

**CWP-4205-2019****-1-****IN THE HIGH COURT OF PUNJAB & HARYANA AT
CHANDIGARH****(208)****CWP-4205-2019****Date of decision:- 31.07.2025****AARTI SONI AND OTHERS****... PETITIONERS****VERSUS****EMERGING VALLEY (P) LTD. AND ANOTHER ... RESPONDENTS****CORAM: HON'BLE MR. JUSTICE SUVIR SEHGAL**

Present:- Mr. Amit Jaswal, Advocate for the petitioners.

Respondent No.1 has been ordered to be proceeded against ex-parte
by this Court vide order dated 18.02.2025.

**********SUVIR SEHGAL, J. (ORAL)**

1. This petition has been filed under Article 226/227 of the Constitution of India *inter-alia* for issuance of a writ in the nature of certiorari for quashing award dated 10.08.2018, Annexure P-6, passed by the Permanent Lok Adalat (Public Utilities Services), SAS Nagar, Mohali, whereby application filed by the petitioners under Section 22-C of the Legal Services Authorities Act, 1987, has been dismissed.

2. Facts leading to the filing of the petition are that respondent No.1 is a builder, who advertised a project 'Emerging World' on Kharar-Banur road in District S.A.S. Nagar. Vide application, Annexure P-1, petitioners applied for one commercial unit in the project. Petitioners made a full payment of Rs.10,50,000/- under Plan-B, which provided for a guaranteed rate of interest on the deposit. Petitioners were issued provisional allotment letter dated 12.01.2013, Annexure P-2, and by letter dated 23.01.2013, Annexure P-3, respondent No.1 assured a guaranteed return on the deposit. Petitioners claimed that respondent No.1 was irregular in payment of guaranteed return and after March, 2016, no guaranteed return was paid. When respondent No.1

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did not offer the possession, petitioners filed an application, Annexure P-4, before the Lok Adalat. Terms of settlement were framed vide Annexure P-5 and when respondent No.1 did not respond, Lok Adalat adjudicated the application on merits and dismissed it vide the impugned order. Counsel for the petitioners has argued that the deposit of Rs.10,50,000/- with respondent No.1 cannot be disputed and the Lok Adalat has erred in rejecting the claim for handing over the possession of the apartment or in the alternative for refund of the deposited amount. Counsel asserts that respondent No.1 deliberately did not appear before the Lok Adalat and the evidence led by the petitioners could not be ignored.

3. I have heard counsel for the petitioners and considered his submissions, besides examining the documents appended with the paper-book.

4. A perusal of the application dated 26.12.2012, Annexure P-1, submitted by the petitioners shows that the petitioners had expressed an interest in a commercial unit in the Emerging World, a project launched by respondent No.1. He deposited an amount of Rs.10,50,000/-, along with the application. Respondent No.1 accepted the application and made a offer for provisional allotment of SS-250 in the Emerging World vide letter, Annexure P-2, and issued a provisional allotment number to the petitioners. Receipt annexed with this letter depicts the basic sale price of the showroom to be Rs.10,50,000/-, which was accepted by respondent No.1. The terms and conditions attached to Annexure P-2 make it clear that the offer did not constitute any definite or final allotment till the time a buyers agreement is executed between the parties. By a separate communication, Annexure P-3, respondent No.1 confirmed that till the offer of possession of the showroom, petitioners will receive a guaranteed return, which shall be payable by the 7th of each month. By referring to the statement of account, Annexure P-7, petitioners have claimed that the guaranteed returns were paid by respondent



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No.1 for some years and were stopped altogether after March, 2016. Petitioners have produced these documents in their evidence before the Lok Adalat. In the absence of any contest by respondent No.1, these documents have to be read into evidence and cannot be discarded. The offer of possession made by respondent No.1 vide Annexure P-2 was purely provisional and the petitioners could not produce any document to show that a final allotment was ever made in their favour. Petitioners, therefore, cannot claim possession of the allotted showroom. However, deposit of the amount of Rs.10,50,000/- with respondent No.1 stands duly established and the petitioners are entitled to claim refund thereof. Lok Adalat has clearly erred in failing to order refund of the deposited amount. Award passed by the Lok Adalat, therefore, deserves to be suitably altered.

5. For the afore-going reasons, it is ordered that the petitioners are entitled to the refund of the deposited amount of Rs.10,50,000/- from respondent No.1, along with interest at the rate of 7.5% per annum, from the date of deposit. Impugned award, Annexure P-6, is accordingly modified.

6. Writ petition is disposed of.

(SUVIR SEHGAL)
JUDGE

31.07.2025
Kamal

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