

REAL ESTATE REGULATORY AUTHORITY, BIHAR

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

RERA/CC/59/2024

Nidhi

.....Complainant

Vs

M/ Iyom India Construction Pvt. Ltd.Respondent

Project:Uma Residency

Present: For Complainant: Mr. Kishore Kunal, Advocate

For Respondent: Mr. Hemant Kumar, Advocate

ORDER

22.12.2025

1. The matter was last heard on 11.11.2025. After hearing learned counsel for both parties, the order was reserved and is being pronounced today. Mr. Kishore Kunal, learned counsel, appeared on behalf of the complainant, and Mr. Hemant Kumar, learned counsel, appeared on behalf of the respondent-promoter.
2. The case of the complainant is that she had booked a flat bearing Flat No. 103, admeasuring 1020 sq. ft. (2 BHK) on the 1st floor, along with one covered car parking, in the project titled "Uma Residency", upon the respondents' assurance that possession would be handed over by November, 2022. Pursuant thereto, an Agreement for Sale dated 26.04.2021 was executed, followed by a registered Agreement for Sale dated 21.01.2023, between the parties.
3. The complainant further stated that she paid a total sum of ₹26,36,000/- towards the booked flat, out of which ₹2,00,000/- was refunded, leaving an amount of ₹24,36,000/- retained by the respondents against a total flat

consideration amount of ₹22,00,000/-. It is further contended that due to inter se disputes among the respondents, the death of the original landowner, and internal conflicts, construction of the project came to a standstill, and possession was not delivered within the stipulated time. She further alleged that despite repeated requests and follow-ups, the respondents failed to hand over possession, thereby violating the provisions of the Real Estate (Regulation and Development) Act, 2016. Hence, the present complaint has been filed under Section 31 of the RERA Act, 2016, seeking directions to the respondents to handover possession of the flat in terms of the Agreements for Sale dated 26.04.2021 and 21.01.2023, along with interest as provided under Section 18 of the Act.

4. In support of her complaint, the complainant has placed on record the Booking Form, the Agreement for Sale, money receipts, Loan Letter and Bail order.
5. The respondent–promoter, upon due service of notice, appeared and filed its reply on 03.06.2025. The respondent raised a preliminary objection as regards the maintainability of the complaint, contending that the complainant was not merely an allottee, but was a partner in the project, pursuant to a Partnership Deed executed between the parties. It was asserted that disputes arising between partners are complex in nature and fall within the jurisdiction of a competent civil court, and therefore are not amenable to adjudication by this Authority.
6. It was further contended that the complainant cancelled the booking on 12.02.2023, shortly after execution of the registered Agreement for Sale dated 21.01.2023, and that subsequent thereto, the respondent sold the said flat to a third party vide Sale Deed No. 9869. On this basis, the respondent submitted that the relief sought by the complainant for delivery of possession is not feasible and has become infructuous. The respondent further submitted that the complainant had requested and received certain installments towards refund, and has also lodged a criminal case, being Rupaspur P.S. Case No. 288/2023, arising out of the same cause of action, which, according to the

respondent, further complicates the dispute. It was alleged that the complainant, who was working as a CEO, has impermissibly mixed transactions relating to the alleged partnership and the flat booking, and has also annexed forged payment receipts, thereby acting in a fraudulent manner.

7. On the aforesaid grounds, the respondent contended that the complaint is groundless, wholly misconceived, and liable to be dismissed. In support of its averments, the respondent placed on record eleven (11) annexures, including payment details at Annexure-11, purporting to show refund of the amounts paid by the complainant.
8. Both parties filed further petitions in support of their respective claims and averments on 10.07.2025.
9. The matter was heard in detail on various consecutive dates. During the course of the hearings, the principal issue that remained for consideration pertains to the payments allegedly made, received, and refunded during the booking of the flat in question and after the cancellation of the booking. On this issue, both the parties advanced their respective pleadings and submissions and placed on record documents in support thereof. On the date of the final hearing held on 11.11.2025, both parties were directed to file their notes of arguments along with supporting documents to enable verification of the veracity of their respective claims.
10. The Complainant filed total two consecutive notes of Argument dated 08-09-2025 and 26-11-2025 and respondent in counter, also placed two notes of Argument dated 09-09-2025 and 10-07-2025.
11. The complainant, in her arguments, stated—while reiterating her earlier stand—that a total amount of ₹26,36,000/- was paid to the respondent towards booking of the flat in question, out of which only ₹2,00,000/- has been refunded by the promoter. In support of her submissions, the complainant placed on record, by way of Annexure-03, payment details and money receipts reflecting the total payment of ₹26,36,000/-.

12. The respondent–promoter, in its arguments, stated—while reiterating its earlier stand—that the complainant has already received a refund of ₹6,92,744/-, and that an amount of ₹14,57,256/- alone remains payable after forfeiture of the booking amount of ₹50,000/-, pursuant to the cancellation made by the complainant. It was further contended that the complainant is not entitled to any interest, as the unit was cancelled by her prior to the maturity period and during the pendency of RERA registration.
13. The respondent further alleged that there exists serious accounting disputes, as the complainant has mixed different transactions and claimed varying amounts across the FIR, the RERA complaint, and the payment receipts. It was alleged that the complainant fraudulently annexed one receipt (MR No. 34) twice, and also annexed forged receipts, namely MR Nos. 61 and 62, allegedly containing alterations in dates and lacking the company seal, thereby indicating fraudulent conduct. The respondent further submitted that the bank has issued a legal notice demanding repayment of the loan amount disbursed to the complainant after the cancellation of the flat.
14. That the respondent–promoter filed a petition dated 28.11.2025 seeking a fresh hearing in Case No. RERA/CC/59/2024, citing significant financial complications arising out of dual and overlapping claims. It has been asserted that while the complainant has already received a portion of the refund amount, the financing bank is simultaneously demanding repayment of the outstanding housing loan in respect of the same unit, thereby placing the respondent in a financially constrained and legally complex situation. The respondent has contended that the claims for the remaining refund amount—one by the complainant and the other by the financing bank towards loan settlement—overlap and expose the respondent to a real risk of double payment and conflicting or contradictory orders, particularly since public money is involved. In view of the above, the respondent has sought a fresh hearing along with appropriate directions to determine the rightful

entitlement of the refund amount and to safeguard the respondent from double liability.

15. Perused the Record and submissions of the Parties.
16. The Bench notes that the issue involved in the present case is about the cancellation of the booking/allotment of Flat No. 103 in the project “*Uma Residency*”, made in favour of the complainant and payments allegedly made, received, and refunded during the booking of the flat in question and post cancellation of the said booking.
17. 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.
18. The Bench, having taken 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 it transpires from the letter dated 19.01.2022, placed on record, that a demand for payment was raised by the respondent in respect of the said flat, and that subsequently, vide letter dated 12.02.2023, the complainant cancelled the booking of the flat in question. The Bench also takes note of the news

reports, legal notices exchanged between the parties, and the FIR placed on record, from which it emerges that the FIR was lodged by the complainant alleging non-payment of the consideration amount of ₹22,00,000/- paid towards the booked flat in question. From the aforesaid fact, it is evident that the flat was cancelled by the complainant, and the principal issue requiring consideration pertains to the dispute regarding payment/refund of the consideration amount. Accordingly, the claim of the complainant insofar as it relates to cancellation of the flat does not amount to a violation of Section 11(5) of the RERA Act, 2016.

19. The Bench further observes that, insofar as the issue relating to the payments allegedly made by the complainant and received by the respondent–promoter is concerned, the complainant has averred that a total amount of ₹26,36,000/-, stated to be in excess of the consideration amount, was paid to the respondent towards booking of the flat, which claim is sought to be substantiated by certain money receipts issued by the respondent–promoter and by account transfer entries. However, upon perusal of the record, it emerges that only an amount of ₹5,60,000/- and Rs. ₹7,25,000/- stands duly substantiated by documentary evidence in the form of bank account transfers, loan document, while the remaining amounts are claimed to have been paid either in cash, through adjustment against sale of a car, for which no cogent documentary proof has been placed on record.

20. On the other hand, the FIR placed on record, which has been lodged by the complainant herself, discloses payment of an amount of ₹22,00,000/- in respect of the flat in question. The respondent–promoter has denied having received the amount of ₹26,36,000/- as alleged by the complainant and has, inter alia, contended that the complainant was a partner in the project firm and that she is mixing and interlinking distinct and independent transactions. The respondent has further asserted that a sum of ₹6,92,744/- has already been refunded to the complainant and that only an amount of ₹14,57,256/- remains, which, according to the respondent, is being claimed by the

financing bank that had granted the loan in respect of the flat in question. In support of this contention, the respondent has placed on record a legal notice issued through the bank's counsel.

21. The Bench observes that the aforesaid rival contentions disclose conflicting versions of facts with respect to the actual amounts paid, adjusted, and refunded. Considering that this Authority exercises powers as a quasi-judicial body and follows a summary procedure, and is therefore not competent to undertake a detailed examination of the authenticity of disputed documents in the manner of a civil court under the Evidence Act, the Bench, in the present circumstances, places reliance on authentic and contemporaneous public documents, namely the FIR dated 16.04.2023 and the bail order dated 16.12.2023. A perusal of the said documents reveals that the complainant herself has asserted a claim of ₹22,00,000/- only, which claim stands duly corroborated by the Booking Application Form and the Agreement for Sales placed on record. Accordingly, the Bench holds that the total consideration amount of the flat in question was ₹22,00,000/-, which constitutes the actual amount legally claimable by the complainant in respect of the booked flat. Any claim in excess thereof, if so advised, may be pursued by the complainant before the appropriate competent forum, in accordance with law.

22. The Bench further observes that it is evident that both parties have placed reliance on documents which are mutually contradictory. Furthermore, the alleged adjustment of payment towards the sale of a car is sought to be substantiated only by an unregistered agreement dated 28.09.2021, executed on ₹100/- non-judicial stamp paper, without any supporting document such as a registration certificate (owner's book) evidencing transfer of ownership. Additionally, Clause 1.4 of the Agreement for Sale specifically stipulates that payments are to be made strictly in accordance with the payment plan set out in Schedule-C, and Section 4(2)(1)(D) of the Real Estate (Regulation and

Development) Act, 2016 mandates that amounts realized for the project be deposited in the designated project account.

23. The aforesaid circumstances clearly indicate serious inconsistencies which can be conclusively adjudicated only through a full-fledged trial and evidentiary examination in accordance with the provisions of the Evidence Act, which lies beyond the scope of summary proceedings before this Authority. However, on the basis of the averments admitted and the documents supported by bank transactions placed on record, the Bench, for the limited purpose of the present proceedings, arrives at the conclusion that out of the established consideration amount of ₹22,00,000/-, the respondent has refunded a total sum of ₹3,28,372 comprising:- (i) ₹2,00,000/-, as admitted by the complainant; (ii) ₹1,28,372/-, as reflected in the FIR dated 16.04.2023 and the bail order dated 16.12.2023, aggregating to ₹3,28,372/-. It is, however, made clear that if either the complainant or the respondent has any claim with respect to the actual amounts paid, adjusted, or refunded, they shall be at liberty to approach the appropriate Civil Court for adjudication of the same, in accordance with law.

24. (a) In view of the foregoing observations, and considering that the respondent-promoter has failed to refund the entire consideration amount despite cancellation of the allotment by the complainant vide letter dated 12.02.2023 in respect of the flat in question, thereby deriving an economic benefit from the said amount till date, and further taking note of the fact that third-party rights have already been created over the said flat, as well as the complainant's prayer for refund as reiterated in the Notes of Arguments dated 26.11.2025, this Bench hereby directs the respondent-promoter and its directors to refund the remaining amount of ₹18,71,628/- (Rupees Eighteen Lakh Seventy-One Thousand Six Hundred Twenty-Eight Only) to the complainant in accordance with the terms of the Agreement for Sale.

(b) Considering the fact that the respondent has enjoyed economic benefit out of the entire amount paid by the complainant and has not refunded the same

after the cancellation made by the complainant, the respondent is hereby directed to refund the entire remaining principal amount as mentioned above along with interest at the rate of the 2% above the Marginal Cost of Funds based Lending Rate (MCLR) of the State Bank of India, as applicable, for a period of three years, calculated from the date of cancellation, i.e. 13.02.2023, till the date of actual refund. The entire amount shall be refunded within sixty (60) days from the date of issuance of this order.

25. The respondent's petition dated 28.11.2025 is hereby rejected, as the same merely reiterates facts already placed on record and fails to disclose any ground warranting a fresh hearing. However, insofar as the issue relating to payment or adjustment of housing loan, rent, interest, or any other amount is concerned, the same being compensatory in nature, the parties are at liberty to agitate such claims before the Adjudicating Officer in accordance with the provisions of the Real Estate (Regulation and Development) Act, 2016.

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

Sd/-

(Sanjaya Kumar Singh)

Inquiry Commissioner,

RERA, Bihar