



## KERALA REAL ESTATE REGULATORY AUTHORITY

THIRUVANANTHAPURAM

**Complaint No.79/2022**

Present: Sri. M.P Mathews, Member

Dated 20<sup>th</sup> February, 2023.

### **Complainant**

Joby Abraham,  
Kalayil House, Cheenkalthadom P.O,  
Mylapra Village, Konni Taluk,  
Pathanamthitta.  
Represented by his Power of Attorney  
Holder, Jollymon Kalayil.

(By Adv.Johny K George)

### **Respondents**

1. M/s.P.T.C Builders,  
PTC Towers,  
S.S Covil Road,Thampanoor,  
Thiruvananthapuram- 695 004.
2. Biju Jacob  
Managing Partner  
Palasseril House, Kottamugal,  
Nalanchira, Thiruvananthapuram.
3. Jacob Mathew,  
Mulakkilethu House,  
Makkamkundu, Santhosh Junction,  
Pathanamthitta P.O

(By Adv.V.Ajakumar)

(By Adv.V.Philip Mathews)



The above Complaint came up for virtual hearing today. Complainant and counsel for the Respondents attended the hearing.

### **ORDER**

1. The Complainant is an allottee of project named 'PTC Western Ghats' located at Pathanamthitta District, developed by the Respondents. The said project is registered with the Authority under section 3 of the Act, (Registration No. K-RERA/PRJ/011/2021).

2. Based on the advertisement given by the Respondents, the Complainant had booked an apartment No.9Q in the 9<sup>th</sup> floor having super built up area of 1526 sq.ft. along with a car park marked as 9Q. Believing the promises of the Respondents, the Complainant had entered into an agreement with the 1<sup>st</sup> Respondents for the purchase of the said apartment for a total consideration of Rs.56,96,787/-. The builder assured to the Complainant that they will complete the construction of the building complex on or before July 2015 with a grace period of 6 months. The Respondents also assured the construction of parking place, play ground, Auditorium, swimming pool, Garden, Jogging track and other facilities before the said stipulated period. But the Respondents evaded from their assurance. Even though the Respondents have received an amount of Rs.22,21,700/- from the



Complainant till 13/10/2015, they could not finish the construction of structure of the building.

3. The Complainant further submitted that the Respondents again assured the Complainant that the construction will be completed soon and the same can be handed over to the Complainant. As demanded by the Respondents, the Complainant again effected the payment of Rs.11,83,000/- till 06/12/2017 and thereby the Complainant paid the total sum of Rs.34,05,300/-. Thereafter on enquiry it is revealed that the Respondents obtained the construction permit illegally through producing fabricated documents and deviated from the construction plan submitted for obtaining construction permit and thereby the Occupancy Certificate will not be issued to the project and the Respondents fraudulently obtained money from the Complainant and others. The 3<sup>rd</sup> Respondent filed application for the construction permit showing more extent of property and concealing the real facts and he also executed a so called irrevocable power of attorney in favour of the Respondent No.2. The Respondents obtained the consent of the Complainant for entering in the sale agreement by concealing the true facts and fraudulently obtained an amount of Rs.34,05,300/- from the Complainant deceitfully. The police registered a case against the Respondents under section 420 r/w 34 of IPC on 22/12/2018 vide Pathanamthitta Police station crime No.2947/2018. The Respondents totally failed to honour the



agreement and failed to complete the construction of the apartment and handover the possession of the same to the Complainant and the execution of the agreement becomes totally impossible. Thereby the Complainant constrained to demand back the amount, which he had paid to the Respondents together with interest at the rate of 12%.

4. The reliefs sought by the Complainant is to pass an order allowing the Complainant to realize an amount of Rs.34,05,300/- together with interest at the rate of 12% per annum.

5. The Respondents 1 & 2 have filed written statement stating that the above Complaint is not maintainable either in law or on facts. An allottee like the Complainant, who have deliberately violated his obligations under section 19 of the Act cannot file a complaint for return of the part paid amount towards cost of the construction which was already utilised for the construction based on the promise given by the Complainant. In spite of breach of promise by the Complainant to pay the amount of consideration, the 1<sup>st</sup> Respondent has invested its own funds by availing loans at higher rate of interest and completed the construction and obtained occupancy certificate for the building and requested the Complainant to take possession of the Apartment No.9Q by paying the balance amount with interest. But the Complainants refused to pay the balance amount to the 1<sup>st</sup> Respondent and to take possession of the apartment.



6. The Respondents further submitted that it is admitted by the 3<sup>rd</sup> Respondent that the 1<sup>st</sup> Respondent is the only person permitted to effect construction on his land by collecting money from the intending purchasers and a power of attorney was executed by the 3<sup>rd</sup> Respondent in favour of the 2<sup>nd</sup> Respondent in that regard. True copies of joint venture agreement and power of attorney are produced. It is the bounden duty of the 3<sup>rd</sup> Respondent to answer the claims of the allottees, and also the claims of the Respondents 1 & 2 for the breach of terms of joint venture agreement. The above Complaint is filed in active collusion with the 3<sup>rd</sup> Respondent to purposefully harass the Respondents 1 & 2 and to make unjust enrichment in this regard and evade payments due to the 1<sup>st</sup> Respondent.

7. It was further submitted that the agreement clearly stipulates that the obligations of the allottee to make payments in accordance with the progress of construction as agreed in the schedule of the agreement. Admittedly the promise on the part of the allottee to make the payment as agreed and commitment on the part of the promoters to effect construction are reciprocal promises in respect of the same matter and the obligation on the part of the allottee to make the payment is the one first to be performed. If the allottee fails to make payments as agreed, the promoters are not bound to perform the reciprocal promise of construction as stipulated in Section 51 of the Indian Contract Act and under section



19 of the Act, 2016. So unless it is proved that the Complainant / allottee has performed his obligation of periodical payments, he cannot claim the possession of the apartment, interest for delay or any compensation. It is true that the Complainant had entered into an agreement with the 1<sup>st</sup> Respondent for purchase of Apartment No.9Q in the project vide agreement dated 03/08/2013. In addition to the cost of Rs.56,96,787/- the allottee is liable to pay VAT, Service Tax (Now GST), Cess etc. and has to meet stamp duty, registration charges, property tax and other taxes and also the connection charges. There were unforeseen circumstances in the construction which delayed the construction. There was substantial delay in getting permit for blasting rock under control circumstances and to transport the same under permit. Only thereafter the foundation work could be started.

8. It was further submitted that inspite of non payment of the agreed consideration on the part of the Complaint, the Respondents 1 & 2 have completed the construction and obtained occupancy for the building through the 3<sup>rd</sup> Respondent after a long battle. All promised amenities are provided in the apartment complex and the construction of the apartment No.9Q is also completed. Various expert commissioners as well as the statutory Corporation has certified the completion of construction of the apartments and the completion of common amenities. Only if the construction are complete the Municipality will issue the



Occupancy and the same was issued on 30/07/2020 by the Pathanamthitta Municipality.

9. The Respondents further submitted that though several demands for payment were made to the Complainant, he has not turned up to pay the balance payments due to the 1<sup>st</sup> Respondent. Hence the Complainant is liable to pay the balance amount along with interest for delayed payments and is bound to take possession of the apartment as the 1<sup>st</sup> Respondent has fully performed the obligations on its part even though the Complainant had committed total breach of the terms of the agreement and thereby the Respondents 1 & 2 were put to heavy loss. The 1<sup>st</sup> Respondent had filed separate Complaint against the Complainant and the 3<sup>rd</sup> Respondent to realize the balance amount and the interest for the delayed payments of instalments and balance consideration vide Complaint No.149/2021 and the same is pending before the Authority. As on 31/05/2021 the Complainant has to pay an amount of Rs.51,03,466/- towards balance of contract value and the interest for delayed payments and Rs.6,85,274/- towards connection charges. On getting occupancy, notice dated 24/08/2020 was issued to the Complainant demanding payments. No fabricate documents were produced for obtaining the permit. A false Complaint was filed by the Power of attorney holder of the Complainant as Crime No.2947/2018 under section 420 r/w section 34 of IPC. The 2<sup>nd</sup> Respondent obtained anticipatory bail in the above crime and it is



ruled by the Hon'ble Sessions Judge Pathanamthitta that no cheating was done by the Respondents. It is also learned that the said case was referred as false by the Police.

10. The Respondents further submitted that the Complainant has fully betrayed and cheated the Respondents 1 & 2 in collusion with 3<sup>rd</sup> Respondent who is constantly in war with the Respondents 1 & 2 since 2016 to make unjust enrichment on their part. Even the interim compromise award was violated by the 3<sup>rd</sup> Respondent and hence the Hon'ble Arbitral Tribunal has passed the final award in the dispute in between the 1<sup>st</sup> and the 3<sup>rd</sup> Respondents allowing partition and the interim award has become redundant. The Respondents have not violated any of the provisions of the Act, 2016. After completion of construction and obtaining occupancy the Complainant has no right to demand for cancelling the allotment and demand refund or interest as the contract on the part of the 1<sup>st</sup> Respondent was fully performed. Copies of building permit dated 29/08/2013, joint venture agreement dated 10/09/2013, General power of attorney, copy of completion certificate filed by the 3<sup>rd</sup> Respondent along with the Architect reporting completion of construction, copy of Occupancy Certificate, copy of notice dated 24/08/2020 issued to the Complainant demanding payments, copy of land owner's agreement dated 09/05/2013, copy of general power of Attorney dated 10/05/2013, copy of interim award dated 25/11/2019, completion certificate and affidavit filed by the 3<sup>rd</sup>



Respondent for issue of occupancy dated 27/07/2017 and 20/03/2020, true copy of memo filed by the 1<sup>st</sup> Respondent before the Arbitral Tribunal to direct the Respondent No.3 to register 14 sale deeds dated 27/01/2021 are the documents produced from the part of the Respondents 1 & 2.

11. The 3<sup>rd</sup> Respondent / Land owner has filed written statement and denied all the allegations in the Complaint and submitted that the 3<sup>rd</sup> Respondent is an unnecessary party in the proceedings. There is no agreement or transaction between the Complainant and the 3<sup>rd</sup> Respondent. The 3<sup>rd</sup> Respondent is the owner of the land where the PTC Builders have constructed the apartments mentioned in the Complaint. The 3<sup>rd</sup> Respondent is no way liable for the transactions which were only between the Complainant and the Respondents 1 & 2. The 3<sup>rd</sup> Respondent has not collected or received any amounts from the Complainant. The 3<sup>rd</sup> Respondent has not signed the agreement for sale and construction dated 03/08/2013. That agreement refers to building permit No.BA111/13-14 dated 13/05/2013. The buildings / apartments now available in the property owned by me is constructed based on building Permit No.BA 199/13-14 dated 29/08/2013 obtained from Pathanamthitta Municipality. No document is produced by the Complainant justifying his claim over the building / apartments constructed based on building permit No.199/13-14.



12. The 3<sup>rd</sup> Respondent further submitted that the application for assessment of building tax and form for completion certificate produced by the Respondents 1 & 2 are forged documents. The 3<sup>rd</sup> Respondent has not signed those documents. The markings / inscriptions projected as signatures of 3<sup>rd</sup> Respondent are forged by second Respondent. The 2<sup>nd</sup> Respondent has himself produced application for assessment of building tax and form for completion certificate before the Tribunal for Local Self Government Institutions along with Appeal No.620/2018. Copies of the said documents are produced. The signature in those documents were different from the signatures now shown. Those documents were signed by the 2<sup>nd</sup> Respondent.

13. It was further submitted that the Occupancy Certificate was issued based on the application signed by the 3<sup>rd</sup> Respondent as directed by the Arbitrator appointed in AR No.67/18. Even though occupancy certificate was issued entire works in the project as agreed have not been fully completed. There is flooding of water in car parking area. There are cracks and leaks in the building. Works in the common areas have not been fully completed. Building tax and other taxes for the building have not been paid. The Authority has issued order dated 08/03/2022 in Complaint Nos.21/2021, 23/2021 & 273/2021 directing "*the Respondents 1 & 2 to complete the works of the project along with all the amenities and facilities as offered to the Complainants and*



*handover it to them, as per the terms of the agreements, on or before 31/05/2022 without fail*". The said direction has not been done. The 3<sup>rd</sup> Respondent has no objection in executing the sale deeds in favour of allottees on completion of all works and payment of all taxes.

14. The 3<sup>rd</sup> Respondent has filed additional written statement and submitted that as per the agreement for sale and construction the Respondents 1 & 2 formulated a scheme for development of the property, at their expense and they obtained a permit from the Pathanamthitta Municipality bearing No.BA111/13-14 dated 13/05/2013, they prepared and released brochure about their project and offered to sell the built up portions. It is clear from the agreement that there is no transaction between the Complainant and 3<sup>rd</sup> Respondent and that there is no clause or provision in the agreement making the 3<sup>rd</sup> Respondent liable in any manner. The Respondents 1 & 2 have produced land owners agreement dated 10/09/2013. As per the said agreement the Builder agreed to make constructions and deliver to 3<sup>rd</sup> Respondent the built space mentioned in schedule B within 24 months of getting sanction or possession whichever ever is later. The 3<sup>rd</sup> Respondent is also an allottee as per the agreement. He has to execute the sale deeds at the request of the builder. The builder agrees to pay all liabilities of various taxes as per clause 18. The Respondents 1 & 2 have produced an arbitration award. The arbitration proceedings were over on 25/11/2019.



15. The 3<sup>rd</sup> Respondent further submitted that during the year 2013 the 2<sup>nd</sup> Respondent had approached the 3<sup>rd</sup> Respondent and requested him to permit him to construct residential apartments in 41 cents of land of the 3<sup>rd</sup> Respondent. He offered to allot 20% space of the total constructed area to 3<sup>rd</sup> Respondent. After discussions respondents 1 & 2 requested the 3<sup>rd</sup> Respondent to permit them to make constructions in 57 cents instead of 41 cents. They offered to pay Rs.30,00,000/- to the 3<sup>rd</sup> Respondent in addition to 20% of constructed area. They also made the 3<sup>rd</sup> Respondent believe that the total constructed area would be 80,000 sq.ft. and 14 apartments were agreed to be given to 3<sup>rd</sup> Respondent. Subsequently 2<sup>nd</sup> Respondent purchased 1 apartment from the 3<sup>rd</sup> Respondent out of the 14 apartments offered and paid Rs.42,63,000/-. The original receipt dated 11/06/2013 regarding the said transaction is also produced. The sum of Rs.30,00,000/- offered was then reduced and total amount to be paid was fixed as Rs.70,00,000/-. Total sum of Rs.27,37,000/- after Rs.42,63,000/- was agreed to be paid on or before 09/06/2014. The possession of the land was handed over on 10/05/2013 to the Respondents 1 & 2. The Respondents 1 & 2 did not completed the constructions within 24 months as agreed. Balance payment of Rs.27,37,000/- due to the 3<sup>rd</sup> Respondent was also not paid before 09/06/2014. Therefore the 3<sup>rd</sup> Respondent initiated steps for appointment of arbitrator. During the course of arbitration the time for completion was extended up to 31/12/2017 as requested by the Respondents 1 & 2. Copy of order dated

23/10/2017 passed by the Arbitrator in Arbitration Request No.39/15 is also produced. The Respondents 1 & 2 did not complete the construction of apartments before 31/12/2017 as agreed in the arbitration proceedings.

16. It was further submitted that the Respondents 1 & 2 attempted to get the Occupancy Certificate from Pathanamthitta Municipality without completing the constructions. Hence application submitted was rejected. Copy of communication dated 07/11/2017 from the Municipal Secretary, Pathanamthitta stating that the application for occupancy certificate cannot be considered is produced. Thereafter the Municipal Secretary by notice / order dated 13/06/2018 directed that no one should be permitted to occupy the apartment without occupancy certificate. Copy of the said order is also produced. The Municipal Secretary vide communication dated 23/08/2018 informed the builder and 3<sup>rd</sup> Respondent that the Occupancy cannot be issued considering the difference between site plan for which permit was given and site plan produced with completion plan. The second Respondent has filed appeal Nos.620/18 & 754/18 before the Tribunal for Local Self Government Institutions, Thiruvananthapuram challenging the orders rejecting Occupancy Certificate. The building permit was valid till 26/08/2016. Before its expiry the 2<sup>nd</sup> Respondent submitted application dated 28/07/2016 by forging the signature of third Respondent for renewal of permit. The Municipal Authorities

detected the forgery and issued communication dated 26/10/2016 stating that signature in the application for renewal of permit is different from the signature in other documents submitted by the 3<sup>rd</sup> Respondent. Later on 23/02/2017 the Respondents 1 & 2 issued a letter to the third Respondent admitting the forgery.

17. In this connection the 3<sup>rd</sup> Respondent further submitted that as construction was not over by June 2018, the 3<sup>rd</sup> Respondent filed AR.No.67/18 before the Hon'ble High Court of Kerala for appointment of Arbitrator. A retired judge was appointed as Arbitrator and during the course the disputes were settled as Respondents 1 & 2 / builder promised to complete the construction on or before 31/12/2019 providing all common amenities. A written settlement was signed on 27/10/2019. Arbitration proceedings terminated as per section 30(2) of the Arbitration & Conciliation Act, 1996. There was no correction, interpretation or additional award within the time prescribed in section 33 of the Arbitration Act. The time limit fixed under section 29A (3) of the Arbitration Act expired in November 2020. The Respondents 1 & 2 did not complete the works before 31/12/2019. There is no water connection from KWA till now as he has not made necessary payments. There is leakage in several parts of the building. Parking areas are filled with water during rains due to poor quality and defective constructions. There is no provision for civic infrastructure such as water and sanitation in the building. So 3<sup>rd</sup>



Respondent did not sign the application for occupancy certificate to ensure that builder completes the work and make the building habitable.

18. The 3<sup>rd</sup> Respondent further submitted that the Respondents 1 & 2 filed application before the Arbitrator in March 2020 praying to direct the 3<sup>rd</sup> Respondent to sign and submit application for occupancy Certificate. The 3<sup>rd</sup> Respondent has filed objection before the Arbitrator. Later the Arbitrator passed an order to sign the application on 19/03/2020 and the 3<sup>rd</sup> Respondent was forced to reluctantly sign the application for occupancy certificate. The third Respondent is also an allottee. He has been offered 13 apartments. The Respondents 1 & 2 are not permitting the 3<sup>rd</sup> Respondent to enter into the apartments to prevent detection of irregularities committed by him. They have locked the gate.

19. The Authority heard the learned counsel for both the parties and gave careful consideration to the submissions, and perused the material documents available on record. The documents produced from the part of the Complainant is marked as Exbt.A1 to A3. The documents produced from the part of the Respondents are marked as Exbt.B1 to B25.

20. Exbt.A1 is the copy of agreement for sale and construction execution between the 1<sup>st</sup> Respondent represented by the 2<sup>nd</sup> Respondent and the Complainant. As per the said agreement



the 1<sup>st</sup> Respondent /builder agreed to sell the Flat No.9Q in the project 'PTC Western Ghats', having super built up area of 1526 sq. ft, situated in the 9<sup>th</sup> floor and a car parking marked as 9Q along with 1.65 of undivided interest in the A schedule property for a total consideration of Rs.56,96,787/-. It was also stated in the agreement that the Respondents / Builder will complete the Construction on or before JULY 2015 with a grace period of 6 months.

21. Exbt.B2 is the copy of Land Owners Agreement dated 10/09/2013 executed between the 1<sup>st</sup> Respondent represented by the 2<sup>nd</sup> Respondent and 3<sup>rd</sup> Respondent. It was stated in the agreement that the Builder / Respondent 1 & 2 have conceived a project for constructing a multi storeyed residential apartment complex on the land owned by the 3<sup>rd</sup> Respondent which is described as A schedule and in accordance with the above agreement the owner applied for and obtained permit from the Pathanamthitta Municipality from the construction of the apartment building with basement Floor, ground floor and 12 upper floors coupled with terrace floor and machine room.

22. Exbt.B3 is the copy of Power of Attorney executed by the 3<sup>rd</sup> Respondent in favour of the 1<sup>st</sup> Respondent represented by the 2<sup>nd</sup> Respondent. As per Exbt.B3, the 3<sup>rd</sup> Respondent has authorised the 1<sup>st</sup> Respondent to enter into agreements, MOU with intending purchasers, to receive / pay money in their names, or in the names of their nominees.



23. The Occupancy Certificate was received on 30/07/2020 and was produced by the 1<sup>st</sup> Respondent / Promoter and is marked as Exbt.B5. It was submitted by the counsel for the Complainant that they had approached the Adjudication officer of the Authority under CCP NO.43/2020 on 22/02/2020 for refund and compensation. As per the order in CCP No.43/2020 dated 22/02/2022 the above application was withdrawn and fresh Complaint was filed before the Authority for refund of the amount paid under section 18 of the Act, 2016. It is evident that the Complainant had expressed his desire to withdraw from the project and under Section 18 of the Act, 2016 even before the receipt of the Occupancy certificate dated 30/07/2020 ie., Exbt.B5. In the Written statement filed by the Respondents they admitted that there were unforeseen circumstances in the construction which delayed the construction. According to the Respondents 1 & 2 there was substantial delay in getting permit for blasting rock and to transport the same under permit, and only after the above work was completed the foundation work commenced.

24. Exbt.A3 is the copy of payment receipts issued by the Respondents. No payments were made to the 3<sup>rd</sup> Respondent and in the application for registration under section 3 of the Act, 2016 submitted by the 1<sup>st</sup> Respondent, the promoter is shown as the 1<sup>st</sup> Respondent and the authorised signatory is the 2<sup>nd</sup> Respondent.



The 1<sup>st</sup> Respondent has not raised any objection on payments made by the Complainant. The details of the payment made to the 1<sup>st</sup> respondents is as follows:-

Payment Schedule

<u>Date</u>	<u>Amount</u>
15/07/2013	Rs.1,00,000.00
21/11/2013	Rs.4,95,000.00
21/11/2013	Rs.5000.00
07/02/2014	Rs.2,54,500.00
06/05/2014	Rs.3,41,800.00
18/12/2014	Rs.3,41,800.00
08/07/2015	Rs.3,41,800.00
13/10/2015	Rs.3,41,800.00
09/11/2017	Rs.3,41,800.00
09/11/2017	Rs.3,41,800.00
06/12/2017	Rs.5,00,000.00
<b>Total</b>	<b>Rs.34,05,300.00</b>

25. The promised date of completion as per the Exbt.A1 agreement was July 2015 with a grace period of 6 months and occupancy certificate for the project was obtained only on 30/07/2020, the Complaint is entitled to withdraw from the project and claim refund of the amount paid with interest as per section 18 of the Act, 2016. Section 18 of the Real Estate (Regulation &



Development) Act 2016 stipulates that "if the promoter fails to complete or is unable to give possession of an apartment, plot or building (a), accordance with the terms of the agreement for sale or duly completed by the date specified therein; or due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason, he shall not be liable on demand to the allottee, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act, Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed". The Section 19(4) of the Act also specifies that "The allottee shall be entitled to claim the refund of amount paid along with interest at such rate as may be prescribed and compensation in the manner as provided under this Act, from the promoter, if the promoter fails to comply or is unable to give possession of the apartment, plot or building, as the case may be, in accordance with the terms of agreement for sale or due to discontinuance of his business as a developer on account of suspension or revocation of his registration under the provisions of this Act or the rules or regulations made thereunder".



26. While discussing the objects and reasons of the Act 2016 Supreme Court in Judgement dated 11/11/2021 M/s Newtech Promoters and Developers Pvt. Ltd Vs State of UP & Others had made a very important observation and the same is reproduced below *“The unqualified right of the allottee to seek refund referred under Section 18(1)(a) and Section 19(4) of the Act is not dependent on any contingencies or stipulations thereof. It appears that the legislature has consciously provided this right of refund on demand as an unconditional absolute right to the allottee. If the Promoter fails to give possession of the apartment plot or building within the time stipulated under the terms of the agreement regardless of unforeseen events or stay orders of the Court/Tribunal, which is in either way not attributable to the allottee/homebuyer, the promoter is under an obligation to refund the amount on demand with interest at the rate prescribed by the State Government including compensation in the manner provided under the Act with the proviso that if the allottee does not wish to withdraw from the project, he shall be entitled for interest for the period of delay till handing over possession at the rate prescribed”*. On the basis of the aforementioned fact and findings, it is found that the Respondent/Promoter has failed to complete and hand over possession of the apartment to the Complainant/allottee as promised and therefore the Complainant/allottee is entitled to withdraw from the project and get refunded the amount paid by him to the

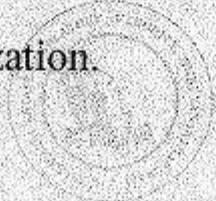


Respondent/Promoter along with interest as provided under the Act, 2016.

27. Hence, the Complainant herein is entitled to get refund of the amount paid by him along with interest according to section 18(1) of the Act, 2016. As per Rule 18 of Kerala Real Estate (Regulation & Development) Rules 2018, the rate of interest payable by the Promoter shall be State Bank of India's Benchmark Prime Lending Rate Plus Two Percent and shall be computed as simple interest. The present SBI PLR rate is 14.15% with effect from 15/12/2022. The Complainant is entitled to get 16.15% simple interest on the amount paid, from the date of payment as detailed above in the payment schedule till the date of refund as per Rule 18 of the Rules 2018, but the Complainant limited his claim to 12% interest. Hence it is found that the Respondent's 1 and 2 are liable to pay Rs.34,05,300/- along with 12 % simple interest from the date of receipt of payment by the Respondents.

28. Based on the above facts and findings, invoking Section 37 of the Act, this Authority hereby issues the following directions :-

1. The Respondents 1& 2 shall refund the amount of **Rs.34,05,300/-** to the Complainant with simple interest @ 12% per annum on the payments made as per the above payment schedule from the date of each payment, till the date of realization.



2. If the Respondents fail to pay the aforesaid sum as directed above within a period of 60 days from the date of receipt of this order, the Complainant is at liberty to recover the aforesaid sum from the Respondent No.1 and its assets & Respondents No.2 and his assets by executing this decree in accordance with the Real Estate (Regulation & Development) Act and Rules.

Sd/-  
Sri M.P Mathews  
Member

/True Copy/Forwarded By/Order

  
Secretary (legal)

## Exhibits

### Exhibits marked from the side of Complainants

Ext.A1- Copy of deed of agreement for sale & Construction.

Ext.A2- Copy of FIR dated 22/12/2018.

Ext.A3-Copy of Payment receipts

### Exhibits marked from the side of Respondents 1 &2

Ext.B1- Copy of building permit dated 29/08/2013

Ext.B2- Copy of Land Owner's Agreement dated 10/09/2013

Ext.B3- Copy of power of Attorney.

Ext.B4- Copy of Completion certificate filed by the 3<sup>rd</sup> Respondent

Along with the Architect reporting completion of construction.

Ext.B5- Copy of Occupancy Certificate dated 30/07/2020.

Ext.B6- Copy of notice dated 24/08/2020 issued to the Complainant demanding payments.

Ext.B7- Copy of land owner's agreement dated 09/05/2013.

Ext.B8- Copy of General Power of Attorney dated 10/05/2013.

Ext.B9- Copy of Arbitration Award dated 25/11/2019.

Ext.B10- Copy of Completion Certificate & Affidavit filed by the 3<sup>rd</sup> Respondent for issue of Occupancy dated 27/07/2017 & 20/03/2020.

Ext.B11- Copy of memo filed by the 1<sup>st</sup> Respondent before the Arbitral Tribunal .

Ext.B12-Copy of objection filed by the Land Owners.

Ext.B13-Copy of Final Award dated 28/07/2021.

**Exhibits marked from the side of 3<sup>rd</sup> Respondent**

Ext.B14- Copy of application for assessment of building tax.

Ext.B15- Copy of Form for Completion Certificate.

Ext.B16- Copy of receipt dated 11/06/2013.

Ext.B17- Copy of Order dated 23/10/2017 passed by the Arbitrator.

Ext.B18- Copy of communication dated 07/11/2017 issued from Municipal Secretary Pathanamthitta.

Ext.B19- Copy of notice dated 13/06/2018 issued from Municipal Secretary Pathanamthitta.

Ext.B20- Copy of communication dated 23/08/2018 issued from Municipal Secretary Pathanamthitta.

Ext.B21- Copy of Application dated 24/04/2018.

Ext.B22- Copy of letter dated 23/02/2017 issued by the Respondents 1 & 2.

Ext.B23- Copy of objection filed by the 3<sup>rd</sup> Respondent before the Arbitrator.

Ext.B24- Copy of certified copy of order sheet in AR.NO.67/2018.

Ext.B25- Copy of Order dated 21/07/2022 in R.P.No.490/2022.