

REAL ESTATE REGULATORY AUTHORITY, BIHAR

**Before the Bench of Hon'ble Inquiry Commissioner, Mr. Sanjaya Kumar Singh, RERA,
Bihar**

RERA/CC/330/2024

Rita Gupta @ Rita Kumari

.....Complainant

Vs

M/s Sai Ram Developers Pvt.

.....Respondent

Project: Meena Bindeshwar CASA

Present: For Complainant: Mr. Dheeraj Kumar Roy, Advocate

For Respondent: Mr. Vijay Bardhan Pandey, Advocate

ORDER

15.12.2025

1. The matter was last heard on 23.09.2025. After hearing learned counsel for both parties, the order was reserved and is being pronounced today. Mr. Dheeraj Kumar Roy, learned counsel, appeared on behalf of the complainant, and Mr. Vijay Bardhan Pandey, learned counsel, appeared on behalf of the respondent-promoter.
2. The case of the complainant is that she had booked Flat No. 201 in the project titled "*Meena Bindeshwar Casa*" for a total sale consideration of ₹43,00,000/- (Rupees Forty-Three Lakh only) vide Agreement for Sale dated 20.08.2016. Out of the aforesaid consideration amount, the complainant claims to have paid a sum of ₹15,29,891/- to the respondent-promoter.
3. It is further submitted that after the coming into force of the Real Estate (Regulation and Development) Act, 2016, the complainant requested the respondent-promoter to get the said project registered under RERA and assured that upon such registration, she would pay the remaining consideration amount. However, the respondent-promoter informed the complainant that since the project was being constructed on land measuring less than 500 square meters, registration under RERA was not required

4. The complainant further submitted that she subsequently came to know that the provisions of the RERA Act, 2016 were applicable to the project, as it comprised 14 flats. Thereafter, she again requested the respondent-promoter to get the project registered under RERA Bihar. Despite repeated requests, the respondent-promoter failed to comply with the statutory mandate and allegedly started taking evasive excuses.
5. Consequently, the complainant issued a legal notice dated 18.04.2024 to the respondent-promoter. The said notice was replied to on 02.05.2024, wherein the respondent-promoter stated that since the complainant had failed to pay the remaining instalments, her booking stood cancelled. Hence, the present complaint has been filed alleging illegal, arbitrary, and unilateral cancellation of the allotment of Flat No. 201 in the project "*Meena Bindeshwar Casa*" by the respondent-promoter, in gross violation of the provisions of the Real Estate (Regulation and Development) Act, 2016, with a prayer to reinstate her allotment and to direct the respondent-promoter to execute the sale deed pertaining to the said flat. In support of her complaint, the complainant has placed on record the Agreement for Sale, money receipts, and the legal notice.
6. The respondent-promoter appeared after due service of notice and filed a reply on 19.06.2025. The respondent asserted that the complainant, Rita Kumari, booked a flat in the project "*Meena Bindeshwar Casa*" on 18.08.2016 by paying ₹10,000/- as booking amount, followed by ₹10,00,000/- on 20.08.2016 at the time of execution of the Agreement for Sale, out of a total consideration of ₹43,00,000/-. It is contended that despite repeated requests, the complainant failed to make any further payments, resulting in verbal communication of cancellation of the booking. The respondent further submitted that the delay in the project was attributable to such non-payment. According to the respondent, the total confirmed payment made by the complainant was ₹10,10,000/- in August 2016, and an additional payment of ₹1,00,000/- made through RTGS on 21.06.2022—after a lapse of nearly six years—was neither demanded nor accepted as a valid instalment and was allegedly made only to create false evidence of regular payment. The respondent denied the allegation regarding

adjustment of building materials worth ₹4,19,891/- . It was further alleged that the complainant had initiated multiple proceedings before different forums, including lodging an FIR and filing another RERA complaint, indicating malafide intent. The respondent prayed for dismissal of the complaint.

7. The respondent filed Notes of Arguments dated 04.07.2025, reiterating the submissions made in the reply dated 19.06.2025 and contending that the complainant had paid only ₹11,10,000/- as on date and that, after cancellation of allotment, the flat in question was sold to one Ms. Neha Raj.
8. The complainant filed detailed Notes of Arguments dated 04.07.2025, rebutting the respondent's submissions and asserting that she had paid a total amount of ₹15,29,891/- towards booking of the flat. In support thereof, the complainant relied upon money receipts dated 18.08.2016, the Agreement for Sale dated 20.08.2016, RTGS transaction dated 21.09.2022, and copies of the FIR and charge sheet.
9. The respondent filed further Notes of Arguments on 13.10.2025 controverting the complainant's submissions and reiterating that neither any payment of ₹10,00,000/- nor any amount of ₹4,19,891/- alleged towards supply of materials was ever accepted or adjusted. It was further submitted that the complainant failed to make any payment after execution of the Agreement for Sale, leading to cancellation of her allotment, which was verbally communicated. The respondent also contended that the flat was subsequently sold to one Mr. Sunil Roy (now deceased) and that the project consists of only seven flats, all of which have already been sold.
10. The complainant filed additional Notes of Arguments on 09.10.2025 reiterating her earlier submissions.
11. The Bench takes note that a suo motu proceeding bearing S.M. Case No. 638/2024 was initiated against the respondent-promoter in respect of the project in question. An order dated 13.08.2024 was passed imposing a penalty under Section 59(1) of the Act for violation of Section 3, along with a blanket ban on execution of sale deeds for the project “Meena Bindeshwari Casa” of the respondent, M/s Sai Ram Developers Pvt. Ltd. The Authority further notes that

the penalty imposed vide the aforesaid order dated 13.08.2024 has not been paid by the respondent-promoter till date, nor has any document been placed on record in this regard. Accordingly, the Bench directs the Registration Wing of the Authority to initiate further action under Section 59(2) of the RERA Act, 2016 against the said promoter.

12. Perused the Record and submissions of the Parties.
13. The Bench notes that the issue involved in the present case is whether the cancellation of the booking/allotment of Flat No. 201 in the project "*Meena Bindeshwar Casa*", made in favour of the complainant, by the respondent-promoter on the ground of alleged non-payment, was unilateral and whether such cancellation is in accordance with the provisions of Section 11(5) of the Real Estate (Regulation and Development) Act, 2016?
14. Before delving into the facts of the present case, the Bench observes that the primary objective of the Real Estate (Regulation and Development) Act, 2016 is to promote the growth of the real estate sector while simultaneously protecting the interests of homebuyers. Section 11 of the Act casts multiple statutory duties upon the promoter, including the obligation to act in a fair, transparent, and responsible manner. In particular, Section 11(5) mandates that a promoter shall discharge his obligations without indulging in any unfair practice and in a manner that safeguards the rights of the allottee. Cancellation of allotment has serious civil consequences, as it directly affects the valuable rights and legitimate expectations of an allottee. Therefore, such cancellation cannot be effected arbitrarily, unilaterally, or without following due process of law. Any cancellation without sufficient cause, proper notice, and reasonable opportunity to the allottee is contrary to the spirit and scheme of Section 11 of the Act and defeats the very purpose for which the legislation has been enacted.
15. The Bench, taking note of the aforesaid facts and submissions, observes that it is not in dispute that Flat No. 201 was booked in the name of the complainant in the project in question. The Bench further observes that although the project is constructed on land measuring less than 500 square meters, it consists of 14

flats and, therefore, squarely falls within the ambit of a registrable project under Section 3 of the Real Estate (Regulation and Development) Act, 2016.

16. The Bench further observes that with respect to the issue of payments made by the complainant, the respondent-promoter, in its reply dated 19.06.2025, had admittedly acknowledged receipt of an amount of ₹10,10,000/- and also admitted an additional payment of ₹1,00,000/- made through RTGS on 21.06.2022, albeit contending that the said amount was neither demanded nor accepted as a valid instalment. The respondent, however, denied the allegation regarding adjustment of building materials worth ₹4,19,891/- but the complainant's submission with respect to aforesaid is supported by police documents in this regard. Contrarily, in the subsequent Notes of Arguments dated 13.10.2025, the respondent-promoter took a contradictory stand by disputing even the receipt of the amounts earlier admitted. The Bench finds that such inconsistent and self-contradictory pleadings are nothing but an afterthought and appear to be an attempt by the respondent-promoter to justify the impugned cancellation of the complainant's allotment. Such conduct cannot be countenanced and is neither fair nor transparent, being in clear violation of the statutory obligations cast upon the promoter under the Act.
17. The Bench further observes that the respondent's plea regarding non-receipt of an amount of ₹4,19,891/- towards the supply of building materials, and the complainant's submissions supported by police documents in this regard, establish that the said amount was in fact received by the respondent-promoter. Accordingly, this Bench observes that the total amount paid by the complainant to the respondent-promoter is ₹15,29,891/-, towards the booking of the flat in question.
18. The Bench further observes that the respondent-promoter has failed to place on record any documentary evidence to establish that the complainant was afforded any prior notice or reasonable opportunity to respond before cancellation of the allotment. Mere reliance on an alleged oral communication cannot absolve the respondent-promoter from compliance with the statutory mandate under Section 11(5) of the Real Estate (Regulation and Development) Act, 2016. The

cancellation, therefore, appears to have been effected unilaterally and without adherence to the procedural safeguards prescribed under the Act. The Bench is of the considered view that a mere allegation of non-payment, in the absence of issuance of any demand notice, due process, and statutory compliance, cannot justify cancellation of an allotment that affects the valuable rights and legitimate expectations of an allottee. Accordingly, the alleged cancellation is held to be void, unilateral, and not in accordance with Section 11(5) of the Act.

19. The Bench further observes that with regard to the creation of third-party rights over Flat No. 201, the respondent-promoter has merely mentioned the names of alleged purchasers but has failed to place on record any booking form, Agreement for Sale, Sale Deed, or any other document evidencing the creation of such rights in favour of any third party. In the absence of any documentary proof, the respondent's plea in this regard is devoid of merit and is accordingly rejected.
20. In view of the foregoing observations, the Bench hereby directs the respondent-promoter to hand over possession of Flat No. 201 in the project "*Meena Bindeshwar Casa*" to the complainant by completing the project in all respects, in accordance with the Agreement for Sale dated 20.08.2016 by issuing Possession letter within 30 days from the date of this order.
21. The complainant is further directed to pay the due amount of Rs.27,70,109/- to respondent-promoter after 15 days of receipt of possession letter.
22. The respondent-promoter is further directed to pay the penalty amount imposed vide order dated 13.08.2024 passed in S.M. Case No. 638/2024, and to immediately register the project "*Meena Bindeshwari Casa*." Upon compliance with the aforesaid directions, the respondent-promoter shall execute the sale deed in favour of the complainant. Failing compliance, and as observed hereinabove, action under Section 59(2) of the RERA Act, 2016 shall be initiated against the respondent-promoter.
23. The Office is directed to write to the Inspector General of Registration, Bihar, to issue appropriate instructions to the concerned DSRs/Sub-Registrars of Patna to execute the sale deed in favour of the complainant in respect of Flat No. 201 in

the project “*Meena Bindeshwari Casa*,” only upon receipt of proof of payment of the levied penalty amount and registration of the project “Meena Bindeshwari Casa” with the Authority, in accordance with the order dated 13.08.2024 passed in S.M. Case No. 638/2024.

24. The Authority further directs that, notwithstanding compliance with the directions of the Authority regarding payment of the penalty imposed vide order dated 13.08.2024 passed in SM Case No. 638/2024, the restrictions on registration of sale in respect of Flat No. 201 in the project in question shall continue to remain in force. Such restrictions shall be lifted only if the registration is executed by the respondent in favour of the complainant upon receipt of the full due consideration amount, along with interest, if any, in accordance with the provisions of law and the terms and conditions of the Agreement for Sale pertaining to Flat No. 201 of the said project.
25. The Complainant is at liberty to press the claim of compensation in accordance to the provisions of the Act as prayed.

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

Sd/-
(Sanjaya Kumar Singh)
Inquiry Commissioner,
RERA, Bihar

