

# The Punjab State Cooperative House ... vs Mrs. Sarabjit Kaur W/O. Sh Paramjit ... on 1 June, 2026

STATE CONSUMER DISPUTES REDRESSAL COMMISSION,  
U.T., CHANDIGARH  
(Additional Bench)

Appeal No. : 145 of 2025  
Date of Institution : 04.04.2025  
Date of Decision : 01.06.2026

The Punjab State Federation of Cooperative House Building Societies  
Limited (Hosuefed Punjab), SC0 151-152, Sector 34-A, Chandigarh through  
its Managing Director

.....Appellant/Opposite Party

VERSUS

Smt. Sarabjit Kaur w/o Late Sh. Paramjit Singh, V.P.O Ghurewaha, Via  
Khandhala Jattan, Tehsil Dasuya, Hoshiarpur, Punjab

.....Respondent/Complainant

Appeal No. : 146 of 2025  
Date of Institution : 04.04.2025  
Date of Decision : 01.06.2026

The Punjab State Federation of Cooperative House Building Societies  
Limited (Hosuefed Punjab), SC0 151-152, Sector 34-A, Chandigarh through  
its Managing Director

.....Appellant/Opposite Party

VERSUS

Smt. Suman w/o Sh. Vinod Kumar, resident of House No.2392, Sector  
52-D, Chandigarh

.....Respondent/Complainant

Appeal No. : 147 of 2025  
Date of Institution : 04.04.2025  
Date of Decision : 01.06.2026

The Punjab State Federation of Cooperative House Building Societies  
Limited (Hosuefed Punjab), SC0 151-152, Sector 34-A, Chandigarh through  
its Managing Director

.....Appellant/Opposite Party

VERSUS

Sh. Gurpreet Singh s/o Sh. Jagtar Singh, resident of V.P.O. Nasrala, District  
Hoshiarpur, Punjab

.....Respondent/Complainant

Appeal No. : 148 of 2025  
Date of Institution : 04.04.2025

Date of Decision : 01.06.2026

The Punjab State Federation of Cooperative House Building Societies Limited (Hosuefed Punjab), SC0 151-152, Sector 34-A, Chandigarh through its Managing Director

.....Appellant/Opposite Party

VERSUS

Smt. Gurwinder Kaur w/o Sh. Jarnail Singh, resident of Village Hardothala, Post Office Dasuya, Hoshiarpur, Punjab

.....Respondent/Complainant

Appeal No. : 149 of 2025  
Date of Institution : 04.04.2025  
Date of Decision : 01.06.2026

The Punjab State Federation of Cooperative House Building Societies Limited (Hosuefed Punjab), SC0 151-152, Sector 34-A, Chandigarh through its Managing Director

.....Appellant/Opposite Party

VERSUS

Sh. Rajiv Sakhuja s/o Sh. Prem Sakhuja, resident of House No.1110-1111, Sector 21, Panchkula, Haryana - 134120

.....Respondent/Complainant

BEFORE: MRS. PADMA PANDEY, PRESIDING MEMBER

MR. RAJESH K. ARYA, MEMBER Argued by:

Sh. Naginder Singh Vashisht, Advocate, for the appellant Sh. Sudhir Theari, Advocate, for the respondent(s) PER SH. RAJESH K. ARYA, MEMBER Vide this common order, we are deciding above captioned appeals, arising out of common order dated 13.12.2024 passed by District Consumer Disputes Redressal Commission-II, U.T., Chandigarh whereby respective consumer complaints filed by the complainants therein (respondents before us) have been partly allowed, directing the opposite party - Housefed, Punjab (appellant herein) as under:-

"16] Resultantly, the present consumer complaint is partly allowed and the Opposite Party( OP) is directed to refund the deposited amount of Rs.8 ,95,250/- to the complainant alongwith interest @ 10 % per annum, minus already refunded amount , if any, from the date of respective deposits till the date of its actual realization.

17] Similarly, the connected consumer complaint i.e. C.C. No.261/2021 - Suman vs. The Punjab State Federation of Cooperative House Building Societies Limited (HOUSEFED), also stands partly allowed and the Opposite Party(OP) is directed to

refund the deposited amount of R s.12,41,190/- to the complainant alongwith interest @ 10 % pe r ann um, minu s already refunded amount, if any, from the date of respective deposits till the da te of its actual realization.

18] Simi larly, the conne cted consumer complaint i.e. C.C.No.262/2021 - Gurpreet Singh vs. The Punjab State Federation of Cooperative House Buil din g Societies Limited (H OUS EFED), also sta nds partly allowed and the Opposite Party(OP) is dire cted to refund the deposited amount of Rs.8 ,96 ,625/- to the complainant alongwith interest @ 10 % pe r ann um, minu s already refunded amount, if any, from the date of respective deposits till the da te of i ts actual realization.

19] Simi larly, the conne cted consumer complaint i.e. C.C.No.263/2021 - Gurwi nder Kaur vs. The Punjab State Federation of Cooperative House Buil din g Societies Limited (H OUS EFED), a lso sta nds partly allowed and the Opposite Party(OP) is dire cted to refund t he deposited amount of Rs.12,15,500 /- to the complainant alongwith interest @ 10 % pe r annum, minu s already refunded amount, if any, from the date of respective deposits till the da te of i ts actual realization.

20] Simi larly, the conne cted consumer complaint i.e. C.C.No.264/2021 - Rajiv Sakhuja vs. The Punjab State Federation of Cooperative House Buil din g Societies Limited (H OUS EFED), also sta nds partly allowed and the Opposite Party(OP) is dire cted to refund the deposited amount of Rs.8 ,97 ,425/- to the complainant alongwith interest @ 10 % pe r annum, minu s already refunded amount, if any, from the date of respective deposits till the da te of i ts actual realization.

This order be complied with by the OP within 45 days f rom the date of rece ipt of its certified copy.

21] The pending application(s) if any, stands  
disp osed of accordingly.  
The Offi ce is di rected to send certified copy

of this order to the parties, free o f cost, as per Rules under The Consumer Protection Rules, 2020.  
After compliance fi le be consigned to record room."

Since the District Commission had taken facts from CC/260/2021 - Sarabjit Kaur Vs. The Punjab State Federation of Cooperative House Building Societies Limited (HOUSEFED), while deciding the consumer complaints, therefore, we deem it appropriate to take up the file of appeal No.145 of 2025 for deciding these appeals by this common order, the facts and question of law being somewhat identical.

2] It was the case of the respondent/complainant - Smt. Sarabjit Kaur before the District Commission (in CC/260/2021) that allured with the scheme floated by the opposite party for allotment of built-up residential flats at Co-operative Housing Complex, Banur (Chandigarh-Rajpura Highway), Distt. S.A.S. Nagar Mohali, she applied for the same by submitting application form alongwith 75,000/-. The opposite party vide allotment letter dated 28.01.2009

(Annexure C-1) allotted Class-IV Employee Flat at Cooperative Housing Complex of Housefed, Punjab at Banur, Distt. Patiala and the tentative cost of the flat was fixed at 14,92,000/-. The complainant paid a total amount of 8,95,250/- to the opposite party on different dates towards the part payment of the flat in question. As per allotment letter, the complainant was having option to pay the remaining 40% cost of the flat without any interest within 30 days from the date of offer of the possession of flat. The opposite party vide demand notice for possession/letter dated 29.10.2014 (Annexure C-2) informed the complainant that Flat No.3003, Floor No.1, Category II, has been allotted to him on the basis of draw of lots held on 03.07.2014 and demanded the balance payment of 15,64,603/- and arbitrarily increased the price of the flat in question from 14,92,000/- to 24,56,000/-. The complainant protested the increase of price of the flat with the opposite party when there is no increase in area of the flat or there is no change in the specifications etc. As the price of the flat had been increased beyond the capacity of the complainant to pay and possession was also not offered in time, the complainant contacted the opposite party and requested them to refund the deposited amount along with interest but the amount was not refunded, resulting into filing of the consumer complaint before the District Commission for refund the deposited amount of 8,95,250/- along with interest, compensation for mental agony and harassment and cost of litigation expenses.

3] The opposite party contested the complaint by filing its written version/reply wherein while admitting the factual matrix of the case, it was pleaded that the scheme in question was a self financing in which the allottee/complainant applied by submitting his application for his desired category of flat with the requisite earnest amount (5%). It was further pleaded that once he stood successful in the draw of lots, he was required to pay 10% of the amount within 30 days from the date of allotment letter and thereafter 45% amount was to be paid by the allottee/complainant in 8 equated quarterly installments and as per opening lines of the allotment letter dated 28.01.2009 the cost of the flat in question was tentative. It was further pleaded that even as per Clause 3 of the allotment letter dated 28.01.2009, balance, if any, towards difference of Final Cost and Tentative Cost of the flat was to be paid at the time of handing over of the possession of the flat, which showed that the Final Cost was to be paid later on, which was to be calculated after the completion of the project. It was further pleaded that thereafter, the remaining 40% amount was to be spent by the opposite party from its own resources and after completion of the project, this 40% (tentative cost) + balance towards the difference of the final cost was to be paid by the allottee/complainant in 120 equated monthly installments spread over a period of 10 years with interest @15% p.a. It was further pleaded that even in Clause 8 of the terms & conditions, attached with the allotment letter dated 28.01.2009, it had been clearly stated that the exact/final cost of the flat shall be worked out after the completion of the flat but before handing over the possession of the flat. It was further pleaded that the complainant herself defaulted in making the payment of the quarterly installments in time and vide demand notice for possession/letter dated 29.10.2014, the opposite party demanded a sum of 15,64,603/- from the complainant towards the balance cost of the flat after applying the formula of Difference = Final Cost - Tentative Cost as mentioned in the Brochure and Allotment Letter. It was further pleaded that vide demand notice for possession/letter dated 29.10.2014, the complainant was asked to take possession of the flat by 15.02.2015 but no reply was received from her. It was further pleaded that as per terms and conditions of the Brochure and Allotment Letter, 'no refund shall be made after the offer of the possession of the flat'. Denying all other allegations

made in the complaint, the opposite party prayed for dismissal of the complaint. 4] The complainant filed replication(s), before the District Commission, wherein she reiterated all the averments made in the complaint and repudiated those as stated in the written version of the opposite party.

5] The parties led evidence before the District Commission in support of their respective cases.

6] The District Commission after hearing the Learned Counsel for the parties and going through the material available on record partly allowed the complaint(s) as stated above.

7] In the present appeals, the impugned order has been assailed by the appellant/opposite party, inter alia, on the grounds that the District Commission has failed to consider and adjudicate upon the preliminary objections relating to limitation, maintainability and the binding provisions of the Brochure and Allotment Letter, while allegedly ignoring the settled law laid down by the Hon'ble Supreme Court regarding limitation in consumer matters. It has further been contended that the complaint was barred by the principles of res judicata in view of the earlier relief granted to the respondent by the Permanent Lok Adalat, Rupnagar vide order dated 11.08.2015. It has further been stated that the project was a self-financing scheme wherein delay in payment by a large number of allottees adversely affected timely completion and that enhancement in price could not constitute deficiency in service, particularly when the same had already been upheld by the Permanent Lok Adalat. It has further been stated that the District Commission ignored the specific clauses of the Brochure and Allotment Letter prohibiting refund after offer of possession, failed to appreciate that possession had already been offered vide demand notice dated 29.10.2015 and wrongly overlooked the fact that more than 91% allottees had accepted possession and were residing in the flats since 2014- 2015, whereas only a few allottees, allegedly acting with an investment motive, declined to take possession and subsequently raised disputes. 8] On the other hand, on behalf of the respondent(s)/ complainant(s), Learned Counsel, while supporting the impugned order, contended that the appellant-HOUSEFED indulged in deficiency in service and unfair trade practice by failing to disclose any definite timeline for delivery of possession in the brochure issued in 2009 and by arbitrarily escalating the cost of the flat from 14.92 lakhs to 24.56 lakhs, i.e. an increase of about 62%, despite there being no corresponding change in area or specifications. It has further been argued that the project was advertised as "Flats for General Public at Banur on Easy Instalments" and the enhanced demand became financially unbearable for an ordinary salaried allottee. It has further been contended that possession was not delivered within a reasonable time; occupation and completion certificates were never obtained and despite repeated requests from 2015 onwards, the deposited amount of 8,95,250/- was not refunded. The respondent also relied upon the proceedings initiated before the Hon'ble Punjab and Haryana High Court in CWP Nos.25740 of 2014 and 448 of 2015, wherein a committee was constituted to examine the alleged arbitrary enhancement in price. It has further been contended that the consumer complaint was within limitation as there existed a recurring and continuous cause of action, especially when neither possession nor refund had been granted. In support of the said plea, reliance has been placed by the Counsel upon the judgment of the Hon'ble Supreme Court in 'Samruddhi Co-op. Society Limited Versus Mumbai Mahalaxmi Construction Private Limited', case Appeal bearing No. CA/4000 of 2019, decided on dated 11.01.2022, wherein it was held that limitation continues so long as the grievance remains unsatisfied. Reliance has also been placed upon the decision of the Hon'ble

National Consumer Disputes Redressal Commission, New Delhi in Satish Kumar v. HOUSEFED, Appeal bearing No. FA/999/2015 decided on 14.11.2017 wherein refund with interest in respect of the same project was upheld as well as upon the orders passed by this Commission in Appeal Nos. A/5/2024 to A/8/2024 decided on 19.11.2024 dismissing similar appeals filed by HOUSEFED and that dismissal of CWP No.22125 of 2015 by the Hon'ble Punjab and Haryana High Court on 24.10.2024 had been concealed. Reliance in this regard has been placed upon the judgment of the Hon'ble Supreme Court in G.M. Haryana Roadways v. Jai Bhagwan to contend that suppression of material facts disentitles a litigant from any equitable relief. Lastly prayer for dismissal of these appeals has been made by the respondent(s)/ complainant(s).

9] We have given our thoughtful consideration to the rival submissions advanced by the Learned Counsel for the parties and have minutely gone through the entire record of the case including the impugned order passed by the District Commission and the written arguments very carefully.

10] However, before proceeding further, it may be stated here that there is a delay of 32 days in filing these appeals, for condonation whereof, the appellant has also filed Miscellaneous Applications bearing Nos. MA/336/2025 in A/145/2025, MA/338/2025 in A/146/2025, MA/340/2025 in A/147/2025, MA/342/2025 in A/148/2025 and MA/344/2025 in A/149/2025 alongwith the appeals. The application for delay has been contested by the respondents(s)/ complainant(s). The ground mentioned in the application for the delay is that the copy of the impugned order was received at the Head Office of the Housefed on 13.01.2025 and the empanelled Counsel was assigned to file an appeal to whom documents alongwith certified copy of the order was handed over on 06.02.2025. However, the Counsel could not prepare the appeal and informed on 19.02.2025 that his real Aunt, who was suffering from Cancer and admitted in Max Hospital, expired on 16.02.2025. Further the Counsel informed that he would prepare and file the case after reaching at his residence on 27.02.2025 but lateron, on 07.03.2025, the Counsel informed that the certified copies of the order dated 13.12.2025 in all five case are not traceable as his Clerk has lost the original set. Thereafter, on 28.03.2025, the Counsel got the fresh certified copies of the order and filed the present appeals. In our considered view, the explanation tendered in the application(s) duly supported by affidavit(s), is sufficient and seems to be bonafide to condone the delay in filing these appeals. It may be stated here that Hon'ble National Consumer Disputes Redressal Commission, New Delhi in the case of 'Chief Administrator, Greater Mohali Area Development Authority & Anr. Versus Karan Chrungu', First Appeal No.602 of 2021 decided on 16.11.2022, while condoning the reported delay of 391 days in filing the said appeal held in Para 2 as under:-

"2. The appeal has been filed with reported delay of 391 days. There is no application for condonation of delay. However, in the interest of justice, to provide fair opportunity to the appellant development authority, to decide the matter on merit rather than dismiss it on the threshold of limitation, the delay in filing the appeal is condoned."

Having regard to the principles laid down in the judgment of the Hon'ble National Commission in Chief Administrator, Greater Mohali Area Development Authority & Anr. versus Karan Chrungu (supra), it is our considered view that the appellant is entitled to be granted a fair and reasonable

opportunity to be heard on the substantive merits of the case. Consequently, the applications are allowed and the delay in filing the appeals is condoned. Accordingly, MA/336/2025, MA/338/2025, MA/340/2025, MA/342/2025 and MA/344/2025 stand disposed of accordingly.

11] At the outset, it is pertinent to mention here that the appellant has not disputed the fact that while partly allowing similar appeals bearing No.A/05/2024 to A/08/2024 arising out of the same project vide order dated 19.11.2024, this Commission modified the order only to the extent of compensation and rest of the order of District Commission was upheld. In the said bunch of appeals, main appeal No.8 of 2024 titled Punjab State Federation Cooperative House Building Societies Ltd., (Housefed Punjab) Versus Gurdeep Singh, this Commission observed in Paras 13 to 16 as under:-

"13. It is admitted case of the parties that the respondent was allotted Category-I flat vide allotment letter dated 28.11.2009 for a total sale consideration of Rs.20.18 Lakhs. The possession of the flat was to be delivered within a reasonable period of 2-3 years but the appellant offered possession vide letter 28.10.2014 and asked the respondent to take possession by 15.2.2015 on depositing the balance outstanding amount of Rs.20,66,650/-. The respondent showed his inability to pay the inflated price and requested for refund of the deposited amount through personal visits, oral requests and legal notice dated 24.9.2020. During the interregnum, Civil Writ Petition No. 25740 of 2014 was also filed before the Hon'ble Punjab & Haryana High Court by the Housefed Banur Allottees Welfare Association against the Punjab State Federation of Cooperative House Building Societies Ltd. (Housefed) Punjab and Others. The said writ was filed challenging the enhancement in the price of the flat, which was disposed of vide order dated 6.10.2016. The respondent alongwith other allottees also went to the Hon'ble NCDRC, New Delhi by filing a joint complaint bearing No.CC/1815/2018 on 9.8.2018 which was dismissed vide order dated 18.07.2019 being not maintainable as a joint complaint with the liberty to seek relief in appropriate forum. Against the said order, Civil Appeal No.43583/2019 was filed before the Hon'ble Supreme court of India which was dismissed vide order dated 19.06.2020. Thus, liberty was granted by the Hon'ble NCDRC to seek relief from the appropriate Forum. Consumer complaint in the Ld. District Commission was filed on 01.12.2020. The impact of Corona virus (COVID 19) and other variants also started in Feb/March,2020. All this goes to show that there was recurring cause of action and the complaint filed before the Ld. Lower Commission was not barred by limitation. Further, in the Civil Writ Petition, the residents' Association has challenged the hike in price of the flats whereas in the consumer complaint the respondent has requested for cancellation of allotment due to exorbitant hike in price of the flat and sought refund of the amount paid. Thus, the complaint filed before the Ld. Lower Commission seeking refund of the amount deposited was maintainable.

14. The respondent sought refund of the amount paid to the appellant because the cost of the flat was increased inordinately by more than 61% and the possession was also not offered within the reasonable time. It is true that in the allotment letter, only the tentative price of the flat was mentioned. It is expected that the final price would

be somewhere near the tentative price and even may increase by 10-20%, but the price has increased by 61%. Every customer has his capacity to pay and in this case the complainant had given offer to purchase a flat with tentative price of Rs.20.18 lakhs. He might be arranging this amount, but if he is told that the final price is 61% more than the original price, then, his capacity to pay is definitely affected. As the possession was also not given in time, the appellant was clearly deficient in terms of not offering the possession in time. Condition No. 11 of the terms and conditions of allotment letter states that if the possession is not taken by the last date of offer, holding charges will be levied and finally allotment will be cancelled after forfeiting the money deposited. This clause would be applicable when the possession is handed over in time which is not the case in the present matter. The appellant has itself admitted that there was delay in the implementation of the project due to several reasons which were beyond its control. The Hon'ble National Consumer Disputes Redressal Commission, New Delhi in a similar case of the same project titled as Satish Kumar Vs. Managing Director, Housefed, Chandigarh. First Appeal No.999 of 2015 (decided on 14.11.2017) held as under;

"It is true that the tentative price was given in the allotment letter and final price was to be given at the time of offer of possession. Considering from the point of view of consumer, if the final price is told to be 62% higher than the tentative price, then what a consumer can do except to withdraw from the project if it is beyond his means to pay the increased price and pursue for the refund. In my opinion, it is appropriate to allow the refund of the deposited amount with OP. Moreover, the Consumer Protection Act, 1986 states that it is an Act to provide for better protection of the interests of the consumers. Thus, if the arguments of the OP are accepted, then the complainant is neither entitled to refund nor he will be able to get the possession of the flat as he will not be able to pay for the increased price of the flat because the price of the flat has increased to a level which is beyond his capacity to pay. Obviously, interest of the consumer is to be protected under the Consumer Protection Act, 1986.

Based on the above discussion, the appeal is allowed and the order dated 4.11.2015 of the State Commission is set aside. The respondent/OP is directed to refund the amount deposited by the complainant with interest @ 9% per annum from the date of deposit till actual payment. The OP should also pay Rs.10,000/- as cost of litigation to the complainant/appellant. The order to be complied within a period of 45 days, failing which the OP will be liable to pay additional interest of 5% per annum from the date of this order till the actual payment."

The Hon'ble NCDRC also held that Clause 11 of the allotment regarding levying of charges and forfeiting of deposited amount after cancellation of the flat would be applicable if the appellant had offered possession in time but it was admittedly delayed due to the reasons beyond its control. Thus, refund of the deposited amounts was ordered alongwith interest and costs. However, the Hon'ble National Commission allowed interest @ 9% p.a. only and did not allow any compensation.

15. In view of the foregoing discussion, we are of the view that the order passed by the Ld. District Commission is based on correct appreciation of evidence and law on the point. However, it warrants interference of this Commission only towards grant of compensation of Rs.15,000/- as we feel that grant of interest @ 7% p.a. on the deposited amount ordered to be refunded would take care of the compensation part on account of mental agony and harassment and no separate compensation is required to be paid on that count. Thus, the order of the Learned Lower Commission is modified to that extent. Rest of the order passed by the Ld. Lower Commission shall remain intact.

16. For the reasons recorded above, all the above appeals are partly accepted and the impugned order is modified to the extent as stated in para 15 of this order."

12] Here the foundational facts of the case are not in dispute. The appellant-HOUSEFED floated a housing scheme for allotment of residential flats at Banur by issuing brochure inviting applications from the general public on the representation that flats were being offered "on easy instalments". Pursuant thereto, the respondent(s)/complainant(s) applied for allotment of a flat and deposited substantial amounts from time to time. The allotment letter dated 28.01.2009 fixed the tentative price of the flat at 14,92,000/-. Admittedly, after collecting about 60% of the tentative sale consideration from the complainant, the appellant issued possession/demand notice dated 29.10.2014, whereby the cost of the flat was unilaterally escalated from 14.92 lakhs to 24.56 lakhs, i.e. by approximately 62%, and a further amount of 15,64,603/- was demanded from the complainant. Equally undisputed is the fact that neither any definite period for delivery of possession was mentioned in the brochure/allotment letter nor any completion certificate/occupation certificate was placed on record by the appellant before the District Commission.

13] So far as the objection raised by the appellant/opposite party with regard to limitation is concerned, the same is wholly misconceived, legally untenable and deserves outright rejection in the light of view already held by this Commission in the case of the Punjab State Federation Cooperative House Building Societies Ltd., (Housefed Punjab) Versus Gurdeep Singh (supra), particularly in view of the fact that the dispute has a chequered history, which went up to the Hon'ble Apex Court. It is also pertinent to mention here that it is an admitted position on record that despite receiving substantial amounts from the respondent(s)/ complainant(s), the appellant neither delivered lawful possession within a reasonable period nor refunded the deposited amount. The mere issuance of demand-cum-possession letter dated 29.10.2014 with an arbitrary and exorbitantly enhanced price did not extinguish the recurring rights of the respondent(s)/complainant(s), who continuously protested against such enhancement and sought refund of their deposits. Thus, the deficiency in service and unfair trade practice on the part of the appellant being continuous and recurring in nature, a fresh cause of action continued to accrue so long as neither lawful possession nor refund was granted. In these circumstances, and in view of the settled principle laid down by the Hon'ble Supreme Court in Samruddhi Co-operative Housing Society Ltd. (supra), the consumer complaint(s) filed before the District Commission were clearly maintainable and the objection raised by the appellant on this score has rightly been rejected by the District Commission. However, the plethora of judgments relied upon by the appellant, as mentioned in Para 14 of the appeal, in support of its contention are distinguishable on facts. 14] The primary defence raised by the

appellant is that the scheme was a self-financing scheme and the cost mentioned in the allotment letter was merely tentative and liable to revision upon completion of the project. We are unable to accept the said contention in the peculiar facts and circumstances of the present case. No doubt, the allotment letter uses the expression "tentative cost" and contains clauses permitting adjustment of final cost. However, such clauses cannot be construed as conferring an unfettered, arbitrary or absolute power upon the developer/housing authority to impose exorbitant and unreasonable escalation without any rational basis or transparency. A contractual stipulation permitting revision in cost has necessarily to be exercised reasonably, fairly and in consonance with settled principles governing consumer jurisprudence. The appellant cannot take shelter under the terminology "tentative cost" to justify an astronomical increase of nearly 62%, particularly when no cogent material, calculation sheets, audited costing details or justification explaining such abnormal escalation were produced on record.

15] The District Commission has rightly observed that Clause 3 of the allotment letter merely contemplated payment of "difference between final cost and tentative cost" but the same could never be interpreted as authorizing arbitrary escalation to an extent rendering the flat financially inaccessible to the allottee. The respondent/complainant belonged to the category of ordinary salaried consumer/allottee who had applied under the belief that the project was meant for general public on affordable instalments. The appellant was, therefore, under a corresponding obligation to maintain transparency and financial reasonableness. The sudden increase of the price from 14.92 lakhs to 24.56 lakhs, after keeping the allottee waiting for years together, clearly amounted to adoption of an unfair trade practice within the meaning of the Consumer Protection Act. 16] Furthermore, the appellant has failed to explain satisfactorily as to why no firm timeline for delivery of possession was incorporated either in the brochure or in the allotment letter. It is now well settled that failure to stipulate a definite period of possession itself constitutes deficiency in service and unfair trade practice, because a consumer investing hard-earned savings in a housing project is entitled to know the approximate timeframe within which the promised unit would be delivered. The observations made by the Hon'ble National Consumer Disputes Redressal Commission, New Delhi in "Emaar MGF Land Ltd. & Anr. Vs. Karnail Singh & Ors.", as rightly relied upon by the District Commission, squarely apply to the present case, wherein it was held that failure to disclose the true picture regarding completion and possession of the project amounts to unfair trade practice.

17] Even otherwise, where no specific date of possession is stipulated, the law presumes that possession must be delivered within a "reasonable period". In the present case, allotment was made in January 2009 whereas possession was purportedly offered only in October 2014 i.e. after almost five years. The District Commission rightly held that a reasonable period for completion of such residential project could not exceed three years. The appellant has failed to justify such prolonged delay. Significantly, no completion certificate or occupation certificate issued by the competent authority was produced before the District Commission to establish that the project had been lawfully completed in all respects. In absence thereof, the so-called offer of possession could not be treated as a valid and lawful offer in the eyes of law.

18] The contention of the appellant that the respondent/ complainant herself was a defaulter in making instalment payments also does not merit acceptance. Undisputedly, the complainant had already deposited a substantial amount of 8,95,250/- with the appellant. Minor or alleged delayed instalments on the part of the allottee cannot justify either indefinite delay in completion of the project or arbitrary enhancement in price. More importantly, the appellant failed to demonstrate that the alleged defaults on the part of a few allottees were the sole or proximate cause of delay in completion of the project. A housing authority/developer undertaking a large-scale residential scheme is expected to possess adequate financial planning and infrastructure capability. It cannot shift the burden of its own managerial or financial shortcomings upon innocent consumers.

19] The further plea of the appellant that more than 91% allottees accepted possession and are residing in the flats is equally inconsequential. The rights of a consumer are individual and cannot be defeated merely because some other allottees due to personal constraints or circumstances, chose to accept possession despite escalation in cost or delay in delivery. Acceptance of possession by certain allottees does not validate illegality or arbitrariness vis-à-vis remaining consumers. Similarly, the allegation that the respondent/complainant was an investor and not genuine consumers is wholly unsupported by any reliable evidence. Mere refusal to accept an excessively escalated demand cannot lead to an inference of speculative investment motive.

20] The argument that no refund was permissible after offer of possession in view of the terms and conditions of the brochure and allotment letter is also legally untenable. It is settled law that contractual clauses cannot override statutory rights available to a consumer under the Consumer Protection Act. Once deficiency in service and unfair trade practice stand established on record, the consumer cannot be compelled to accept possession on unjust and oppressive terms. The respondent/complainant was fully justified in seeking refund after being confronted with abnormal escalation in cost coupled with unreasonable delay in delivery of possession.

21] The plea of res judicata based upon proceedings before the Permanent Lok Adalat, Rupnagar, raised by the appellant, also deserves outright rejection. Firstly, the appellant has failed to establish that the issues involved in the consumer complaints were directly and substantially adjudicated upon finally by the Permanent Lok Adalat. Secondly, the complaints essentially arose from continuing deficiency in service, arbitrary enhancement in price and failure to refund the deposited amount despite prolonged delay. Such continuing causes of action furnish independent and recurring rights to the consumer. Thirdly, proceedings before Permanent Lok Adalat are conciliatory in nature and cannot be stretched to defeat substantive remedies available under the Consumer Protection Act unless all ingredients of Section 11 of Code of Civil Procedure, 1908 are strictly satisfied, which is clearly not the case here.

22] The reliance placed by the District Commission upon the judgment of the Hon'ble Supreme Court in "Fortune Infrastructure Vs. Trevor D'Lima", Civil Appeal No.3533-3534 of 2017 decided on 12.3.2018 is also fully applicable to the present controversy. The Hon'ble Apex Court has categorically held that a consumer cannot be compelled to wait indefinitely for possession and is entitled to refund with appropriate compensation where possession is delayed beyond a reasonable period. In the instant case, not only was there prolonged delay in offering possession, as rightly

observed by the District Commission but the same was accompanied by a drastic escalation in price, thereby aggravating the unfairness meted out to the respondent(s)/complainant(s).

23] The conduct of the appellant clearly demonstrates deficiency in service and adoption of unfair trade practice. The appellant retained substantial amounts deposited by the respondent(s)/complainant(s) for years together, failed to complete the project within a reasonable time, failed to produce completion/occupation certificates and thereafter imposed an exorbitant escalation in price, making it impossible for an ordinary allottee to honour the revised demand. Such conduct strikes at the very root of consumer confidence and cannot receive judicial approval.

24] The District Commission, after appreciating the evidence on record and applying settled legal principles, has rightly granted refund of the deposited amount along with reasonable interest @10% per annum from the respective dates of deposits till realization. The said relief cannot be said to be excessive, arbitrary or contrary to law warranting interference by this Commission in appellate jurisdiction.

25] Consequently, finding no illegality, perversity or material irregularity in the well-reasoned order passed by the District Commission, all these appeals being devoid of merit are hereby dismissed with no order as to costs. The impugned order dated 13.12.2024 passed by the District Commission-II, U.T. Chandigarh is upheld in toto.

26] Pending application(s), if any, in this bunch of appeals, also stand disposed of accordingly.

27] Certified copies of this order be sent to the parties free of charge forthwith.

28] A copy of this order be also placed in the files of connected appeals bearing Nos.146 of 2025 to 149 of 2025.

29] Complete record of consumer complaints (in safe custody) alongwith certified copy of this order be sent to the District Commission-II, U.T., Chandigarh forthwith.

30] Files be consigned to Record Room after completion. Pronounced 01.06.2026 (PADMA PANDEY) PRESIDING MEMBER (RAJESH K. ARYA) MEMBER Ad