



REAL ESTATE REGULATORY AUTHORITY, BIHAR

Before the Single Bench of Hon'ble Chairman Mr. Vivek Kumar Singh,
RERA, Bihar.

RERA/Exe. /320/2022

RERA/CC/1313/2020

Mr. Manvendra Prasad ...Complainant/Executant.

Vs

M/s Shree Lok Nath Baba Homes Pvt. Ltd.Respondent

Project: **SARVOYANI CITY**

Present: For Complainant: Uttam Kumar Mishra

For Respondent: Sumit Kumar

ORDER

07/02/2025

1. The instant execution case has been filed for executing the order dated 18.02.2022 (hereinafter referred to as the "order") arising out of Complaint Case no. CC/1313/2020 filed by the complainant namely Manvendra Prasad.
2. The case of the complainant was that the complainant booked a flat in the project namely Sarvoyani City constructed by M/s Shree Lok Nath Baba Homes Pvt. Ltd (hereinafter referred to as "the respondent"). A memorandum of understanding was executed between the complainant and respondent for a flat bearing flat no. A-212 having measurement of 1290 sq ft having total cost of Rs. 15 lakhs with Rs. 2.50 lakhs for amenities.
3. As per the order dated 18.02.2022, the crux of the complainant's case in the original complaint case was that the

complainant's signature was forcefully taken by the Respondent on a pre-typed Non-Judicial Stamp of Rs. 1000 on 23.03.2017 falsely representing the Memorandum of Understanding as the agreement of sale. The order further recorded that the complainant made payment for the said flat on five different occasions making a total payment amounting to Rs. 16.37 lakhs. The order stated that the complainant was ready to pay Rs. 2,50,000/- for the additional area of 172 sq ft in accordance with the terms and conditions of the agreement for sale but the same was subject to the final completion and handing over of the concerned flat to the complainant.

4. The case in hand is one of the rare cases, wherein the order in a Complaint Case was passed with directions to both the parties for final and effective disposal of the case. Thus, the Bench in the said order, while directing the Respondent to complete the pending project and expediting the hand over of possession to the complainant, the complainant was also directed to make the payment to the respondent. The relevant excerpt of the said order is hereinbelow reproduced: -

“The Bench notes that the allottee is ready to pay an amount higher the rate mentioned in the memorandum of understanding for the increased area, which is a fair offer in the given circumstances. The Bench observed that the promoter is unfairly demanding the market rate for an area enhanced by them without taking the consent of the allottees.

The Bench, therefore, directs the respondents to accept the amount of Rs. 2,50,000/- offered by the complainant for the additional area of 172 sq ft, which is over and above the carpet area agreed initially.”

5. It is against the said order that the instant execution case was initiated by the complainant/executant. During the execution

proceedings, it was concluded that neither of the parties had satisfactorily complied with the directions as stipulated in the order dated 18.02.2022. On the contrary, it was unfortunately observed (based on the submissions made by the counsel of the respondent) that they had unilaterally cancelled without the permission or knowledge of the Authority the allotment of disputed flats, by giving complainant a demand notice dated 11.06.2022 .

6. Moreover, making things even worse, the respondent sold the disputed flat during the pendency of the case, which was nothing but a brazen disregard of the order passed in complaint case. It was for the same reason that on 26.09.2024 the Bench directed the director of the respondent company to appear personally for providing explanation for this contemptuous conduct. But the respondent failed to give a satisfactory explanation for such a contemptuous misconduct.
7. It is a settled provision of law that the subject matter of the dispute cannot be alienated during the pendency of the case and cannot be disposed otherwise as directed in the final order. Despite the settled legal position, the respondent acted otherwise in defying the directions of the Authority. Thus, it is evident that the respondent company have willfully disobeyed the orders of the Authority by selling the disputed flat contrary to the directions of the Authority. The same act is contemptuous in nature and gives rise to the liability of the respondent for contempt proceedings as contemplated under Section 2(b) of the Contempt of Court Act, 1971.
8. The Real Estate Regulatory Authority (hereinafter referred to as "RERA") being sub-ordinate to the Hon'ble Patna High Court, functions under it under various provisions as stipulated under RERA Act 2017, which also provides for miscellaneous appeal before the Hon'ble High Court against RERA orders. Thus, the Hon'ble High Court being the custodian of prevention of any

such willful flouting of orders, and being the superior court for the purpose of the proper implementation and effectiveness of the order passed by Authority, has the jurisdiction with respect to the contempt proceedings for such wilful disobedience of RERA orders as per Section 2(b) read with Section 10 of the Contempt of Court Act, 1971.

9. The case is accordingly disposed of, with a direction to the office for initiation of appropriate contempt proceedings as ordained in the Contempt of Court Act, 1971 against the respondent, for wilful disobedience of the Authority's order dated 18.02.2022.

Sd/-
(Vivek Kumar Singh)
Chairman