

REAL ESTATE REGULATORY AUTHORITY (RERA), BIHAR

Before the Single Bench of Mr. Naveen Verma, Chairman

Case No. CC/1160/2021

Mohammad Asad **Complainant**

Vs.

M/s Pan Homes India Pvt. Ltd. **Respondent**

Project: Pan Alpha City

ORDER

13.05.2022

This matter was last heard on 20.04.2022.

The fact of the case is that the complainant had booked a duplex in the project Pan Alpha City by making total payment of Rs.14,50,000/- in 2018. He further submitted that the respondent company has failed to register its project with the Authority and construction of the project was not started by the respondent. Hence, the complainant has filed this case seeking relief of refund of his deposited money along with interest.

The complainant has placed on record a copy of Booking Form dated 24.04.2018, copy of receipt no: 0005 & 0152, copy of cheque no.200122 of Rs.7,50,000, copy of bank statement of Md. Asad, copy of project site map plan and copy Email conversations.

On perusal of record it is noted that respondent company has not filed any reply.

On hearing dated 14.02.2022 the M.D. of the respondent company admitted the payment made by the complainant and further submitted that though the map of the

project was approved but the area came under conversation zone due to which work of the project has not started. He further submitted that they have refunded Rs.1,00,000 to the complainant and remaining amount will be refunded within 4 months.

On last date of hearing the complainant submitted that although the respondent company has since refunded the booking amount, he prayed for interest of paid consideration amount and compensation.

The promoter refuted this assertion stating that the map could not be approved and the entire amount has been refunded.

It is apparent from the record that notwithstanding the fact that the project was not registered, the promoter went ahead with new bookings in 2018. This is a blatant violation of Section 3 of the Real Estate (Regulation and Development) Act, 2016. Suo motu proceedings may be initiated against the respondent under section 59 of the Real Estate (Regulation and Development) Act, 2016.

The Bench takes note of the fact that the promoter has refunded the entire principal amount during the proceedings. However the fact remains that the promoter did not refund the amount taken from the allottee as soon as he came to know that the map cannot be approved. Hence interest becomes payable by the promoter to the allottee.

Having heard the submissions of both the parties the Bench hereby directs the respondent company and their Director to refund the interest on principal amount taken from the complainant calculated at the rate of marginal cost of fund based lending rates (MCLR) of State Bank of India as applicable for three year from the date of taking the booking till the date of refund within sixty days of issue of this order.

The complainant is at liberty to approach the Adjudicating officer under relevant sections of the Act for

their claims, which are in the nature of compensation from the respondent company.

With these directions and observations, the matter is disposed of.

Sd/-

Naveen Verma

(Chairman)