

(2000) 04 NCDRC CK 0004

In the National Consumer Disputes Redressal Commission

VINOD VASHISHT, PROP.LAKSHMI PRODUCTS

APPELLANT

Vs

PUNJAB SMALL INDUSTRIES AND EXPORT CORPORATION
LIMITED

RESPONDENT

Date of Decision : 28-04-2000

Acts Referred:

Citation : 2000 1 CPC 491 : 2000 2 CLT 104 : 2000 2 CPJ 398

Hon'ble Judges : J.B.Garg , P.K.Vasudeva , Devinderjit Dhatt J.

Final Decision : Complaint disposed of

Judgement

1. IN response to a scheme published in various news-papers on 31.10.1994, for allotment of industrial plots at Focal Point, Mandi Gobindgarh, Punjab, the complainant made an application on 1.12.1994 together with a demand draft of Rs. 2.25 lacs dated 29.11.1994 drawn on State Bank of INdia, Chandigarh. The respondent was allotted Plot No. A-6 (P) on 6.11.1996 to the complainant. It measured 7590 sq. yards and its price was Rs. 25,04,700/- payable by means of instalments described in Para No. 9 of the complaint. The respondent delivered possession of the aforesaid plot to the complainant on 4.2.1997. The total sum deposited was Rs. 14,05,444/- mentioned in Para No. 9 of the complaint. However, the complainant had a grievance that there was delay in development of the industrial area and it may not be feasible to set-up the contemplated Oxygen Gas manufacturing unit and he made up his mind to surrender the plot. It was on 1.5.1998, he specifically made a request in writing that the allotment of the plot in question may be cancelled and the amount be refunded to him on usual terms. The respondent refunded a sum of Rs. 11,54,974/- to the complainant vide Cheque No. 290134 dated 10.9.1998. The grievance of the complainant is that there was a delay in development and the respondent was liable to refund the entire sum. The amount claimed in the complaint is Rs. 11,75,369/-, and Rs. 5,000/- costs together with interest at the rate of 24% per annum.

2. IN the reply filed by the respondent-Corporation, it has been averred that the

plot possesses all the basic infrastructure and possession was actually handed over to the complainant on 4.2.1997. However, the complainant changed his mind, surrendered the plot on 1.5.1998 and requested for refund on the usual terms. The respondents refunded the sum of Rs. 11,54,974/- on 10.9.1998 after lawfully forfeiting the earnest money which was 10%. In this case, whereas respondent started demanding the balance price from 25.11.1997 but instead on 1.5.1998 the complainant specifically requested for cancellation of the allotment and sought refund on usual terms. It was thereafter that the respondent made the refund of Rs. 11,54,974/- after rightly deducting 10% of the deposit. The plea that the industrial area itself was not developed is not acceptable. It shall be useful to refer to a letter dated 23.9.1998 written by the respondent-Corporation to the complainant and is as under : "Punjab Small Industries and Export Corporation Limited (A State Government Undertaking) Regd. Office : 18, Himalya Marg, Udyog Bhawan, Sector 17/A, Chandigarh, 16 00 17 No. PSIEC/EW/EO/14433 Date : 23.9.1998 Sh. Vinod Vashisht, Prop. Luxmi Products, C/o Luxmi Steel Rolling Mills, G.T. Road, Opp. Power House, Khanna-141 401. Subject : Cancellation of Plot No. A-6 (P) at Indl. Focal Point, Mandi Gobindgarh, - Refund thereof. Reference our cancellation letter No. PSIEC/Estate/EO/7547 dated 25.6.1998 on the subject noted above. Enclosed please find herewith Kcheque No. 290134 dated 10.9.1998 for Rs. 11,54,974/- (Rupees eleven lac fifty four thousand nine hundred seventy-four only) against Plot No. A-6 (P) at Indl. Focal Point Mandi Gobindgarh as per terms and conditions of allotment letter on account of refund as per details given below: (1) Total amount deposited Rs. 14,05,444/- (2) Amount forfeited as per terms and conditions Rs. 2,50,470/- Balance refunded (1-2) Rs. 11,54,974/- Kindly acknowledge its receipt. Sd/- Estate Officer-III Encl : As above

A perusal thereof shows that the complainant was entitled to this refund of Rs. 11,54,974/- certainly within one month of the request made by him on 1.5.1998. The fact that the aforesaid sum has been remitted on 10.9.1998 amounted to deficiency. We thus order that the respondent shall pay interest at the refunded amount of Rs. 11,54,974/- at the rate of 12% per annum for the period from 1.6.1998 to 10.9.1998 within a period of one month, failing which the respondent shall be liable to pay future interest on the aforesaid sum and the complaint stands disposed of. Complaint disposed of.