## REAL ESTATE REGULATORY AUTHORITY (RERA), BIHAR

## Before the Bench of Mr. Afzal Amanullah Chairman & Mr R.B.Sinha, Member

## 12.03.2021 PROCEEDING

The proceedings were held through online video conferencing mode. Most of the complainants have joined online. The Respondent company is represented by Mr. Alok Kumar, Director of the Company and Mr Sanjay Singh, Advocate.

This proceeding is regarding construction and handing over of flats in Block-D and Block-J of IOB Nagar and Agrani Ashoka.

At the Outset, the Bench recalled the hearing held on the last date (23.02.2021) and stated that at the instance of the Learned Counsel of the Respondent Company, the Bench had given a short adjournment of two weeks to enable him to come out with a comprehensive substantive report regarding completion of construction and handing over of flats in Block-D and Block-J of IOB Nagar and Agrani Ashoka. The Bench informed that the Respondent company has submitted a petition barely an hour ago. Though there wasn't sufficient time to go through the 17 pages report, hard copy of which was submitted half an hour ago, a quick cursory look at the report indicates that the Respondent company has given only sketchy report in respect of Block-D and Block-J of IOB Nagar and Agrani Ashoka. The Company has devoted much larger attention to the construction work of other Blocks viz Block E, G, H, I etc for which this case doesn't pertain. The Bench also didn't have any information regarding the payment of cost by the Respondent Company to the complainants.

Mr Sanjay Singh, Learned Counsel of Respondent Company stated that the Respondent company hasn't yet received the report of the Monitoring Committee, constituted by the Bench earlier, to which Mr Sumit Kumar, advocate of the Authority informed that the report of the Monitoring committee was emailed to Mr Alok kumar, MD of the respondent company a week earlier i.e. on 5<sup>th</sup> March 2021. Learned counsel further claimed that allottees of Agrani Ashoka have not yet formed a society /association of allottees with standard bye-laws/articles/memorandum. He further claimed that the respondent company has submitted a comprehensive package and requested the Bench to go through it in next 2-3 days so that a meaningful discussion could take place and the Bench is able to issue a reasoned order on the subject. As regards the payment of cost, Learned Counsel stated that the cost levied was very high for the concessions given and requested the Bench to lower the amount of cost. Alternatively, the Respondent would go in for appeal.

The complainants contested the claim of the Respondent Company and stated that there was very little or negligible progress in the construction work in J Block in last five months since approval of the extension of the Project was granted on 9th October 2020. They claimed that no work was going on since early January'21 and there was no likelihood of the project getting completed by July'2021. They claimed that the promoter was adopting delaying tactics by changing their stand/views frequently. They claimed that five lawyers have been changed in the last six months and requested the Bench not to accept the request of the Learned counsel. The Bench noted that the entire internal (Plaster work on 4 floors, doors/windows, wiring, plumbing, flooring, kitchen/bathrooms tiling etc) and external finishing work (external plaster work, access to road, boundary wall, putty, painting, transformer/DG set etc) remains to be done, which is not likely to be completed in next six months. They claimed that the promoter was intentionally delaying the project and needs to be severely penalized because he was not fulfilling his obligations under the Act.

A complainant of D block stated that apartments in D Block are habitable now, though Sewerage pipeline has not been connected to main line and a host of minor issues remain. He requested that possession of the apartments may be handed over to allottees for internal fit-out work, as a special case pending receipt of OC/CC from the competent Authority. Another Complainant from Agrani Ashoka raised the issue of completion of the project and resolution of pending issues like installation of lift, completion of boundary wall, allocation of parking spaces etc.

The Chairman stated that Bench had approved, on specific request of the MD of the Respondent company Mr Alok Kumar, extension of the D block upto 30<sup>th</sup> October 2020, J Block upto July 2021 and Agrani Ashoka upto 30<sup>th</sup> April 2021 in its hearing on 9<sup>th</sup> October 2020. At the time of approval, the MD Mr Alok Kumar had assured the Bench that they have arranged the financial resources for completion of all three projects. He stated that there was no caveat at the time of approval of these proposals that the projects would be completed only when the remaining funds would be released by the allottees/complainants. The Chairman felt that the issue was sorted out in October 2020 itself that these projects would be completed by the Respondent company through their own resources. He further stated that it was the responsibility of the Respondent company to serve copies of their petitions/affidavits/plans to other appellants and the Authority has no role to play in it.

The Bench also expressed its anguish that though the D Block was required to be completed by 30<sup>th</sup> October 2021, the promoter has not been able to submit its request for issue of CC/OC to the Nagar Parishad till date. The Authority once again directed the Respondent Company to sort out its issue with the certified Architect and obtain the CC/OC of the D Block expeditiously. The Bench made it clear that time is of essence in a real estate project and any delay in construction work increases the cost of the flats for the allottees on account of EMI and payment of house rent. The Respondent will have to bear atleast partially, increased interest cost paid by the allottees. At the same time, all allottees should also be prepared to pay their installments at the time of taking over the possession and registration of their sale deeds.

The Bench also requested the Respondent company to submit its plan for completion of Agrani Ashoka by 30<sup>th</sup> April 2021 without the linking the proposal to the constitution of Society/Association of Allottees. The Learned Counsel of the Respondent Company agreed to submit its plan relating to Agrani Ashoka next week.

The Bench heard the complainants and respondent counsel of the Respondent Company. After detailed discussions and hearing all shades of opinions, the Bench orders that

1. All parties /complainants may submit their views on the proposal submitted by the Respondent company by the end of the next week.

- 2. Learned counsel of the Respondent Company shall file his comprehensive plan in respect of Agrani Ashoka by next week to the Authority with copies to all appellants/parties.
- 3. The Respondent Company shall also file their request for CC/OC for D block to the Competent Municipal authorities without any further delay.
- 4. Allottees of Agrani Ashoka will expeditiously form a society /association of allottees and get them registered with standard bye-laws/articles/memorandum.
- 5. All D & J Blocks and Agrani Ashoka complaint cases filed in the Authority should be shifted to the full Bench.

Put up on 23.03.2021 at 3.30 P.M.

Sd/- Sd/-

(R. B. Sinha) Member (**Afzal Amanullah**) Chairman