

2016”) for refund of her advanced principal amount Rs.18.00 lacs along with accrued compound interest @ 18% thereon with compensation for her economical, mental and physical harassment, consequent to non-delivery of flat allotted to her.

2. In nutshell, the case of the complainant is that the complainant, Smt. Babita Kumari has booked a 3 BHK Flat having super build-up area 1626 sq.ft. in Block-PG-II of the project “Power Grid Nagar” at Sarari, Near Danapur Railway Station, Khagaul, Patna of the Respondents. Thereafter, a Memorandum of Understanding (M.O.U) was also executed on 31-07-2015 between the complainant, Smt. Babita Kumari and Respondent No.1, M/s Agrani Homes Pvt. Ltd. through it’s Director, Respondent No.2, Sri Alok Kumar for sale/purchase of a 3 BHK Flat in their project “Power Grid Nagar” at Sarari, Near Danapur Railway Station, Khagaul, Patna on consideration of Rs.22.00 lacs plus applicable Taxes. The Respondents have promised to the complainant to complete and deliver possession of the flat within 36 months after approval of the Map from P.M.C. with grace period of 6 months. The complainant has paid Rs.18.00 lacs, which is entered in MO.U. executed between the parties. There was/is no progress in the project. Hence, she has demanded orally as well as sent a letter to the Respondents for refund of her principal amount along with compound interest, but there was no positive response from the side of the Respondents.

It is further case that till date not a single brick has been laid on the site of the project. Hence, she has been thrown in much economical, mental and physical harassment. Therefore, she being fed up with the behaviour of the Respondents has filed the present complaint case with the above reliefs against the Respondents.

3. The Respondent No.2, Sri Alok Kumar/his learned lawyer appeared on behalf of the Respondents, but in spite of repeated directions, they have failed to file reply, so the Respondents have been debarred from filing reply.

4. On the basis of the pleadings of the complainant and submissions of both the parties, following points are formulated to adjudicate the case:-

- (i) Whether the complainant is entitled for refund of her principal amount Rs.18.00 lacs along with accrued compound interest @ 18% per annum thereon against the Respondents?
- (ii) Whether the complainant is entitled for compensation against the Respondents for her economical, mental and physical harassments?
- (iii) Whether the complainant is entitled for litigation cost against the Respondents?

Point No.(i):

5. Admittedly, the complainant has booked on 07-09-2016 a 3 BHK Flat having super built up area 1626 sq.ft. in Block-PG-II of the project “Power Grid Nagar” at Sarari, Near Danapur Railway Station, Khagaul, Patna of the Respondents. Thereafter, on 31-07-2017 a Memorandum of Understanding (M.O.U) was executed between the complainant, Smt. Babita Kumari on one side and Respondent No.1, M/s Agrani Homes Pvt. Ltd. through it’s Director, Respondent No.2, Sri Alok Kumar on other side for sale/purchase of a 3 BHK flat on 6th Floor having super built-up area of 1626 sq.ft. in Block-PFG-II of the project “Power Grid Nagar” on consideration of Rs.22.00 lacs. The complainant has filed photocopies of K.Y.C. dated 07-09-2016 and M.O.U. dated 31-07-2017, which also support the payment of principal amount Rs.18.00 lacs. The complainant has also filed photocopy of cheque no.533380 dated 10-09-2016 worth Rs.16.00 lacs and cheque no.533379 dated 28-09-2016 worth Rs.2.00 lacs issued in favour of the Respondent No.1, M/s Agrani Homes Pvt. Ltd., which also support the payment of total advance consideration Rs.18.00 by the complainant to the Respondents. It is further case of the complainant that it was promised by the Respondents orally as well as in M.O.U. that the project shall be completed and flat will be delivered to the complainant within 36 months with grace period of 6 months, after approval of Map from P.M.C.

The complainant has stated that after execution of M.O.U., there was/is no progress on the site of the project. Thereafter, she has demanded orally as well as sent a letter to the Respondents for refund her principal amount after cancellation of the flat allotted to her. Whereon, the Respondents have assured that her principal amount will be refunded shortly, but there was no move to refund the said amount. The complainant has further stated that at present neither the Map of the project is properly approved from the competent authority nor single brick has been laid on the site of the project. Hence, she has cancelled the booking, as there was no hope for completion of the project as per her requirement. The claim of the complainant find support from letter No.RERA/PRO-REG-525/2018/1623 dated 05-11-2020 issued by RERA, Bihar to the Respondents, wherein several defects were found in the application for registration of Block PG-II of the project “Power Grid Nagar” of the Respondents. It also appears from this letter that the Respondents have neither filed properly approved Map of the project nor removed the defects pointed out by the officials of RERA, Bihar. From the above discussion, it is clear that completion of the project is far away, so the complainant cannot wait indefinite period for delivery of possession of the flat. In such view of the matter, it is reasonable for the complainant to seek refund of her principal amount against the Respondents. Therefore, I find and hold that the Respondents must refund the

principal amount Rs.18.00 lacs of the complainant without delay and deduction.

The complainant has claimed accrued compound interest @ 18% per annum on the paid principal amount to the Respondents. It is clear that the complainant has paid Rs.16.00 lacs on 10-09-2016 and Rs.2.00 lacs on 28-09-2016 total Rs.18.00 lacs to the Respondents. But, they have not refunded this amount as yet to the complainant. The Respondents have retained the principal amount of the complainant since 2016 till date and used the same in betterment of their business. Hence, the Respondents have to pay accrued interest on the principal amount of the complainant paid to the Respondents. This view also finds support from the ruling of the Hon'ble Apex Court passed in (2007) 3 SCC-545 Alok Shankar Pandey Vs. Union of India and Others.

Now, it is question as to how much interest may be levied on the Respondents on the principal amount Rs.18.00 lacs of the complainant?

The Respondents are running the present project as well as other projects in Patna and other Parts of Bihar, so if compound interest is levied, there will be much effect on the Respondents in development of their projects. Moreover, it will also hamper the interest of the other buyers. But, there will be no much effect on

the complainant, as she is repudiating herself from this project. So, I think, instead of compound interest, levying of simple interest on the principal amount will justify the end. On this issue, rule-17 and 18 of the Bihar Real Estate (Regulation and Development) Rules, 2017 says that “2% above the MCLR of the SBI has to be paid by the Promoter/Allottee to the other side within 60 days of due date”. Presently MCLR of SBI is 7.30% per annum for a home loan of 3 years or more and if 2% is added it will come 9.30% per annum. Hence, the Respondents have to pay accrued simple interest @ 9.30 per annum on the principal amount Rs.18.00 lacs since the respective date of payment by the complainant to the Respondents till refund of the same by the Respondents to the complainant. Accordingly, Point No.(i) is decided in positive in favour of the complainant and against the Respondents.

Point No.(ii):

6. The complainant has also claimed compensation against the Respondents for her economical, mental and physical harassment. The complainant has cancelled booking of the flat due to delay in construction of the project. As per Section-72 of the Act, 2016, the Respondents are benefitted by using the principal amount Rs.18.00 lacs in development their business, without giving delivery of possession of the flat to the complainant. Now, the complainant will not get a flat of same

area in the same locality at the same rate, which was available to her in the year 2016. The claim of compensation has to be decided in reasonable manner, keeping in mind the advance principal amount paid by the complainant to the Respondents, duration of amount retained by the Respondents as well as proportion of loss to the complainant and benefit to the Respondents. Hence, I think, Rs.3,50,000/- may be appropriate amount for compensation to the complainant for her economical, mental and physical harassment, as the said amount is about 19% of the principal amount Rs.18.00 lacs paid by the complainant to the Respondents. Accordingly, Point No.(ii) is decided in positive in favour of the complainant and against the Respondents.

Point No.(iii):

7. The complainant has visited several times to the office of the Respondents, met with them and their staffs and requested for refund of her paid principal amount, whereon the Respondents and their staffs did not give any attention, which compelled the complainant to file the case. The complainant would have naturally incurred expenses in travelling to the office of the Respondents to meet with them and their staffs in preparation of documents for filing the present complaint case in RERA, Bihar, payment of Court Fee etc. Though the complainant has not brought any document on the record to show the actual

expenses incurred by her in these activities, but I think, in all these processes the complainant would have incurred not less than Rs.20,000/-, which must be paid by the Respondents. Accordingly, Pont No.(iii) is decided in positive in favour of the complainant and against the Respondents.

Therefore, the complaint case of the complainant, Smt. Babita Kumari is allowed on contest with litigation cost of Rs.20,000/- (Rupees twenty thousand only) against the Respondents. The Respondents are directed to refund the principal amount Rs.18.00 lacs along with accrued simple interest @ 9.30% per annum on the said amount since the respective date of payment by the complainant to the Respondents till refund by the Respondents to the complainant. The Respondents are further directed to pay Rs.3,50,000/- (Rupees three lacs fifty thousand only) as compensation to the complainant for her economical, mental and physical harassment. The Respondents are directed to comply the order within 60 (sixty) days, failing which the complainant may get enforced the order through process of the Court.

Sd/-
(Ved Prakash)
Adjudicating Officer
RERA, Bihar, Patna
18-02-2021