

REAL ESTATE REGULATORY AUTHORITY (RERA) IN THE COURT OF ADJUDICATING OFFICER

4TH & 6TH FLOOR, BIHAR STATE BUILDING CONSTRUCTION CORPORATION CAMPUS HOSPITAL ROAD, SHASTRI NAGAR PATNA-800023

S1. Case No. Name and Address of Complainants No. Smt. Shweta Singh, D/o Late Madan Mohan RERA/CC/1379/2020 1. RERA/AO/405/2020 Singh, W/o Sri Amit Kumar Singh, House No.22, Ward No.39, RPS More, Judges Colony, Bailey Road, Danapur Cantt., District-Patna-801503 (Bihar). 2. RERA/CC/1380/2020 Sri Amresh Kumar, S/o Sri Dharam Nath Singh, RERA/AO/406/2020 House No.22, Ward No.39, Bailey Road, Judges Colony, RPS More, Danapur Cantt., District-Patna-801503 (Bihar). 3. RERA/CC/1381/2020 Smt. Ankita Singh, D/o Sri Anil Kumar Singh, RERA/AO/407/2020 W/o Sri Brajesh Kumar, C/o Sri Anil Kumar Singh, R/o A-32, "Jagat Bhawani Apartment", S.P. Sinha Path, East Boring Canal Road, Patna G.P.O., Bihar-800001. 4. RERA/CC/1408/2020 Sri Nagendra Singh, S/o Late Dinesh Singh, R/o RERA/AO/420/2020 Dr. Nagendra Singh, Bhaluka Bazar, Malda, West Bengal-732125.

 RERA/CC/1409/2020
Smt. Kanchan Singh, D/o Late Raghuvansh Narayan Singh, W/o Sri Vijay Kumar Singh, R/o House No.22, Ward No.39, Judges Colony, Behind PDP School, RPS More, Bailey Road, Danapur, Patna, Bihar-801503.

Versus

1. M/s Agrani Homes Real Marketing Pvt. Ltd.

Through it's Director, Sri Alok Kumar

Addresss-1:

House No.15, Ward No.1FA, Near Ruban Hospital, Patliputra Colony, District-Patna, Bihar-800013. <u>Address-2: Corporate Office</u>:

Khan Villa, South West of B.D. Public School, Budha Colony, P.S. Budha Colony, Patna-800001.

2. Sri Alok Kumar, Director, S/o Sri Padum Singh, Yogipur, Chitragrupta Nagar, Near Patrakar Nagar, Lohia Nagar, Kankarbagh, Patna-800020.

 Sri Sanjeev Kumar Shekhar, Authorised Signatory, S/o Sri Mahendra Sah, R/o Flat No.207, "Shashi Place", Nala Road, P.S.-Kadamkuan, District Patna.

.. Respondents

Present:

Sri Ved Prakash Adjudicating Officer

Appearance:

For Complainant - Sri Kishore Kunal, Advocate

For Respondents

- Sri Alok Kumar, Director

<u>O R D E R</u>

- 14-06-2021 In view of the fact that these five complaint cases relate to same project "Agrani Prakriti Vihar" of the Respondents and allegations are of similar nature, so a composite order is being passed in all these cases.
 - 2. These complaint cases are filed by the complainants named above against the Respondent No.1, M/s Agrani Homes Real Marketing Pvt. Ltd. through it's Director, Respondent No.2, Sri Alok Kumar and Authorised Signatory, Respondent No.3, Sri Sanjeev Kumar Shekhar u/s 31 read with Section 71 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as the "Act, 2016")for refund of their advance principal amount along with accrued interest @ 18% per annum thereon and compensation of Rs.5.00 lacs to each for their economical, physical and mental harassment with litigation cost of Rs.1.00 lac to each complainant, consequent to non-delivery of their allotted plots.

3. In nutshell, the common case of the complainants is that the complainants named above were allured by the fancifulness of the sale brochure, specification details, shown lay-out and plans garnished with verbal assurance of the Respondents. Thereafter, the Respondents offered to the complainants on 09-06-2017 to purchase residential plots their project "Agrani Prakriti Vihar" on consideration in of Rs.8,25,000/-. Further case is that the bookings were done as per demand of the Respondents. The Respondent No.2, Sri Alok Kumar put to the complainants under conditions to make full and final payment of total cost Rs.8,25,000/- as early as possible to get the said plots registered in their names and stated that the possession of the said plots shall be handed over to them immediately after execution of Sale Deeds. The complainants keeping in mind the promises and assurances of the Respondents paid total consideration amount within four months from the date of booking of the plots to the Respondents.

The details of the plot number, mode of payment, amounts of consideration paid to the Respondents by the complainants may be seen through the chart as under:-

Sl. No.	Complaint Case No.	Name of Complainant	Plot No.	Mode of Payment	Amount Paid Rs.
1.	RERA/CC/1379/2020 RERA/AO/405/2020	Smt. Shweta Singh	736	NEFT/RTGS Cash Total	7,25,000.00 <u>1,00,000.00</u> 8,25,000.00
2.	RERA/CC/1380/2020 RERA/AO/406/2020	Sri Amresh Kumar	818	NEFT/RTGS Cash Total	7,25,000.00 <u>1,00,000.00</u> 8,25,000.00
3.	RERA/CC/1381/2020 RERA/AO/407/2020	Smt. Ankita Singh	A-01 A-48	NEFT/RTGS Cash Total	8,50,000.00 <u>4,70,000.00</u> 13,20,000.00
4.	RERA/CC/1408/2020 RERA/AO/420/2020	Sri Nagendra Singh	737	NEFT/RTGS Cash Total	3,70,000.00 <u>4,90.000.00</u> 8,60,000.00

5.	RERA/CC/1409/2020 RERA/AO/421/2020	Smt. Singh	Kanchan	771	NEFT/RTGS Cash Total	7,25,000.00 <u>1,00,000.00</u> 8,25,000.00
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4. The Respondents have issued proper money receipts, for each payment made by the complainants. Thereafter, with malafide intention, the Respondents started changing their versions just after taking total consideration amount. Since the Respondents have assured to the complainants to execute Sale Deeds and deliver possession of the plots immediately after final payment of total consideration, hence, the complainants made payment of entire consideration on or before 28-10-2017, but the Respondents on one or other pretext have failed to carry out their assurances and now they are deliberately delaying execution of Sale Deeds and delivery of possession of the aforesaid plots to the complainants. Further case is that after several requests and efforts of the complainants, the Respondents have fraudulently prepared and executed Memorandum of Understanding (M.O.U.) on their own terms and conditions and changed the version and the consideration of total amount. Then, on fear and pressure of the Respondents, except the complainant, Sri Nagendra Singh, all other complainants entered into M.O.U. through it's authorised signatory, Respondent No.3, Sri Sanjeev Kumar Shekhar for the above plots in the project "Agrani Prakriti Vihar" situated at Mauza-Parmanandpur, P.S.-Sonepur, bearing thana no.48-50, survey Thana-Sonpur, District-Saran. The complainant, Sri Nagendra Singh refused to enter into M.O.U. with the Respondents, due to change of terms, conditions, consideration and

requested for cancellation of his booking and demanded refund of his entire paid principal amount from the Respondents to which they refused.

The Respondents have promised to the complainants that they will hand over possession of the concerned plots to the allottees/complainants within a period of 36 months. Now after receipt of the total consideration since 28-10-2017 more than 3 years have Even then, the Respondents are not able to hand over passed. possession of above residential plots, because the land development has not been started by the Respondents. Further case is that the Respondents had a name and reputation in the Real Estate Market and believing the same the complainants have gone ahead to purchase the above plots. However, the reputation of the Respondents has gone down drastically due to incompletion of various projects and the Respondents are sitting over the money of the complainants, without making any progress/development on the aforesaid plots. Now, there is no hope left in the minds of the complainants with regard to the delivery of possession of the plots. The complainants have lost confidence in the Respondents, as development and registration of the plots has not been started as yet. Hence, the complainants have decided to withdraw from the project of the Respondents and they have requested to the Respondents to refund their principal amount along with interest, but in spite of repeated assurances, the Respondents have not refunded the principal amounts along with interest thereon to the complainants.

5.

Hence, being fed up with the behaviour of the Respondents, the complainants have filed the present cases with above reliefs.

- 6. On appearance, the Respondents have filed replies pleading interalia that they are ready to refund the principal amount of each and every complainant on cancellation of allotment of their plots and in alternate they are also ready to execute Sale Deeds and deliver possession of the plots till September, 2021 to them and in light of their assurances, the complaint cases may be disposed of.
- 7 On the basis of the pleadings and submission of the learned lawyer for the complainants and Respondent No.2, Sri Alok Kumar, the following points are formulated to adjudicate the case:-
 - Whether the complainants are entitled for refund of their advanced principal amount along with accrued interest @ 18% per annum thereon against the Respondents?
 - (ii) Whether each complainant is entitled for compensation of Rs.5.00 lacs against the Respondents for his/her economical, physical and mental harassment?
 - (iii) Whether each and every complainant is entitled for litigation cost of Rs.1.00 lac against the Respondents.

Points No.(i)

 Admittedly, on offer of the Respondents, the complainants named above have accepted the proposal for purchase of the plots in the project "Agrani Prakriti Vihar" of the Respondents situated at MauzaParmanandpur, P.S.-Sonepur, District-Saran. Thereafter, the complainants, Smt. Shweta Singh paid altogether Rs.8,25,000/- to the Respondents for purchase of plot no.736 in the above project "Agrani Prakriti Vihar". The complainant, Sri Amresh Kumar also paid Rs.8,25,000/- for purchase of plot no.818 in the above project of the Respondents. The complainant Smt. Ankita Singh paid total Rs.13,20,000/- to the Respondents for purchase of residential plot no.A-01 and A-48 in the above project of the Respondents. The complainant, Sri Nagendra Singh paid total Rs.8,60,000/- for purchase of plot no.737 in the above project of the Respondents. The complainant, Smt. Kanchan Singh paid total Rs.8,25,000/- to the Respondents for purchase of plot no.771 in the above project of the Respondents. Thereafter, four complainants namely; Smt. Shweta Singh, Sri Amresh Kumar, Smt. Ankita Singh and Smt. Kanchan Singh executed Memorandum of Understanding for the sale/purchase of the above plots with the authorised representative Sri Sanjeev Kumar Shekhar of the Respondents. However, the complainant, Sri Nagendra Singh has refused to execute Memorandum of Understanding, as whenever he requested to hand over possession of the plot allotted to him, the Respondents fraudulently changed the terms and conditions as well as the consideration amount with the respect to the plot no.737 allotted to him in the project "Agrani Prakriti Vihar". All the complainants have filed photocopies of money receipts issued by the Authorised Signatory of the Respondents against the above payments of the consideration to the Respondents, which support the payment of above consideration by each and every complainants. The complainants, Smt. Shweta Singh, Sri Amresh Kumar, Smt. Ankita Singh and Smt. Kanchan Singh have also filed photocopies of M.O.U. executed between the parties with respect to the allotted plots by the Respondents to them. These documents support the cases of the complainants against the Respondents.

- 9. The Respondents have promised in the year 2017 that they will hand over possession of the concerned plots to each and every complainant allotted to him/her within 36 months, for which they have received almost total consideration till 20-04-2018. The complainants have stated that after expiry of the aforesaid 36 months, the Respondents are not be able to deliver possession of the residential plots, as development of the plots/project has not started as yet. The complainants have stated that no hope is left in their mind with regard to handing over of the possession of the allotted plots by the Respondents to them. Therefore, the complainants have demanded cancellation/withdrawal of allotment of plots from the project "Agrani Prakriti Vihar" of the Respondents and refund of their principal amounts along with interest thereon, as they have lost confidence in the Respondents.
- 10. The Respondents in a step to develop the project, have applied through their application No.RERA P 2811201700051-8 for registration of their project "Agrani Prakriti Vihar" in RERA, Bihar. But, on scrutiny by the officials of RERA, Bihar altogether 5 defects have been found and

the respondents were directed vide letter No.RERA/PRO.REG-410/2018/636 dated 05-11-2020 to remove these defects within 15 days. But, till date they have failed to remove these defects. It appears that neither the Respondents have provided properly approved Map of the project nor mutation order, rent receipt etc. in the Court, which shows that the Respondents are reluctant about the development of the project and delivery of possession of the concerned plots to the allottees/complainants. The Respondents in their reply have stated that they are ready to refund the principal amount of the complainants till September, 2021 or alternatively they are also ready to execute registered Sale Deed and deliver possession of the allotted plots to the complainants within the period fixed by this Court.

11. From the above facts and circumstances, it is clear that the Respondents are presently unable to complete the project "Agrani Prakriti Vihar" within the required time of the complainants. Hence, it is reasonable for them to make request to the Respondents to cancel their allotment of plots and refund their principal amount, as they cannot be asked to wait indefinite period for delivery of possession of concerned plots, which also find support from the ruling of the Hon'ble Supreme Court of India in Fortune Infrastructure and Others Vs. Trevor D. Lima and Others (2018) 5 SCC 422. Accordingly, the complainants are entitled for refund of their principal amounts stated above from the Respondents without delay and deduction.

12. The complainants have claimed interest @ 18% per annum on the principal amount paid to the Respondents. But, the Respondent No.2, Sri Alok Kumar submitted that the Respondents are also making/developing other projects and interest @ 18% per annum is much high. Hence, the same may be minimised. On going through the record as well as submissions of the parties, it appears that the Respondents are also running present along with other projects, in which the interest of other buyers is involved and naturally levying of higher rate of interest will adversely affect the development/construction business of the Respondents as well as interest of other buyers. In such view of the matter and circumstances of the cases, it appears that prevailing bank interest agreed between the parties may be appropriate to be levied against the Respondents. As per rule 17, 18 of the Real Estate (Regulation and Development) Rules, 2017, the Respondents have to pay simple interest 2% above the M.C.L.R. of S.B.I. Presently, the M.C.L.R. of S.B.I. is 7.30% per annum for a loan of more than 3 years and if 2% is added, the interest rate will come 9.30% per annum. Hence, the Respondents have to refund the principal amount to each and every complainant paid by him/her to the Respondents along with accrued simple interest @ 9.30% per annum on said principal amount from the date of payment of the respective complainant respective amount by to the

Respondents till refund of said amount by the Respondents to the complainants. Accordingly, Point No.(i) is decided in positive in favour of the complainants and against the Respondents.

Pont No.(ii):

13. Each complainant has also claimed compensation of Rs.5.00 lacs for his/her mental, economical and physical harassment. As per Section 72 of the Act, 2016, the Respondents have been benefitted with advanced principal amount paid by the complainants, which is approximately more than Rs.46,55,000/and still the said amount is lying with the Respondents and they are using the same in their business. Presently, the Respondents are neither making delivery of possession of the plots nor refunding the advanced principal amount to the complainants. It is also necessary to be mentioned here that now a plot of same area will not be available to each and every complainant in the same locality at the same price, which was available to him/her in the year 2017. Hence, naturally the price of the plots would have been much higher. Most of the complainants have paid approximately Rs.8,25,000/- including Service Tax to the Respondents, which is 100% of the total consideration. The Respondents are running their present as well as other projects and improving their business. In addition, in spite of repeated assurances in the Court, the Respondents have not refunded the

advanced principal amounts to the complainants. Further, the claim of compensation has to be decided in a reasonable manner, keeping in mind the quantum of advance principal amount paid by the complainants to the Respondents, duration of amount retained by the Respondents as well as proportion of loss to the complainants and benefit to the Respondents. So taking all situations into consideration, I think, except complainant, Smt. Ankita Singh, the Respondents have to pay each of the complainants namely, Smt. Shweta Singh, Sri Amresh Kumar, Sri Nagendra Singh and Smt. Kanchan Singh Rs.1,52,000/-, which is about 18% of the advanced principal amount Rs.8,25,000/- as compensation for his/her economical, physical and mental harassment. The complainant, Smt. Ankita Singh has to be paid Rs.2,45,000/- by the Respondents, which is also about 18% of the principal amount Rs.13,20,000/- paid by her to the Respondents, as compensation for her economical, physical and mental harassment. Accordingly, Point No.(ii) is decided in positive in favour of the complainants and against the Respondents.

Point No.(iii):

14. The complainants have visited repeatedly to the office of the Respondents and contacted with them as well as their staffs for refund of their advanced principal amounts, but neither the Respondents nor their staffs have given any heed to their requests till filing of the present complaint cases. I think, the complainants would have incurred expenses in visiting to the office of the Respondents, conveyance to the A.O. Court of RERA, Bihar, remittance of Court Fee, engaging lawyer etc. Though the complainants have not brought any evidence on the record for the actual expenditure incurred by them in the above activities, but I think, each complainant would not have incurred more than Rs.15,000/-, which must be paid by the Respondents. Accordingly, I find and hold that each and every complainant is entitled for litigation cost of Rs.15,000/- against the Respondents. Hence, Point No.(iii) is decided in positive in favour of the complainants and against the Respondents.

Therefore, all the 5 complainant cases of the complainants named above are allowed on contest with litigation cost of Rs.15,000/- (Rupees fifteen thousand only) to each and every complainant against the Respondents. The Respondents are directed to refund the respective advanced principal amounts to each complainant along with accrued simple interest @ 9.30% per annum thereon since the respective date of payment of amounts by the complainants to the Respondents till actual date of refund of respective amounts by the Respondents to each and every complainant. The Respondents are further directed to pay compensation of Rs.1,52,000/- (Rupees one lac fifty two thousand only) to each of the complainants namely; Smt. Shweta Singh, Sri Ameresh Kumar, Sri Nagendra Singh and Smt. Kanchan Singh for his/her economical. physical and mental harassment. The Respondents are further directed to pay Rs.2,45,000/- to the complainant, Smt. Ankita Singh for her economical, physical and mental harassment. The Respondents are further directed to comply the order within 60 (sixty) days, failing which the complainants are entitled to get enforced the order through process of the Court.

> (Ved Prakash) Adjudicating Officer RERA, Bihar, Patna 14-06-2021