

111     **IN THE HIGH COURT OF PUNJAB AND HARYANA  
AT CHANDIGARH**

CM- 2784 and 2816-C-2022 in /&  
RSA-2724-2019  
Decided on : 29.04.2022

Kuldeep Singh & others

..... Appellants

Versus

Spectrum Buildtech Ltd. and others

..... Respondents

**CORAM : HON'BLE MRS. JUSTICE MANJARI NEHRU KAUL**

Present :     Mr. M.J.S.Bedi, Advocate for  
                 Mr. Rahul Sharma, Advocate  
                 for the appellants.

Mr. Tribhawan Singla, Advocate  
for respondent No.1.

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**Manjari Nehru Kaul, J.(Oral)**

**CM-2784-C-2022**

By filing present application, prayer has been made by the respondents for preponing the date of hearing from 17.05.2022.

After hearing learned counsel for respondent No.1, application is allowed and the main case is taken up for hearing today itself.

**CM-2816-C-2022 in/&  
RSA-2724-2019**

By filing CM-2816-C-2022, prayer has been made by the respondent No.1 for allowing the appeal filed by the appellants in view of compromise arrived at between them.

Learned counsel for respondent No.1, at the outset, submits that the matter has been compromised between the parties and the present appeal

may be disposed of accordingly.

The appellants-defendants by way of the instant appeal have assailed the correctness of the concurrent findings of fact, arrived at, by both the Courts below while decreeing the suit of the respondents-plaintiffs for recovery of Rs.1,71,19,997/-.

Parties hereinafter shall be referred to on the basis of their original positions in the suit.

In brief, the case as set out by the plaintiff-company is that they were intending to set up a housing project at Morinda. While looking for a suitable site, they came into the contact with the defendants, who then offered their land for sale. An agreement of sale dated 19.01.2016 was executed by the defendants in favour of the plaintiff-company vide which it was agreed to sell the land in question at the rate of Rs.95 lacs per acre. At the time of execution of the agreement of sale, the defendants received Rs.82 lacs as earnest money from the plaintiff-company. The date for execution and registration of the sale deed was fixed on 18.11.2006. The proposed site plan for the housing project was got prepared by the plaintiff-company and PUDA authorities were approached for the requisite approval. PUDA/GMADA approved the site plan presented by the plaintiff-company and also granted them licence to develop the land into a residential colony. Thereafter, the plaintiff-company carved out residential and commercial plots, parks or parking, places of common use by the residents in the land, which had been agreed to be sold by the defendants. However, subsequently it came to the notice of the plaintiff-company that the land, which the defendants had agreed to sell and qua which the earnest money

had been received by them from the plaintiff-company, was under acquisition of the PWD department, for laying a road and some part of the land already stood acquired as notification under Section 6 of the Land Acquisition Act had been issued by the Government. It was pleaded by the plaintiff-company that the defendants with a malafide intention concealed the aforementioned fact from them and it thus, resulted not only in the entire project getting stalled but also they incurring heavy losses on account of the same. It was also pleaded that since the consent of the plaintiff-company to purchase the suit land was obtained by fraud, the contract between the parties had become voidable at the option of the plaintiff-company. The plaintiff-company thus, pleaded that on account of the contract between the parties having been executed fraudulently, the plaintiff-company was entitled to recover an amount of Rs.82 lacs and another amount of Rs.49,99,998/- paid as earnest money to the defendants alongwith interest at the rate of 12%.

During the pendency of the instant appeal, an application i.e. CM-2816-C-2022 has been moved by respondent No.1 for allowing the appeal filed by the appellants in view of the compromise effected between the parties. A further prayer has also been made that the impugned judgments and decree passed by the Courts below be set aside alongwith all subsequent proceedings including the proceedings before the Executing Court in view of the aforesaid compromise.

Learned counsel for the defendants on instructions does not dispute the factum of compromise having been effected between the parties and also does not oppose the prayer of the learned counsel for the plaintiff.

He further prays for refund of court fee annexed with the appeal.

Heard learned counsel for the parties and perused the relevant material on record.

In view of the statements made by learned counsel for the parties, instant appeal is allowed and the judgments and decree dated 29.11.2016 and 21.03.2018 passed by the Courts below alongwith consequential proceedings arising therefrom are set aside. Registry is directed to refund the Court fee annexed with the appeal as per rules.

**(MANJARI NEHRU KAUL)**  
**JUDGE**

29.04.2022

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Whether speaking/reasoned:

Yes/No

Whether reportable :

Yes/No