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CNR NO: PHHC011030402026

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IN THE HIGH COURT OF PUNJAB & HARYANA AT
CHANDIGARH

(111)

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M/s Ansal Housing & Construction Ltd.

... Petitioner

Versus

National Consumer Disputes Redressal Commission and others

... Respondents

Judgment Reserved on	Judgment Pronounced on	Judgment Uploaded on	Whether only the operative part of the judgment is pronounced	Whether the full judgment is pronounced
03.07.2026	20.07.2026	21.07.2026	No	Yes

CORAM:- HON’BLE MR. JUSTICE SUVIR SEHGAL
HON’BLE MR. JUSTICE DEEPINDER SINGH NALWA

Present:- Mr. Brijender Kaushik, Advocate
for the petitioner.

SUVIR SEHGAL, J.

- 1) This petition has been filed under Article 226 of the Constitution of India seeking a writ of *certiorari* for quashing and setting aside concurrent orders passed by the fora under the Consumer Protection Act, 2016.
- 2) Petitioner is a real estate developer and floated a built-up project under the name and style of Ansals Galleria at Ansal Town, Karnal. Private respondents No.4 and 5 applied for allotment of a commercial shop.

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An allotment letter was issued on 21.03.2013, Annexure P-3, for Unit No. GF-027, measuring 315.15 square feet, for sale price of Rs. 18,90,900/-. As per the payment plan mentioned in the allotment letter, installments were to be paid at regular intervals between January, 2013 and July, 2014. Upon the deposit of the final payment, developer was to give possession of the unit to the purchaser. Private respondents deposited an aggregate amount of Rs.17,95,626/-. Petitioner got an occupation certificate from the competent authority on 28.04.2016, Annexure P-4, and subsequently offered the possession on 01.09.2016, Annexure P-5, while raising a demand of Rs.3,61,428/-, towards allied charges. Being aggrieved by the prolonged delay in the delivery of possession, private respondents served a legal notice dated 09.11.2016, Annexure P-6, rescinding the contract and demanding full refund of the deposited amount along with interest. A consumer complaint was filed before the District Consumer Disputes Redressal Commission, Karnal, which was allowed vide order dated 19.10.2021, Annexure P-14. Appeal, preferred by petitioner, was dismissed by the State Consumer Disputes Redressal Commission on 18.11.2025, Annexure P-15, and a revision filed by it before the National Consumer Disputes Redressal Commission met the same fate on 06.04.2026, Annexure P-16.

3) Mr. Brijender Kaushik, counsel for the petitioner has argued that private respondents purchased the unit purely for commercial and investment purposes. He urges that they do not fall within the definition of a “consumer” under the Consumer Protection Act, 2016. He contends that a contract did not permit a strict timeline for the delivery of possession. He

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submits that upon completion of the project, possession was offered in approximately three and a half years of the date of the booking date, which is a reasonable period. It is also his argument that the complaint, which has been filed in the year 2019, is barred by limitation under Section 24-A of the Consumer Protection Act, 2019 as the cause of action arose when the legal notice was sent in November, 2016.

4) We heard counsel for the petitioner and examined the record extensively with his able assistance.

5) Petitioner has asserted that the private respondents are commercial investors. However, it has failed to bring on record any material to show that they have been engaged in regular or large-scale real estate trading business. Mere purchase of a commercial unit by individuals would not *per se* lead to the conclusion that the purchase has been made for a commercial purpose. In the absence of any cogent evidence to establish commercial trading, concurrent finding that the private respondents are consumers does not warrant any interference in exercise of writ jurisdiction under Article 226 of the Constitution of India.

6) The argument raised by the counsel for the petitioner that Clause 24 of the allotment letter protects the developer indefinitely is fallacious. Clause 24 provides that

“The Developer shall endeavour to give possession of the Unit to the Allottee(s) within a reasonable time from the date of execution of allotment letter, subject to force- majeure circumstances such as act of God, fire, earthquake, flood, civil commotion, war, riot, exclusion, terrorist acts, sabotage or general shortage of

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energy, labour equipment facilities, material or supplies, failure of transportation, strike, lock outs, action of labour union, any dispute with any contractor/construction agency appointed by the Developer, change of law, or any notice, order, rule or notification issued by the Courts/Tribunals and/or Authorities, delay in the grant of part/full completion (occupancy) certificate by the Government / or any other public or competent authority or intervention of Statutory Authorities, or any other reason(s) beyond the control of Developer and subject to receipt of complete dues and other charges as per payment plan opted by the Allottee(s). The Allottee(s) shall not be entitled to any compensation on the grounds of delay in possession due to reasons beyond the control of the developer.”

7) The above reproduced clause is clearly one-sided. On the one hand, the payment plan given in the allotment letter binds the private respondents to deposit almost 95% of the total consideration within 18 months and they are time bound to clear their financial obligation. On the other hand, petitioner, who is a developer, has an open ended timeline to fulfill its commitment. Allotment letter was issued in March, 2013 and the last installment was due in July, 2014. The offer of possession made in September, 2016, after almost three and a half years of the allotment, which is highly delayed. It is not the case of the petitioner that the delay occurred due to force-majeure or any of the events enumerated in Clause 24 reproduced above. The “reasonable time” mentioned in Clause 24, *ibid*, has to be interpreted rationally and it cannot be extended to shelter a developer, who may execute the project leisurely at his whim and fancy. The facts clearly show that it is a case of exceptional delay and private respondent was justified in rescinding of the



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agreement as well as seeking a refund of the deposited amount along with interest.

8) Petitioner’s objection regarding limitation does not deserve much consideration. It has been established that petitioner failed to deliver possession within a reasonable period or to refund the amount upon recession of the agreement by the private respondents. In such circumstances, a continuous cause of action has arisen as each day's delay in refund of the deposited amount has caused loss to the private respondent. Hence, the complaint, which has been filed in the year 2019, cannot be held to be barred by time.

9) Concurrent orders passed by the consumer fora are based on rational assessment of facts, contractual terms and settled legal principles governing protection of consumers. Impugned orders do not suffer from any perversity or jurisdictional error. There is no infirmity in the orders under challenge.

10) For the reasons given above, this Court does not find any merit in the writ petition, which is consequently dismissed, though with no order as to costs.

(SUVIR SEHGAL)
JUDGE

(DEEPINDER SINGH NALWA)
JUDGE

20.07.2026
Kamal

Whether Speaking/Reasoned	Yes/No
Whether Reportable	Yes/No