

ಕರ್ನಾಟಕರಿಯಲ್ ಎಸ್ಟೇಟ್ ನಿಯಂತ್ರಣ ಪ್ರಾಧಿಕಾರ,

Karnataka Real Estate Regulatory Authority,  
# 1/14, 2nd Floor, Silver Jubilee Block, Unity Building Backside, CSI Compound,  
3rd Cross, Mission Road, Bengaluru-560027

**PROCEEDINGS OF THE AUTHORITY**

**Dated 29<sup>th</sup> APRIL 2022**

**CMP/190725/0003461**

**.....Complainant**

**ARINDAM GUHA,**  
103, Shree Apartment,  
S.P. Verma Road,  
Bengaluru - 570011.

**V/S**

**1. SHRIRAM PROPERTIES PVT. LTD.,**

**.....Respondents**

No. 40/43, 8<sup>th</sup> Main, 4<sup>th</sup> Cross,  
Sadashivanagar,  
Bengaluru - 560080.

**2. KOLA VENKAT RAMA NAIDU,**

No. 13, 4<sup>th</sup> Cross, Gowdara Colony,  
1<sup>st</sup> Main Road, RMV IInd Stage,  
Dolors Colony,  
Bengaluru - 560094.

\*\*\*\*\*

This complaint is filed under Section 31 of the RERA Act, against the project 'Shriram Sameeksha' for the relief of execution of sale deed.

The brief facts of the complaint are as under:-

That the complainant had purchased 4 flats at Shriram Sameeksha, Jahahalli, Bangalore from Respondent No.2 Mr. Kola Venkat Rama Naidu who is the land owner and vendor of the project and Respondent No. 1 Shriram Properties Pvt. Ltd.,. Since the flats were from the landowners share the total sale consideration for Rs. 1 Crore was paid to Respondent No.2 Shri K.V.R.

as/2

as/2

as/2



ಕರ್ನಾಟಕರಿಯಲ್ ಎಸ್ಟೇಟ್ ನಿಯಂತ್ರಣ ಪ್ರಾಧಿಕಾರ,

Karnataka Real Estate Regulatory Authority,

# 1/14, 2nd Floor, Silver Jubilee Block, Unity Building Backside, CSI Compound,  
3rd Cross, Mission Road, Bengaluru-560027

No. 2 has got allotted 32% of undivided share in the property to be developed. Accordingly, he has got allotted apartments therein towards his share including the schedule property. Hence, this respondent is only a confirming party and not the seller.

The construction of said project "Sameeksha" has not been completed within the stipulated time due to some reasons like demonetization, lorry strike, shortage of materials and skilled labour, which was not under the control of this respondent. Further the construction work of said project has been commenced long back and pending for completion of the same. The RERA Act is applicable even to the ongoing projects. Accordingly, this respondent was constrained to restructure the said entire project subjecting the same to the provisions of RERA Act to the applicable extent. Thus, the process of restructuring the said project was taken a long time and he got registered the said project under RERA as an ongoing project being completed on 30/09/2018. Hence, prayed to dismiss the complaint with costs.

**The respondent No. 2 has filed objections by way of Affidavit as under:-**

He contends that he is the exclusive owner and in possession of property mentioned in the complaint. He had entrusted the work of construction of apartments in the said lands to the 1<sup>st</sup> respondent. Himself and complainant have entered into Agreement of sale dated 23/05/2016 for total sale consideration of Rs.1 crore and he had received entire sale consideration. After entering into an AOS, the complainant had never turned up for obtaining sale deed though he had requested him to get executed the sale deed. After lapse of two years, the complainant started writing letters to him in this regard. Thereafter the complainant approached him in the year 2019 and demanded for repayment of amount of Rs.1 Crore with interest to the extent of Rs.40 Lakhs for which he has not agreed.

5/6/8

19/5

Vishu

ಕರ್ನಾಟಕರಿಯಲ್ ಎಸ್ಟೇಟ್ ನಿಯಂತ್ರಣ ಪ್ರಾಧಿಕಾರ,

Karnataka Real Estate Regulatory Authority,

# 1/14, 2nd Floor, Silver Jubilee Block, Unity Building Backside, CSI Compound,  
3rd Cross, Mission Road, Bengaluru-560027

Due to some reasons, he could not repay the said amount to the complainant. Further, he had agreed to repay the said amount to the complainant before the Authority during the pendency of this case. Accordingly, he had already paid a sum of Rs. 70 Lakhs to the complainant through RTGS, other electric meters and cheques. Now he has to pay the balance of Rs.30 Lakhs and remaining interest of Rs.40 Lakhs. He is unable to pay the same due to threat of complainant, he was forced to agree for payment of said interest of Rs. 40 Lakhs. Infact, he has to pay only a sum of Rs.30 Lakhs as mentioned below.

- a) Dated 30/11/2021 for Rs.10,00,000/-
- b) Dated 30/12/2021 for Rs.10,00,000/-
- c) Dated 30/01/2022 for Rs.10,00,000/-

He will pay the said amount to the complainant.

He has suffered the loss in the business. Hence he prayed to dismiss the complaint with a direction to the complainant to cancel the AOS dated 19/12/2019 by receiving Rs.30 Lakhs only.

**Complainant has filed counter to the Affidavit of Respondent No. 2 as under:-**

That the complainant had requested both the respondents to execute the Sale deeds in his favour, but the respondents did not heed for the same since they had executed sale deed in respect of said property to other purchasers without his knowledge. Further during the proceedings before the Hon'ble Appellate Tribunal the respondent No. 2 had unconditionally executed an agreement dated 18/12/2019 wherein he had agreed to compensate the complainant to an extent of Rs.1,40,00,000/- and thereafter he would cancel Agreement of Sale. Thus, the Respondent No. 2 had paid him Rs.70 Lakhs and he is liable to pay balance Rs.70 Lakhs. Even the respondent No.2 had filed an affidavit in this regard. The Respondent No.2 had undertaken to pay

*Handwritten signature*

*Handwritten signature*

*Handwritten signature*

ಕರ್ನಾಟಕರಿಯಲ್ ಎಸ್ಟೇಟ್ ನಿಯಂತ್ರಣ ಪ್ರಾಧಿಕಾರ,

Karnataka Real Estate Regulatory Authority,

# 1/14, 2nd Floor, Silver Jubilee Block, Unity Building Backside, CSI Compound,  
3rd Cross, Mission Road, Bengaluru-560027

Rs.10 Lakhs before 30/11/2021 and has paid Rs.5 Lakhs only. Now the complainant is due sum of Rs. 65 Lakhs from the respondent No. 2 as on date 14/12/2021. Hence, he prayed to attach the properties of Respondent No.2 for recovery of balance of Rs.65 Lakhs.

In support of his claim the complainant has produced in all 4 documents such as:-

1. Copy of Agreement of sell, dated 23/05/2016.
2. Copy of Sale deed, dated 13/11/2018.
3. Copy of Encumbrance Certificate
4. Copy of the Agreement dated 18/12/2019.

Respondent No. 1 has produced 5 documents such as:

1. Joint Development Agreement dated 14/05/2007.
2. Joint Development Agreement dated 07/05/2009.
3. Copy of General Power of Attorney.
4. Copy of Allocation Agreement dated 25/07/2013.
5. Copy of Supplementary Agreement date 18/08/2014.

Respondent No. 2 has not produced any documents.

Notices were sent to both the parties, to attend hearing on 22/07/2021, 30/09/2021, 10/11/2021 and 14/12/2021. Heard Arguments.

The complainant has submitted memo of calculation for Rs. 1,08,26,850/-. The respondents have not filed any objections for the same.

On the above averments, the following points would arise for our consideration.

**Point No. 1:-** Whether the complainant is entitled for balance amount of Rs. 1,08,26,850/- ?

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*

ಕರ್ನಾಟಕರಿಯಲ್‌ಎಸ್ಟೇಟ್ ನಿಯಂತ್ರಣ ಪ್ರಾಧಿಕಾರ,

Karnataka Real Estate Regulatory Authority,

# 1/14, 2nd Floor, Silver Jubilee Block, Unity Building Backside, CSI Compound,  
3rd Cross, Mission Road, Bengaluru-560027

**Point No. 2:-** What order?

Our answer to the above points are as under:-

**Point No. 1:-** In the Affirmative.

**Point No. 2:-** As per final order for the following.

**REASONS**

**Our Answer to the point No. 1:-** Case of the complainant is that he has entered into an Agreement of Sale dated 23/05/2016 with Respondent No. 1 and 2 by paying entire sale consideration of Rs.1 Crore in respect of 4 flats in the project "Sameeksha". Respondents have failed to complete the project and to handover the possession of his flats. Hence, he sought for entire refund with interest of Rs.40 Lakhs.

Respondent No. 1 contended that said AOS dated 23/05/2016 was in respect of share of Respondent No. 2 and he is only a confirming party.

Respondent No.2 has admitted that he had received the entire sale consideration of Rs.1Crore from the complainant towards AOS dated 23/05/2016 in respect of Schedule property. Further he has also admitted that so far he has paid Rs.70 Lakhs to the complainant and contends that there is a balance of Rs.30 Lakhs to be paid to the complainant.

Perused the memo of calculation. Complainant has sought amount due from the Respondent No.2 i.e, Rs.1,08,26,850/-. For this he has calculated the amount as under:-

a)	Principal amount paid by the complainant to the Respondent Nos. 1 and 2 on 23/05/2016 under the registered Agreement to sell	<b>Rs. 1,00,00,000/-</b> (Rupees One Crore only)
b)	Interest on the principal amount at the rate of 11% p.a from 23/05/2016 to 15/12/2021 [i.e., 9% being the MCLR of SBI as of 2016 read with Rule 16 of the Karnataka Real Estate (Regulation and Development)]	<b>Rs. 61,26,850/-</b> (Rupees Sixty One Lakhs Twenty Six Thousand)

6

ಕರ್ನಾಟಕರಿಯಲ್ ಎಸ್ಟೇಟ್ ನಿಯಂತ್ರಣ ಪ್ರಾಧಿಕಾರ,

Karnataka Real Estate Regulatory Authority,

# 1/14, 2nd Floor, Silver Jubilee Block, Unity Building Backside, CSI Compound,  
3rd Cross, Mission Road, Bengaluru-560027

	Rules, 2016]	Eight Hundred and Fifty only)
c)	Amount due [(a) + (b)]	<b>Rs. 1,61,26,850/-</b>  (Rupees One Crore Sixty One Lakhs Twenty Six Thousand Eight Hundred and Fifty only)
d)	Admitted due amount as per the Agreement dated 18/12/2019	<b>Rs. 1,40,00,000/-</b>  (Rupees One Crore Forty Lakhs only)
e)	Amount already paid by the Respondent No. 2 as on date	<b>Rs. 78,00,000/-</b>  (Rupees Seventy Eight Lakhs only)
f)	Amount due to the complainant as on date [(d)-(e)]	<b>Rs. 83,26,850/-</b>  (Rupees Eighty Three Lakhs Twenty Six Thousand Eight Hundred and Fifty only)
g)	Compensation amount being claimed by the complainant as per Section 19 (4) of the Real Estate (Regulation and Development) Act, 2016	<b>Rs. 25,00,000/-</b>  (Rupees Twenty Five Lakhs only)
h)	Total amount due and payable to the complainant [(f)+(g)]	<b>Rs. 1,08,26,850/-</b>  (Rupees One Crore Eight Lakhs Twenty Six Thousand Eight Hundred and Fifty only)

Records reveal that complainant's claim for refund of Rs.1,08,26,850/- is not correct. Further, as per the calculation complainant's claim for refund comes to Rs.69,98,247/- as under:-

**Interest calculation till 30/04/2017 (Before RERA)**

Sl. No.	Date	Amount paid by Customer	No. of Days till 30/04/2017	Interest @ 9%	Total
1	23/05/2016	10,000,000	342	843,287	10,843,287
2			Total Interest (I1)	843,287	

*Handwritten signature*

*Handwritten signature*

*Handwritten signature*

ಕರ್ನಾಟಕರಿಯಲ್‌ಎಸ್ಟೇಟ್ ನಿಯಂತ್ರಣ ಪ್ರಾಧಿಕಾರ,

Karnataka Real Estate Regulatory Authority,

# 1/14, 2nd Floor, Silver Jubilee Block, Unity Building Backside, CSI Compound,  
3rd Cross, Mission Road, Bengaluru-560027

Interest calculation from 01/05/2017 (After RERA)

Sl. No.	Date from 01/05/2017	Amount paid by customer	No. of days	No. of days till	MCLR Interest X%	Interest Rate X+2%	Interest @ X+2%	Total
1	01/05/2017	10,000,000	984	10/01/2020	8.15	10.15 as on 01/05/2017	2,736,328	12,736,328
2						Total Interest (I2)	2,736,328	

Refund Interest Calculation

Sl. No.	Amount Principle	Refund Date	Refund Amount	Balance	No. of days	No. of days till	MCLR Interest X%	Interest Rate X+2%	Interest @ X+2%
1	10,000,000	10/01/2020	1,000,000	9,000,000	6	16/01/2020	8.2	10.2 as on 10.01.20	15,090
2	9,000,000	16/01/2020	1,000,000	8,000,000	244	16/09/2020	8.2	10.2 as on 10.01.20	545,490
3	8,000,000	16/09/2020	1,000,000	7,000,000	72	27/11/2020	7.3	9.3 as on 10.09.20	128,416
4	7,000,000	27/11/2020	1,000,000	6,000,000	59	25/01/2021	7.3	9.3 as on 10.11.20	90,197
5	6,000,000	25/01/2021	1,000,000	5,000,000	184	28/07/2021	7.3	9.3 as on 10.01.21	234,410
6	5,000,000	28/07/2021	700,000	4,300,000	9	06/08/2021	7.3	9.3 as on 15.07.21	9,860
7	4,300,000	06/08/2021	300,000	4,000,000	87	01/11/2021	7.3	9.3 as on 15.07.21	88,668
8	4,000,000	01/11/2021	300,000	3,700,000	1	02/11/2021	7.3	9.3 as on 15.10.21	942
9	3,700,000	02/11/2021	300,000	3,400,000	7	09/11/2021	7.3	9.3 as on 15.10.21	6,064
10	3,400,000	09/11/2021	400,000	3,000,000	21	30/11/2021	7.3	9.3 as on 15.10.21	16,052
11	3,000,000	30/11/2021	200,000	2,800,000	7	07/12/2021	7.3	9.3 as on 15.11.21	4,993
12	2,800,000	07/12/2021	300,000	2,500,000	7	14/12/2021	7.3	9.3 as on 15.11.21	4,458
13	2,500,000	14/12/2021	300,000	2,200,000	132	25/04/2022	7.3	9.3 as on 15.11.21	73,992
14								Total Interest (I3)	1,218,632

*Asst*

*Asst*

*Vishu*



ಕರ್ನಾಟಕರಿಯಲ್‌ಎಸ್ಟೇಟ್ ನಿಯಂತ್ರಣ ಪ್ರಾಧಿಕಾರ,

Karnataka Real Estate Regulatory Authority,  
# 1/14, 2nd Floor, Silver Jubilee Block, Unity Building Backside, CSI Compound,  
3rd Cross, Mission Road, Bengaluru-560027

**Memo Calculation**

Principle Amount (A)	Interest (B=I1+I2+I3) As on 25/04/2022	Refund From Promoter (C)	Total Balance Amount (A+B-C)
10,000,000	4,798,247	7,800,000	6,998,247

Respondent No.2 admits the fact that he has received entire sale consideration of Rs.1 Crore towards allotment of 4 flats. Therefore, we see no impediment to accept the claim of the complainant for refund of balance amount of Rs.69,98,247/-. Accordingly, we answer point No.1 in the Affirmative.

Our Answer to the point No. 2:- In view of the above discussion on point's No. 1 and 2, complaint deserves to be allowed. Hence, the following.

**ORDER**

In exercise of the powers conferred under Section 31 of the Real Estate (Regulation and Development) Act, 2016, the complaint bearing No. CMP/190725/0003461 is hereby allowed. Respondent No. 2 is directed to pay the balance amount of Rs.69,98,247/- to the complainant within 90 days from the date of this order, failing which the complainant is at liberty to enforce this order in accordance with law.

  
(Neelamani N Raju)

Member-2  
K-RERA

  
(D. Vishnuvardhana Reddy)

Member-1  
K-RERA

  
(H.C. Kishore Chandra)

Chairman  
K-RERA

NOT AN OFFICIAL COPY