha on 10th March, 2016 and the Lok Sabha on 15th March, 2016. The Bill as passed by the Parliament was assented to by the Hon'ble President on 25th March, 2016. The Act as assented to by the Hon'ble President was published in the Official Gazette on 26th March, 2016 for public information. Section 2, sections 20 to 39, sections 41 to 58, sections 71 to 78 and sections 81 to 92 were notified by the Central Government to come into effect from 1st May, 2016. Further, Sections 3 to 19, section 40, sections 59 to 70, sections 79 to 80 were notified for commencement with effect from 1st May, 2017.*

Therefore, the contention of the complainant regarding date of coming into effect the provisions of Real Estate Regulatory & Development Act, 2016 as 01.05.2016 is not correct and is not being accepted. It is held that the Real Estate Regulatory & Development Act, 2016 came into effect on 01.05.2017 only.

8. The contentious issue involved in this case is whether this unregistered project was complete when the Real Estate Regulation Development Act, 2016 came into effect. The complainant's contention in this regard is as under:-

> *That on complainant's recent visit to the plot, the complainant found that no development works are going on at relevant site, particularly near my plot. Even the K.V. 220 V wires are laid just near to plot making it dangerous for complainant's family to reside. Even the plot allotted is very deep and requires split to be put, for leveling the same. The complainant visit showed that the plot is not fit for giving possession even after more then 3 years of*

*deposit of amount. The representation dated 10.01.2020 is annexed as Annexure C-5.*

Here, the complainant has referred to his recent visit to the site. The complainant has been filed on 17.10.2022. Therefore, the complainant noticed no development for the first time around the said date. Further, this no development work has been noticed particularly near to his plot.

8.1 The respondent in its reply has submitted that the partial completion certificate was issued on 28.04.2017. The operative part of the said Memo bearing No. PUDA-SE(HQ)/2017/2857-66 dated 28.04.2017 reads as under:-

*OFFICE ORDER*

*As per report of Inspection Committee of PUDA, development of Gateway City n Sector 118-119, SAS Nagar (under Land Owners Become Partners Scheme) have been partially completed. Accordingly,* ***Partial Completion Certificate*** *of the aforesaid project is hereby accorded.*

*Date: 28.04.2017*
*Place; SAS Nagar*

*Ravi Bhagat, IAS*
*Chief Administrator,*
*GMADA, SAS Nagar*

8.2 The scanned copy of the report of Inspection Committee for issuance of Partial Completion Certificate enclosed with the said certificate dated 28.04.2017 [ available on project file of PBRERA-SAS81-PR0022] is as under:-

-11-

Report of Inspection Committee for issuance of Completion Certificat Development of Gateway City in Sector 118-119 at SAS Nagar. (Land Ov Become Partners Scheme (LOBP))

| Sr. No. | Item | Report of Inspecting Officers | Rer |
|---|---|---|---|
| 1. | Area of the project as per License/ approval. | Total Area = 121.25 Acre<br>Reserved area = 23.26 Acre<br>EWS = 6.53 Acre<br>Net Developed Area = 91.46 Acre | Excluding of Revenue Rastas to be ... |
| 2. | Certificate of demarcation of Layout Plan of entire project from concerned officer | Demarcation has been done by the concerned Officer as per attached layout plan at Annexure-I. | |
| 3. | Construction of approach roads & all other roads connecting to public utilities and services as per the approved Layout Plan in that part of project | Constructed as per approved Layout Plan and Service Plans except revenue rastas which are under acquisition. | |
| 4. | Provision and operational status of Water Supply System in the part of project. | Laid and operational as per layout plan attached except revenue rastas which are under acquisition. | |
| 5. | Provision and operational Sewage System in that part of project & provision of outfall sewer line near STP | Sewerage network complete & operational except revenue rastas which are under acquisition | |
| 6. | Provision and operational Storm Water/Drainage System in the part of project. | Laid and operational except revenue rastas which are under acquisition. | |
| 7. | Completed development of Open spaces in the part of project | To be developed after inhabitation takes place. | |
| 8. | Provision and operational Street Lighting in the part of Project and installation of Transformers as per approved Electrical Scheme. | Street light poles erected, transformer installation completed as per NOC of PSPCL except revenue rastas which are under acquisition. | |
| 9. | Clearance by Chief Electrical Inspector Punjab w.r.t. Commissioning of Electrical Transformers in HT Lines. | NOC from PSPCL obtained. | |
| 10. | Development of parking space as per approved plans | Developed as per layout plan. | |
| 11 | NOC from Development Authority regarding Dues | All charges fully paid to GMADA. | |
| 12. | Copy of mandatory clearance obtained from different departments/agencies required as per license/ conditions of exemption under section 44(2) of PAPRA:-<br>1) PPCB (NOC) U/s 21 upto 4-12-16 fresh application submitted<br>U/s 25 & 26<br>~~Consent to operate valid till~~<br>2) Fire Safety NOC | <br><br>NA<br><br><br><br>NA | |

| | | | |
|---|---|---|---|
| | 3) Access from Schedule Road<br>4) Forest Department<br>5) Permission of Access from Scheduled Road.<br>6) Environment Clearance<br>7) PSPCL | NA<br>NA<br>NA<br>NA<br>Clearance received vide letter no. 3968 dated 6-10-2016 | |
| 13. | Construction of EWS houses or Transfer of total land reserved for EWS to Dev. Authority. | Land measuring 6.53 acres kept reserved for EWS. Condition of transfer of land not applicable. | |
| 14. | Complete arrangements for Rain Water Harvesting System of Project. | NA | |
| 15. | Undertaking by the promoter for maintenance and operation of public utilities for minimum period of five year or till handling over the project to Residence Welfare Association (R.W.A.) | Maintenance will be undertaken by PUDA through contractual Agency. | |
| 16. | Any other relevant information. | | |

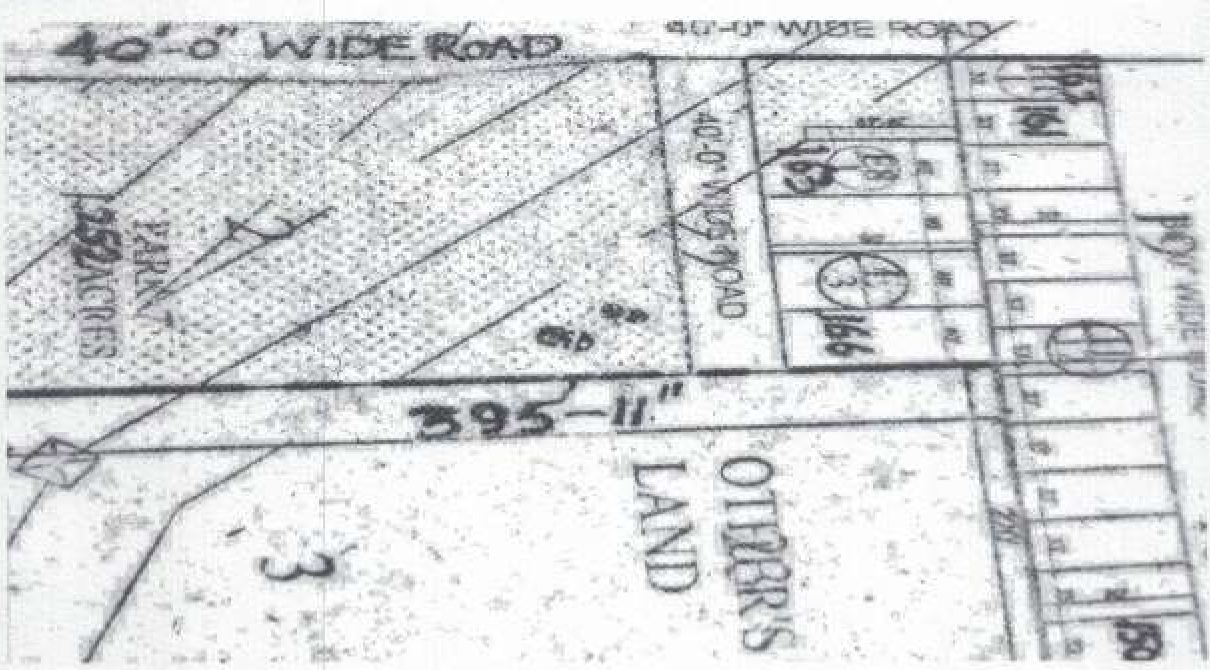
Recommendation:-

Partial In view of the remarks given in the above table, it is recommen issue the Completion Certificate for the project.

D.E. (HQ-2) D.E. (Proj.-1/Services) S.D.E.(Elect.) Sr. Arch.

The above report points out that this inspection has been done by the team comprising of officers of Project- Services, Electrical, Architect and Headquarter. This report was signed on 26.04.2017 and accordingly partial completion certificate was issued and signed by Chief Administration after considering the above report.

8.3 The location of the Plot No.166 as per MAP of the project is as under:-



It is relevant to state that while registering the project for the development of balance land 29.79 acres of Gateway City, this has been duly disclosed.

8.4 The complainant's contentions are there was no development when he visited the project in year 2022 as per complaint. In the replication dated 27.07.2023, the complainant has enclosed a photocopy of letter (without dispatch No.) addressed to M/s VRC Constructions (India) Pvt. Ltd. wherein it has been informed to the said company that partial completion of work in area except Revenue Rastaas is accorded w.e.f. 30.06.2017. It has been mentioned in the said replication that as per judgment of the Hon'ble Appellate Authority, the project was never complete at a time, when possession of plot was offered. However, the copy of judgment or citation has not been furnished by the complainant.

8.5 The complainant's argument is that the project was not complete. He has challenged the authenticity of partial completion certificate dated 28.04.2017 without any cogent documentary evidence. The respondent has argued that the uncertified copy of letter addressed to M/s VRC Constructions (India) is not reliable. No supporting document has been attached. No dispatch number has been mentioned. This letter referred to which area of the project, is not clear. The scanned complete report of partial completion of the project submitted by the competent authority has been placed above and perused. It has been certified by the committee of technically qualified person that the project is complete except some revenue rasta which are under acquisition. The whole project of 121.25 acres contains 30.459 acres of roads ranging from 80 feet to 130 feet. Revenue Rasta in this case might relate to a particular pocket. Such rasta are usually link road to nearby villages or taluka and are under control and supervision of such village or taluka panchyat. As per the narration, this rasta is under acquisition process. Therefore, for such small piece of rasta, it can-not be held that the project is not complete. As mentioned above, the respondent was developing agency for this project land belonging to EMAAR MGF Group under Land Owners Becoming Partners in Development Policy. It is relevant to state that the respondent is nodal agency for Govt. of Punjab for the development of real estate sector. The respondent has stated that the complainant has failed to prove with any cogent documentary evidence that the partial completion certificate dated 28.04.2017 obtained by the respondent and pictured above was bogus, counterfeit or fabricated or obtained by using undue positional benefit. The judgment relied upon by the complainant has its own facts and circumstances. In the case of Sh. Manoj Ahuja Vs. PUDA (GC No.1248 of 2019), it was noticed that the plot No.625 allotted to the complainant was numbered temporarily and the plot allotted to him was in the bed of seasonal rivulet. The same was declared as non-feasible by PUDA itself. The complainant represented to PUDA as early as 05.03.2018 & 21.05.2018 stating that plot in question was not fit for construction and requested for refund or alternative plot. The PUDA offered alternative plot which the complainant was not ready to take. On 02.04.2019, the complainant deposited the original allotment letter. The complainant has got his allotment cancelled and got refund after deduction of 10%. Accordingly the complainant filed complaint on 23.06.2019. In these circumstances, it was held that in absence of specific information, the complainant cannot know about the alleged completion of project and allowed the refund of forfeited amount with interest. The complainant has relied upon common order dated 27.02.2020 passed by the Hon'ble REAT in the case of Sanjiv Kumar and others. In these cases, the issue was for interest for delayed possession or refund with interest. The Hon'ble Tribunal held in these cases that if the partial completion certificate has to be any meaningful correlation with the development then, the possession should have been given to the allottee upon receipt of the partial completion itself but even by PUDA's own pleading and material on record the possession was not given till the year 2017. In the present case, the respondent has enclosed a copy of letter bearing No.779 dated 22.02.2019 addressed to the complainant that he may take possession after payment of balance installments and interest thereon. Therefore, this order of the Hon'ble REAT is not helpful to the complainant. The complainant has relied upon another order dated 20.02.2025 passed in GC No. AdCNo13862019 BFTR-AUTH02412022 in the case of Harish Jain Vs. PUDA. In this case, the complainant has sought refund alongwith interest vide letter dated 16.08.2019 and thereafter the respondent neither issued possession letter nor cancellation letter. Considering all the factors like not handing over the possession within 18 months and no occasion for the allottee to know the status of completion till he opted for the refund of the amount deposited, it was directed to refund the amount alongwith the possession.

8.6. A perusal of the pleadings and the record reveals that many issues including the specific legal objections now raised by the respondent, specifically, the distinction between an applicant and an allottee, the legal effect of the Letter of Intent, the applicability of Section 18 of the Real Estate (Regulation and Development) Act, 2016 to the pre-allotment period, the complainant's own default and the effect thereof, as well as the nature of the respondent being a statutory development authority, were neither specifically urged nor adjudicated upon in the earlier proceedings. The orders passed by this Authority in the aforesaid complaints, as affirmed by the Real Estate Appellate Tribunal, Punjab, primarily proceeded on the facts and issues raised therein. Since the present proceedings involve additional legal submissions which were not the subject matter of consideration in the earlier cases, the said orders are distinguishable and these issues need adjudication. It is well settled that a judgment is an authority only for the questions actually decided and not for propositions which neither arose for consideration nor were adjudicated upon. Consequently, this Bench finds that the present matter requires an independent examination on its own facts and the legal pleas advanced by the parties, and the respondent cannot be non-suited merely on the basis of the earlier decisions relied upon by the complainant.

9. The complainant has place on record his letter dated 08.01.2019 wherein it has been contended that he had deposited 25% plus 2% cancer cess but till date the department does not handed over the possession. He contended that if the department has not able to hand over the possession the plot allotted to him, then the amount deposited alongwith interest may be refunded to him. Alternatively, if the department offers the possession, then interest on balance amount may kindly be exempt. The scanned copy of this letter is as under:-

To,

The Estate officer
Punjab Urban Development Authority
SAS Nager, Mohali (Pb)

Subject :- Allotment of residential Plot No.166/ park facing measuring 400 sq.yard of category general at Gateway –City in sector-118-119, SAS Nagar, Mohali.

Madam,

Kindly refer to your office letter no.PUDA-EO-Supdt-II (166-118-119-38032 dated 16-08-2016 on the subject cited above.

In this connection, it is submitted that the Plot No.166 Sector-118-119, Gate way City, SAS Nagar, Mohali was allotted to me on 10, july,2015. I had depo.ated 25% advance money & 2% cancer cess including the park facing extra fee of total amount with your office, but till date department does't handed over the possession of said plot, if department has not able to hand over the possession the plot allotted to me, then kindly return the amount deposit by me in your office including the interest money, if department is handed over the possession of said plot to me kindly exempted the interest of balance amount till possession please. (copy of allotment letter enclosed).

Encl. As above.

Yours Faithfully,

Rajesh Verma s/o Sh. Khushi Ram Verma R/o Village Lodhimajra, Tehsil Baddi, Distt.Solan HP

The respondent has placed on record letter on record letter No.779 dated 22.02.2019 [R-5] in response to the complainant's letter dated 08.01.2019 [C-4]. The scanned copy of this letter is as under:-

ਪੰਜਾਬ ਸ਼ਹਿਰੀ ਯੋਜਨਾਬੰਦੀ ਅਤੇ ਵਿਕਾਸ ਅਥਾਰਟੀ
(ਪੁੱਡਾ ਭਵਨ, ਸੈਕਟਰ 62, ਸਾਹਿਬਜ਼ਾਦਾ ਅਜੀਤ ਸਿੰਘ ਨਗਰ)

To,

Rajesh Verma S/o. Khushi Ram Verma
Village Lodhimajra, Tehsil Baddi,
District Solan, H.P. – 174101.

ਨੰ: ਗਮਾਡਾ-ਮਿਲਖ-2019/ 779
ਮਿਤੀ: 22/2/19

ਵਿਸ਼ਾ: ਪਲਾਟ ਨੰਬਰ 166, 400 ਵਰਗ ਗਜ਼, ਸੈਕਟਰ 118-119, ਗੇਟਵੇ ਸਿਟੀ, ਸਾਹਿਬਜ਼ਾਦਾ ਅਜੀਤ ਸਿੰਘ ਨਗਰ ਦਾ "Possession" ਦੇਣ ਸਬੰਧੀ।

ਹਵਾਲਾ – ਆਪ ਦੇ ਇੰਦਰਾਜ ਡਾਇਰੀ ਪੱਤਰ ਨੰਬਰ 971 ਮਿਤੀ 08-01-2019 ਦੇ ਸਬੰਧ ਵਿੱਚ।

ਉਪਰੋਕਤ ਵਿਸ਼ੇ ਤੇ ਹਵਾਲੇ ਅਧੀਨ ਪੱਤਰ ਦੇ ਸਬੰਧ ਵਿੱਚ ਆਪ ਨੂੰ ਸੂਚਿਤ ਕੀਤਾ ਜਾਂਦਾ ਹੈ ਕਿ ਆਪ ਦੇ ਪਲਾਟ ਵਿਰੁੱਧ ਕਿਸ਼ਤਾਂ ਵੱਜੋਂ 46,96,650/- ਰੁਪਏ ਅਤੇ ਦੇਰ ਵਿਆਜ ਵੱਜੋਂ 7,13,277/- ਰੁਪਏ ਬਕਾਇਆ ਹਨ। ਇਸ ਬਕਾਇਆ ਰਕਮ ਦਾ ਭੁਗਤਾਨ ਕਰਕੇ ਆਪ ਆਪਣੇ ਪਲਾਟ ਦਾ "Possession" ਪ੍ਰਾਪਤ ਕਰ ਸਕਦੇ ਹੋ।

ਵ/ਨ ਮਿਲਖ ਅਫ਼ਸਰ, ਗੇਟਵੇ ਸਿਟੀ,
ਪੁੱਡਾ, ਐਸ.ਏ.ਐਸ. ਨਗਰ।

9.1 After one year, the complainant again wrote letter to the respondent on 10.01.2020. He reiterated again the same contention that if the department offers the possession, then interest on balance amount may kindly be exempt and if the department has not been able to hand over the possession the plot allotted to him, then the amount deposited alongwith interest may be refunded to him. The scanned copy of page -2- [being relevant] of this letter dated 10.01.2020 is as under:-

installments ( with first installment falling due after one year from the date of issue of allotment letter) along with an interest @ 12% per annum as indicated in the schedule therein.

7. That on my recent visit to my plot, I found that no development works are going on at relevant site, particularly near my plot. Even the K.V. 220 V wires are laid just near to my plot making it dangerous for me and my family to reside. Even the plot allotted to me is very deep and requires split to be put, for leveling the same. This visit of me shows that the plot is not fit for giving possession to me even after more then 3 years of my deposit of amount.

8. That I am ready to pay the remaining amount in lumpsum of the plot to your office, if the PUDA is able to give immediate possession of the plot and charge no interest upon same. Since the PUDA has kept my money for a long time without giving any possession or interest and compensation for delayed possession, the office will consider my request to waive the interest upon the remaining amount. The amount may refunded to me along with interest and compensation, in case of failure to give possession as on date.

9. That I would request your urgent attention on this serious matter. I had visited the PUDA personally and also through my representative a number of times and explained my grievances, but no heed has been given to my problem.

10. That under these circumstances, I am ready to give the rest of the amount in lumpsum or installments, if the PUDA is ready to give possession immediately by waiving off the interest particularly when no interest has been given to me on the amount deposited by me and the possession is still awaited. In case of failure to give the possession, my amount may be refunded along with interest and compensation, at the earliest.

Rajesh Verma
S/o Khshi Ram Verma
R/o Vill. Lodhimajra, Teshil Baddi, Distt Solan ( H.P.)

Again, the respondent informed to the complainant vide letter dated 13.07.2022 that as per field staff report, this plot No.166 is vacant and feasible for construction. The respondent asked to pay installment and penal interest. The respondent informed the complainant that construction can get started by paying the amount and getting the plot plan approved. The scanned copy of this letter is as under:-

ਪੰਜਾਬ ਸ਼ਹਿਰੀ ਯੋਜਨਾਬੰਦੀ ਅਤੇ ਵਿਕਾਸ ਅਥਾਰਟੀ

ਪੁੱਡਾ ਭਵਨ, ਸੈਕਟਰ 62, ਐਸ.ਏ.ਐਸ. ਨਗਰ।

ਵੱਲ,

Rajesh Verma S/o Khushi Ram
R/o VPO Lodhimajra, Tehsil Baddi,
Distt.Solan-174101

ਮੀਮੋ ਨੰ: ਪੁੱਡਾ (ਮਿ.ਅ.) / 2022/ 8539
ਮਿਤੀ 13/7/2022

ਵਿਸ਼ਾ:- ਪਲਾਟ ਨੰ: 166 ਗੇਟਵੇਅ ਸਿਟੀ ਸੈਕਟਰ 118-119 ਐਸ.ਏ.ਐਸ.ਨਗਰ ਸਬੰਧੀ।

ਹਵਾਲਾ:- ਆਪ ਦੇ ਪੱਤਰ ਨੰ:ਈ-277576 ਦੇ ਹਵਾਲੇ ਵਿੱਚ।

ਉਪਰੋਕਤ ਵਿਸ਼ੇ ਸਬੰਧੀ ਫੀਲਡ ਸਟਾਫ ਦੀ ਰਿਪੋਰਟ ਅਨੁਸਾਰ ਪਲਾਟ ਨੰ: 166 ਗੇਟਵੇਅ ਸਿਟੀ ਸੈਕਟਰ 118-119 ਐਸ.ਏ.ਐਸ.ਨਗਰ ਮੌਕੇ ਤੇ ਖਾਲੀ ਹੈ ਅਤੇ ਉਸਾਰੀ ਲਈ ਵਿਕਸਿਤ ਹੈ। ਇਸ ਲਈ ਲੇਖਾ ਸ਼ਾਖਾ ਦੀ ਰਿਪੋਰਟ ਅਨੁਸਾਰ ਆਪ ਵੱਲ ਬਕਾਇਆ ਰਾਸ਼ੀ 8401050/- ਰੁਪਏ ਅਤੇ Penal interest ਰਾਸ਼ੀ 5156138/- ਕੁੱਲ ਰਕਮ 13557188/- ਰੁਪਏ ਬਕਾਇਆ ਹੈ। ਇਹ ਰਕਮ ਜਮ੍ਹਾਂ ਕਰਵਾ ਕੇ ਅਤੇ ਪਲਾਟ ਦੇ ਨਕਸ਼ੇ ਪਾਸ ਕਰਵਾ ਕੇ ਉਸਾਰੀ ਸ਼ੁਰੂ ਕਰ ਸਕਦੇ ਹੋ।

ਮਿਲਖ ਅਫਸਰ (ਗੇਟਵੇਅ)
ਐਸ.ਏ.ਐਸ. ਨਗਰ

9.2. The complainant has contended that these two letters dated 22.02.2019 & 13.07.2022 issued by the respondent has not been received by him. However, it is noticed that the letter is properly addressed and there is dispatch number on the said letter. It is not the case of the complainant that these letters contains incorrect address. If the document is properly addressed and dispatched and done in ordinary business, the service is deemed effective. Therefore, this plea is not accepted. The complainant filed this complaint on 17.10.2022.

10. The complainant's correspondences though belated and occasionally with respondent have been perused. It is observed that the deficiencies mainly hover around his plot only. It has been contended that its plot is not fit for possession i.e. 220 volt K.V. wires near to his plot, plot deep & requires split to be put up etc. It is to be noted that **as per Condition No. 6(II), the plot is offered on "as is where is" basis and the authority will not be responsible for leveling the site or removing the structures, if any, thereon**. The completion certificate for any project is never based on the development of single plot. It is based on various internal and external development factors, like road, sewerage, water, electricity, wastage disposal etc. The deficiencies pointed out could at best entitle him to compensation or directions to remove these deficiencies and it will not result in holding that the possession of the plot was not visible in his case.

11. It is apt to mention that project was envisaged under as Land Owners Becoming partners in Development vide Govt. of Punjab's Policy dated 19.06.2013. The provisions of Punjab Apartment and Property Regulation Act, 1995 are applicable. As per supplementary agreement signed between the respondent and land owners (EMAAR MGF) dated 24.09.2014, the project is exempted from the application of Punjab Apartment and Property Regulation Act,

1995 is exempted except section 5(9) and section 32 of the said Act. As per section 5(9) of Punjab Apartment and Property Regulation Act, 1995, the promoter shall carry out and complete the development of land in accordance with Punjab Regional and Town Planning and Development Act, 1995. The said Act provides mechanism for filing appeal if he is aggrieved by any order of the Competent Authority. The complainant has not filed any appeal before the said designated authority under the said Act.

12. The perusal of the allotment letter and other documents reveals that letter of Intent is issued and thereafter allotment of plot is done. **As per the clause 9 of letter of intent, the allotment of plot is being offered on "as is where is" basis.** As per the allotment, the allottee is given option to pay the amount in lumpsum with offer of discount or in installments with interest. **As per clause 3(XI) of allotment letter, no separate notice for payment of installment(s) shall be sent. As per Clause 4(I) the possession of the said plot shall be handed over to the allottee after the completion of development work at site or 18 months from the date of issuance of the allotment letter whichever is earlier.** At the relevant time, the concept of possession, as understood under the RERA regime, was not applicable to the project. There was no provision for payment of interest by PUDA as statutory authority to the allottee for any delay in offering or handing over of possession. The process used to be on the basis of the **"as is where is basis"**. In this case, an amount of ₹.21,00,000 plus ₹.1,05,000/- being 25% of the price of plot was paid and the balance was to be paid as under:-

| # | No of Installment | Date of Payment of Installment | Principal Amount | Interest | Total Amount |
|---|---|---|---|---|---|
| 1. | 1 | 17-Aug-2017 | 1102500.00 | 793800.00 | 1896300.00 |
| 2. | 2 | 17-Feb-2018 | 1102500.00 | 330750.00 | 1433250.00 |
| 3. | 3 | 17-Aug-2018 | 1102500.00 | 264600.00 | 1367100.00 |
| 4. | 4 | 17-Feb-2019 | 1102500.00 | 198450.00 | 1300950.00 |
| 5. | 5 | 17-Aug-2019 | 1102500.00 | 132300.00 | 1234800.00 |
| 6. | 6 | 17-Feb-2020 | 1102500.00 | 66150.00 | 1168650.00 |
| | TOTAL | | 6615000.00 | 1786050.00 | 8401050.00 |

IV In case balance 75% payment is made in lumpsum within 60 days from the date of issue of allotment letter(excluding date of issue), a rebate of 5% shall be admissible on this amount. However, in case payment of amount due is made in lumpsum subsequently at any stage, a rebate of 5% on the balance principal amount shall also be admissible.

In the above payment scheme, no obligations or conditions were imposed on the promoter and it was accepted by the complainant and were applicable as per terms & conditions and it was before commencement of RERD Act, 2016.

12.1. As per the complainant, the respondent has not completed the development work. Therefore, payments were not made. He contended that as per various judgments, if the development is not done as promised, the allottee has right to stop the payments. The complainant has neither cited judgment nor filed the copy of judgment. The contention of the complainant is not correct. This right is only available to the allottee when the payment is linked to development or construction. In this case, there is no such link. Only a facility to pay in installments was given to the allottee. The schedule of payment is not linked with the stages of development/ construction as apparent from the perusal of allotment letter. The complainant opted for payment in installments with interest instead of paying in lumpsum with discount. The payment of installments by the complainant has nothing to do with the stages of development. Therefore, this plea of the complainant is not acceptable.

13. It is apparent from the above that the complainant defaulted in payment of installments due on 17.08.2017, 17.02.2018, 17.08.2018 and when the installment was falling due on 17.02.2019, he wrote letter on 08.01.2019 to the respondent asking for refund with interest or give possession against payment of installments due without interest (though as per allotment letter, the delayed payment of installments were to be made with interest). The respondent vide letter dated 22.02.2019 re-iterated to pay installment with interest and take possession. The promoter stated that this was done by the complainant only with an intention not to pay the subsequent installments falling due also. It is noticed that the payment of installments were to be made without any further separate demand notice as per the allotment letter which reads as under:-

*XI. No separate notice for payment of installment(s) shall be sent.*

Therefore, there is default on the part of the complainant for not making timely regular payments as per the terms & conditions of allotment letter.

14. The respondent stated that the complainant is hiding his own default under the pretext of non-development of project or non-completion of project. The completion of the project has to be seen as whole and not against single or individual plot or flat. If there is any such default as reported by the complainant, the complainant had all the remedies so as to seek specific removal of the default or seek compensation for the loss suffered by him for such default. In all fairness, the complainant can not be allowed to take benefit of its own default of non-payments.

15. Now, the complainant is seeking possession of the plot only though in earlier communications with the respondent, the complainant had given option to the respondent to refund money with interest or give possession without any interest for default of installments due and pending to him. With the passage of time, the market price of the property in this area has appreciated. In response to the complainant's letter dated 08.01.2019, the respondent vide its letter dated 22.02.2019 has specifically asked the complainant to pay the balance sums and take possession. Thereafter, till letter dated 10.01.2020, for almost one year, the

complainant did not respond. Though the respondent was under no obligation to issue any communication for payment of installment/ offer possession as per Letter of Intent and Allotment letter, still it can be held that the respondent has offered possession vide letter dated 22.01.2019. Had this offer or terms of this offer was not acceptable to the complainant or there was defect in the offer for possession, the complainant should have written back giving his own version or should have challenged it before appropriate/ competent authority. The complainant has not done the same. Therefore, the relief sought may not be possible in totality in the present case.

17. This Authority has already taken the same view in *Jaspal Kaur Vs. Chief Administrator, BDA & Ors.*, wherein it was held that the RERD Act, 2016 has changed the equilibrium of rights and duties of allottees and promoters by introducing a new package of rights, duties and obligations; however, in respect of projects which had commenced prior to the enforcement of the RERD Act, whatever terms and conditions were applicable prior to the commencement of the RERD Act, 2016 are to be followed. It was further held that the RERD Act, 2016 is retroactive and not retrospective, and that the auction, allotment, possession, construction, transfer and payments made in such projects are to be adjudged in accordance with the legal regime prevailing at the time of the transaction.

18. The contractual arrangements voluntarily entered into by the parties are also entitled to due sanctity in terms of the well-recognised principle pacta sunt servanda, unless displaced by a statutory mandate. Consequently, this Bench Authority is of the view that the provisions of the RERD Act, 2016 cannot be invoked to rewrite contractual arrangements or disturb vested rights and obligations that had attained finality before the RERD Act, 2016 came into full force. The present dispute is, therefore, liable to be determined in accordance with the contractual terms and the law applicable on the date when the rights of the parties accrued.

19. The aforesaid view of this Authority in the case of ***Jaspal Kaur Vs. Chief Administrator, BDA & Ors. (supra)*** has also received judicial affirmation from the ***Hon'ble Lalit Bhandari & Anr. Vs. Greater Mohali Area Development Authority & Ors. vide GC No. 0575/2022; Sunil Kapoor Vs. Greater Mohali Area Development Authority & Ors. vide GC No. 0252/2023; Sh. Sarabjeet Singh Vs. Greater Mohali Area Development Authority & Ors. vide GC No. 0444/2022*** Real Estate Appellate Tribunal, Punjab. The order passed by this Authority in ***Jaspal Kaur (supra)*** was assailed before the Hon'ble Real Estate Appellate Tribunal, Punjab in ***Appeal No. 29 of 2024***, which, after considering the

entire factual and legal matrix, upheld the findings of this Authority and dismissed the appeal.

20. Moreover, recently in the matters of passed by this Bench of Authority and in the case of ***Puneet Sukhija Vs. Greater Mohali Area Development Authority & Anr. vide GC No. 0083 of 2024***, in the project 'IT City' passed by co-ordinate Bench of Sh. Binod Kumar Singh, Member of this Authority, the legal effect of a Letter of Intent (LOI) issued prior to the enforcement of the RERD Act, 2016 was considered. It was held that the LOI merely conveyed the promoter's intention to allot a plot subject to fulfillment of the stipulated conditions and did not, by itself, constitute an allotment or an Agreement for Sale creating enforceable contractual rights under the RERD Act. The Authority further held that the relationship of promoter and allottee, within the meaning of Section 2(d) of the Act, stood crystallised only upon issuance of the Allotment Letter, whereby a specific plot was allotted to the complainant. Since no Agreement for Sale as contemplated under the Act had been executed prior thereto, the Allotment Letter was treated as the foundational contractual document governing the rights and obligations of the parties.

21. No specific date-bound obligation for delivery of possession existed under the governing statutory framework prevailing at the relevant time also merits consideration. Equally significant is the fact that neither the Letter of Intent nor any Builder-Buyer Agreement contained stipulations akin to those presently prescribed under Form-Q of the Punjab RERA Rules, 2017 regarding the committed date of possession, liability for delay, or payment of interest.

22. The obligations created under Section 18 of the RERD Act, 2016 cannot be mechanically applied to transactions that originated under a completely different statutory regime and contractual framework. The nature of possession contemplated under the pre-RERA allotment was materially different from the possession envisaged under the RERA regime, which mandates fulfilment of several statutory prerequisites before possession can be offered. Therefore, the standards applicable under RERD Act, 2016 cannot be retrospectively imported into such transactions for the purpose of imposing liability for delayed possession.

23. It is apparent that both parties i.e. the complainant and respondent have defaulted and therefore have changed their positions. The complainant have defaulted in making payments of instalments as agreed upon and the respondent have defaulted in awaring the status of project or offering the possession though an offer of possession made by it vide letter dated 22.02.2019 in response to the complainant's letter dated 08.01.2019 is not as per the standard format now being followed. Even a specific performance relief in such

circumstances cannot be extended to the complainant under the law, if they have changed permanently the position which is not expected, on the basis of which certain facilities, rights, duties, and liabilities have been obligated on the part of the parties. There is lot of difference in terms & conditions being offered by both parties for specific performance. The complainant is not ready to pay the interest as per the terms & conditions of the allotment letter and policy being followed by a statutory authority established under the Punjab Regional and Town Planning and Development Act, 1995 before the commencement of RERD Act, 2016. The complainant is not ready to make interest payments since completion is being disputed and other factors. On the other hand, the respondent has not followed due procedure of cancellation of allotment since default has occurred since August, 2017. It did not refund the amount as was requested by the complainant in his two letters. Both parties did not follow its part of duties & obligations as provided under the statute now in RERD Act, 2016 after even its commencement since 1st May, 2017 coming in to force all provisions. The change of stand in both parties is due to the appreciation in price of property due to general development of the area by the Local/ State Government but still the complainant did not comply with the terms and conditions of allotment letter pre-RERD Act, 2016 regime. The Hon'ble Supreme Court has also held the same in the case of *Subha Shankarwal v Mahindra Al Chawda and Another* in a *Civil Appeal arising out of SLP No. 30936 of 2025, dated 5th January 2026*. Para No. 7 of this judgement reads as under:-

> *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.*

24. Under the Allotment Letter, the respondent has all the right to cancel the allotment in case of breach of any condition and to forfeit the amount as per section 45(3) of the Punjab Regional and Town Planning and Development Act, 1995. This would have result in refund of the balance amount to the complainant long time back. This has not been done and has caused pecuniary loss and denial of further course of action against the said so called imagined cancellation to the complainant. In a rising prices era, it is very to quantifies the loss. The law offers a financial remedy to the allottee if possession is not offered under Section 18 of the RERD Act, 2016 providing interest on the payment. The interest remedy is a financial burden on promoter making promoter to complete the project in time

and compensation to the allottee for the money utilised by the promoter for extra period. The conduct of the respondent cannot absolve it from its continuing responsibility to refund the money and with interest. Therefore, it is held on the principal of equity and justice that the respondent should refund the deposit of ₹.21,00,000/- with interest to the allottee.

25. While examining the issue, due consideration has been given to:-

(i) the date and terms of issuance of the Letter of Intent;

(ii) the statutory framework governing the project at the relevant time;

(iii) the status of PUDA as a statutory authority and being Competent Authority;

(iv) the exemption available to PUDA under the applicable laws;

(v) the prevailing practice and nature of possession contemplated in such development projects at the relevant time; and

(vi) the substantial difference between the nature of pre-RERA possession and possession contemplated under the RERA regime.

(vii) There was not much awareness about the rights and liabilities of a promoter and allottee in the year 2016 year prior to the of the commencement of the RERD Act, 2016.

(viii) PUDA is a statutory authority. The project was envisage as Land Owners Become Partners in Development Policy notified by Govt. of Punjab. The PUDA was merely a developing agency in the whole project and the substantial profits i.e. 80% was allocated to land owners.

(ix) The provisions of PAPRA Act, 1995 are not applicable as Section 44 exempts PUDA from the provisions of the PAPRA Act, 1995.

(x) The delay in possession, if any has not given any advantage to the promoter as the PUDA had already invested its funds in the project.

(xi) PUDA had offered possession in a reasonable time after its allotment.

(xii) The statutory authority PUDA has been mandated by the Punjab Apartment and Property Regulation Act, 1995 to create balance housing, generate employment, present ecologically sensitive zones, promote sustainable world class economic and education facilities. It nowhere mandates to earn profit as an objective. This is the reason that all scheme of PUDA get huge number of applications and lot of draw has to be called and to make an applicant to be allottee.

(xiii) Likewise, the respondent's status as a statutory authority and the plea that it did not derive any financial benefit from the delay do not exempt it from compliance with the provisions of the Act. The statutory obligations of a promoter apply equally to statutory development authorities.

(xiv) The respondent has not cancelled the allotment due to default of instalments which would have resulted in refund to the applicant. Thus the respondent has definitely enjoyed the fruits of such funds to that extent. Further non-cancellation had also caused financial loss to the respondent.

(xv) The complainant has defaulted in payment of instalments which were not linked with stages of development.

26. There is foundational principle of equity—that he who comes to equity must come with clean hands, that equity aids the vigilant and that equity will not suffer a wrong to be without a remedy. Here, both the allottee defaults in payments and the developer faults in timely handover. It is breach of vital terms or failed to perform on time and neither side typically qualifies for an order of specific performance or forfeiture of earnest money.

27. In view of the aforesaid discussion and the facts and circumstances of the present case, this Bench is of the view that the complainant has failed to establish any enforceable entitlement to possession under Section 18 of the Real Estate (Regulation and Development) Act, 2016. However, the equity demands that the respondent should refund the entire deposits of ₹.21,00,000/- (No refund of Cancer cess is allowed as it is a cess and is paid to the Govt. of Punjab as per Rules and the complainant is free to obtain the refund as per the Law, if allowed). The respondent has specifically offered possession vide letter dated 22.02.2019. Upon cumulative consideration of the complaint, reply, rejoinder, documents placed on record and the submissions advanced by learned counsel for the parties, this Bench finds that the respondent has failed to offer specifically possession within reasonable time and when offered specifically, the complainant had failed to act upon the said communication; and various other facts discussed in the order and particular, in the facts and circumstances of the present case, the complainant is entitled to interest u/s. 18 of the RERD Act, 2016.

28. Accordingly, after considering the complaint, reply, rejoinder, documents placed on record, written submissions and arguments advanced by both sides, this Bench finds no merit in the present complaint and the same is **dismissed being devoid of any merits except to the extent of refund of ₹.21,00,000/- with interest as detailed above**.

29. Therefore, as per provisions of Section 18, the complainant is entitled to claim refund along-with 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."*

30. In view of the above, the complaint is ***Partly Allowed*** and complainant is entitled to refund of ₹.21,00,000/- along-with interest applicable @ 10.80% (i.e. 8.80% SBI's Highest MCLR Rate applicable as on 15.09.2026 + 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 end of month in which allotment/ date of payment (whichever is later), to the previous month of the date in which payment has been effected by the promoter. Therefore, the calculation of refunds and interest upto 31.08.2026 is as follows:-

| Interest payable from | Principal Amount paid | Interest calculated till | Rate Of Interest | Delay in months | Interest payable |
|---|---|---|---|---|---|
| 01.09.2016 | 21,00,000 | 31.08.2026 | @ 10.80% (i.e. 8.80% SBI's Highest MCLR Rate applicable as on 15.09.2026 + 2%) | 120 | 22,68,000 |
| | **21,00,000** | | | | **22,68,000** |
| **GRAND TOTAL (Principal Amount + Interest Payable upto 31.08.2026)** | | | | | **43,68,000** |

31. 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.

32. 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.

33. Further the principal amount is determined at ₹.21,00,000/- and interest of ₹.22,68,000/- the rate of interest has been applied @ 10.80% (i.e. 8.80% SBI's Highest MCLR Rate applicable as on 15.09.2026 + 2%) as per Rule 16 of the Punjab State Real Estate (Regulation & Development) Rules, 2017. Hence, the respondent is liable to pay a **total amount of ₹.43,68,000/- upto 31.08.2026** and in case of non-payment of the same within stipulated time period, further sum due as interest **w.e.f. 01.09.2026 of ₹.18,900/- per month** till the realization of payment. Any amount paid by the respondent will be considered first as payment towards the interest whatever is due. After payment of whole of interest only then the payment will be considered against principal amount of ₹.21,00,000/- 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 ₹.18,900/- will change according to the variation in principal amount due at the start of the month as per the method narrated here in the para above.

34. The amount of ₹.43,68,000/- upto 31.08.2026 (i.e. principal amount of ₹.21,00,000/- and interest of ₹.22,68,000/-, determined as refund and interest amount thereon upto 31.08.2026 and further a sum of ₹.18,9000/- per month w.e.f. 01.09.2026) to be payable as interest per month from 01.09.2026 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 read with Rule 16 of the Punjab Real Estate (Regulation & Development) Rules, 2017.** 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. The amount of ₹.43,68,000/- upto 31.08.2026 (i.e. principal amount of ₹.21,00,000/- and balance interest of ₹.22,68,000/-), has become payable by the respondent to the complainant immediately and be paid within 90 days from the date of receipt of this order by the promoter 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 as being determined vide this order u/s. 31 of the Real Estate (Regulation & Development) Act, 2016.

35. **The Secretary of this Authority is hereby directed to issue on the amount recoverable by the complainant after adjusting any amount paid after this order a "Debt Recovery Certificate" 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. Rajesh Verma S/o Sh. Khushi Ram R/o V&PO Lodhimajra, Tehsil Baddi, Distt. Solan is held to be Decree Holder and the Respondent M/s Punjab Urban and Planning Development Authority through Estate Officer, PUDA Bhawan, Sector 62, SAS Nagar (Mohali) is held as judgment debtor for the purposes of recovery under this order.** A copy of the "Debt Recovery

Certificate" will also be send to the complainant for information and necessary action.

36. No other relief is made out

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

**Chandigarh**
**Dated: 15.09.2026**

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

**Endst. No./CP/RERA/PB/PA/Sec.31/** 1403 **Dated:-** 22**.09.2026**

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

1. Mr. Rajesh Verma S/o Sh. Khushi Ram, R/o V&PO Lodhimajra, Tehsil Baddi, Distt. Solan-174101.
2. The Estate Officer, Punjab Urban Planning and Development Authority, PUDA Bhawan, Sector 62, SAS Nagar (Mohali), Punjab – 160062.
3. The Secretary (Pb. RERA), Chandigarh.
4. The Director (Legal), (Pb. RERA), Chandigarh.
5. The Complaint File.
6. The Master File.

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