

MOOT PROPOSITION

1. KAZA PORYO is a private limited company incorporated in India as per the national laws and procedures of the country. KAZA PORYO is a wholly owned subsidiary of Zarma groups.
2. KAZA PORYO has earned the status of being one of the most prominent and trustworthy real estate developers of India. Their field of market had expanded in whole country, with billion dollar projects has been initiated and got success to execute the company.
3. The legal status of KAZA PORYO is manifested in the form of Zarma groups. In the year 2018 KAZA PORYO planned to expand their business on big levels. Consequently, they initiated ten mega real estate projects in different parts of the country.
4. As per the rules of real estate industry, the pre investment of the projects was raised from approaching buyers only. The post investment required for the finishing point of the projects has been planned to be taken from the home-buyers at later stages of finishing point of the projects.
5. The consumers have bundle of difficulties due to this act. Often the projects have been deferred and the future buyers are stuck with the project for excessive magnitude of time.
6. Due to this problem, the Indian Government enacted a law, Real Estate (Regulation and Development) Act, 2016 (“RERA”), to defend the interests of the home buyers and make the real estate developers liable for the delays in finishing the projects.
7. The KAZA PORYO project is started and the company is offering possession to the Allottees who had made the pre investment. The company has also executed the conveyance deed in favour of the Allottees and most of the flats were occupied by the Allottees.
8. Mr. Ashok prasad, one of the Allottees, who has booked one flat of approx. value of Rs. one crore. He has opted for instalment payment plan. He has paid pre instalments amount of Rs. 50, 00,000/- (Rs. Fifty Lacs Only), thereafter he has to pay post instalments of Rs. 50, 00,000/- (Rs. Fifty Lacs Only) and Mr. Ashok prasad defaulted in making the post payment of instalments. An agreement to Sale has also been

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executed between the KAZA PORYO and Mr. Ashok prasad detailing the terms and conditions of the agreement. As per the agreement, Mr. Ashok prasad has to make the payment of post instalment in time otherwise the company can impose interest and penal interest on defaulted payment of post instalments. The possession of flat will be delivered within the period of one year from the date of start of construction with the grace period of 3 months due to force majeure.

9. Mr. Ashok prasad has defaulted in making the payment of post instalment then the company had forced interest and penal interest as per agreement while challenging the post instalments. Even after several notice of post instalments raised by the company, Mr. Ashok prasad did not pay the post instalments. Therefore, an amount of post instalments along with interest and penal interest become approx. Rs. 55, 00,000/- (Rs. Fifty Five Lacs Only) i.e. more than the current price of the flat in question, therefore, Mr. Ashok prasad is not attracted to take the possession of flat and only fascinated to take refund of the amount invested by him.
10. The grievances are being redressed in time bound manner before the NCLT forum; therefore, Mr. Ashok prasad had approached before the Hon'ble NCLT and filed a case against KAZA PORYO.
11. The NCLT forum has admitted the application and issue notice to KAZA PORYO. The Corporate Debtor has appeared before the NCLT and filed its reply and taken a preliminary objection including the word Allottees. i.e. Allottees as a Financial Creditor is a violation of Article 14 of Constitution of India.
12. KAZA PORYO has challenged the validity of the Allottees, including Mr. Ashok prasad as Financial Creditor before the Hon'ble Supreme Court of India.
13. The question of law arises before the Hon'ble Supreme Court of India are as follows:
 - Whether the word Allottees is Violative of Article 14 and 19 of Constitution of India?
 - Whether the RERA (Real Estate Regulatory authority) and Consumer Protection Act, are in conflict?
 - Whether the word Allottees is arbitrary which is made in RERA?

NOTE:-

1. All references, actual, deeming, fictional; are fictional.
2. This moot proposition is based on hypothetical situations;
3. Participants are advised to devise a "litigation strategy". The issues can be argued in alternative/without prejudice, which can be divided into sub-issues, and can be added

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to or amended upon. It is permissible to concede issues at the time of oral arguments subject, however, to appropriate explanation readily available on the query of the Bench. However, the written submission must address all the issues.

4. Any citations, without actual para/page references, are to be avoided. Unnecessary citations and *passim* references are to be avoided. In case of oral arguments, a primary reference for all case-laws being referred is **mandatory**.
5. The moot problem is the way it is, with full application of the principle of “*as is, there is...whatever where is*”. No queries or requests for clarifications will be entertained.