

ಕರ್ನಾಟಕ ರಿಯಲ್ 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 BEFORE BENCH 6

Dated 31st OCTOBER 2022

PRESENT: HON'BLE MEMBER SMT.NEELMANI N RAJU

COMPLAINT NO.:CMP/211126/0008635

COMPLAINANTS.....

**NAGA HEMANTH LAKSHMI
PRADEEP KUMAR &
MRS.G.U. SUSHMA
VILLA NO.99, URBAN SERENITY
SARJAPUR BAGALUR ROAD
THINDLU, SARJAPURA
BANGALORE-562125.**

**(By Mr.M.D. Raj Kumar, Advocate &
Others)**

V/S

RESPONDENT....

**INNER URBAN INFRA ESTATE PVT LTD
NO.523, GROUND FLOOR
24TH MAIN, SECTOR-2,
HSR LAYOUT
BANGALORE-560102.**

(By Mr. Pradeep VB, Advocate & others)

J U D G E M E N T

This complaint is filed under section 31 of the RERA Act against the project "URBAN SERENITY" developed by "INNER URBAN INFRA ESTATE PVT LTD" on Sy.No.117/1, 117/2, 117/3 & 119/2, Thindlu Village, Sarjapura Hobli, Anekal Taluk, Bengaluru Urban District for the relief of interest on delay.

2. This project has been registered under RERA bearing registration No. PRM/KA/RERA/1251/308/PR/171102/001592 valid from 31/8/2017 till

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31/12/2019. The Authority extended the registration for a further period of 12 months i.e. till 31/12/2020. The project was extended due to COVID-19 for a period of 6 months i.e. till 30/06/2021.

Brief facts of the complaint are as under:-

3. The complainants had purchased a Villa in the project of respondent by entering into an agreement for sale on 7/5/2018 and has paid an amount of Rs.98,00,000/- (Rupees Ninety Eight Lakh only) (including Bank Loan from HDFC) to the respondent. As per the agreement respondent was supposed to handover the Villa by the end of April 2019 with grace period of six months i.e. by end of October 2019. The respondent handed over physical possession of the Villa to the complainants on 28/8/2019 without electricity and water connections and delayed registration of Sale Deed. Despite repeated requests seeking adjustment of delay compensation with the remaining sale consideration, respondent did not heed to their request. The complainants sent a Legal Notice on 26/2/2021 to the respondent demanding delay compensation with ancillary reliefs. The respondent has sent untenable reply. The respondent forcibly got the Sale Deed registered on 28/7/2021 without any completion/occupancy certificates. Hence, the respondent is liable to pay interest on delay period.

4. After registration of the complaint, in pursuance of the notice, the respondent has appeared before the Authority through its counsel and filed statement of objections as under:

The Respondent contends that the complainants have approached the Hon'ble Authority seeking compensation for an alleged delay in handing over possession of the property in the project. The respondent denies all the allegations made by the complainants as false and baseless. The respondent submits that the possession was handed over to the complainants on 28/8/2019 i.e. much before the execution of Sale Deed on 28/7/2021 and hence there is no

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delay. The respondent also produced a copy of the Occupancy Certificate dated 7/7/2021 issued by the PDO, Mugulur Gram Panchayath, Sarjapura Hobli, Anekal Taluk, Bangalore Urban District. The respondent submits that the delay in completion of the project was due to force majeure conditions such as, scarcity of raw materials, non-availability of skilled labours, delay in approvals by statutory authorities and litigations initiated by mischievous elements or such reasons beyond the control of the respondent, and the respondent cannot be held liable to compensate the complainant under section 18(1) of RERA Act. The respondent contends that there is no willful delay or default by the respondent in handing over the possession of the Villa to the complainant and continues to remain committed of delivering the possession to its customers. The respondent denies the allegations of the complainant and prays not to grant the relief sought by the complainant in the interest of justice and equity.

5. The complainants have uploaded and produced documents such as copies of Agreement of Sale, Sale Deed, Payment receipts, Booking Form, Commencement Certificate, Legal Notice dated 26/2/2021, Possession Letter, Occupancy Certificate, email correspondence with the respondent and memo of calculation as on 06/09/2022.

7. Heard arguments of both sides.

8. On the above averments, the following points would arise for my consideration:-

1. Whether the complainants are entitled for the relief claimed?
2. What order?

9. My answer to the above points are as under:-

1. In the Affirmative.
2. As per final order for the following

Mhs

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REASONS

10. My answer to Point No.1:-From the materials placed on record, it is apparent that inspite of entering into an agreement of sale on 7/5/2018 to handover the possession of the Villa by the end of April 2019 with the grace period of six months, the respondent failed to abide by the terms of the agreement. Though the respondent gave physical possession of the Villa on 28/8/2019, the registration of the Sale Deed was delayed. It is also evident from the complainants submission that the Sale Deed was got registered forcibly by the respondent on 28/7/2021 without obtaining completion certificate and occupancy certificate from the competent authority. During the process of the hearing on 14/9/2022 respondent provided a copy of the occupation certificate dated 7/7/2021 to the complainants. The complainants vide their memo of calculation as on 06/09/2022 has claimed an amount of Rs.31,80,629/- (calculated from 30/04/2019 to 06/09/2022) as delay period interest. The respondent has not filed its memo of calculation despite several opportunities given. Having regard to all these above aspects, the Authority is of the opinion that the complainants are entitled for delay period interest from 30/10/2019 to 28/07/2021 as the complainants at the time of entering into agreement of sale had agreed to the condition of actual date of possession with six months grace period. The date on which the Sale Deed was registered has been taken into consideration as cut-off date.

11. Therefore, it is incumbent upon the respondent to pay interest on delay as under:

Payment Details			
S.NO	TYPE	AMOUNT	DATE
1	TOTAL PAYMENT TILL POSSESSION	98,00,000	30-04-2019

M/S

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Interest Calculation						
S.NO	FROM DATE	TO DATE	NO. OF DAYS	MCLR RATE	INTEREST RATE	INTEREST
INTEREST CALCULATION FOR AMOUNT PAID TILL POSSESSION 9,800,000						
1	30-10-2019	30-11-2019	31	8.25	10.25 as on 10-10-2019	85,313
2	30-11-2019	30-12-2019	30	8.2	10.2 as on 10-11-2019	82,158
3	30-12-2019	30-01-2020	31	8.2	10.2 as on 10-12-2019	84,897
4	30-01-2020	29-02-2020	30	8.2	10.2 as on 10-01-2020	82,158
5	29-02-2020	29-03-2020	29	8.15	10.15 as on 10-02-2020	79,030
6	29-03-2020	29-04-2020	31	8.05	10.05 as on 10-03-2020	83,649
7	29-04-2020	29-05-2020	30	7.7	9.7 as on 10-04-2020	78,131
8	29-05-2020	29-06-2020	31	7.55	9.55 as on 10-05-2020	79,487
9	29-06-2020	29-07-2020	30	7.3	9.3 as on 10-06-2020	74,909
10	29-07-2020	29-08-2020	31	7.3	9.3 as on 10-07-2020	77,406
11	29-08-2020	29-09-2020	31	7.3	9.3 as on 10-08-2020	77,406
12	29-09-2020	29-10-2020	30	7.3	9.3 as on 10-09-2020	74,909
13	29-10-2020	29-11-2020	31	7.3	9.3 as on 10-10-2020	77,406

Mh

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14	29-11-2020	29-12-2020	30	7.3	9.3 as on 10-11-2020	74,909
15	29-12-2020	29-01-2021	31	7.3	9.3 as on 10-12-2020	77,406
16	29-01-2021	28-02-2021	30	7.3	9.3 as on 10-01-2021	74,909
17	28-02-2021	28-03-2021	28	7.3	9.3 as on 10-02-2021	69,915
18	28-03-2021	28-04-2021	31	7.3	9.3 as on 10-03-2021	77,406
19	28-04-2021	28-05-2021	30	7.3	9.3 as on 10-04-2021	74,909
20	28-05-2021	28-06-2021	31	7.3	9.3 as on 15-05-2021	77,406
21	28-06-2021	28-07-2021	30	7.3	9.3 as on 15-06-2021	74,909
22					TOTAL DELAYED INTEREST as on 28/07/2021	16,38,628

12. Accordingly, the point raised above is answered in the Affirmative.

13. My answer to Point No.2:- In view of the above discussion, I proceed to pass 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/211126/0008635** is hereby allowed. Respondent is directed to pay a sum of Rs.16,38,628/- (Rupees

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Sixteen Lakh Thirty Eight Thousand Six Hundred and Twenty Eight only) towards delay period interest to the complainants within 60 days from the date of this order, calculated at MCLR + 2% from 30/10/2019 to 28/7/2021. Failing which, the complainants are at liberty to initiate action for recovery in accordance with law if the respondent fails to pay the amount as per the order of this Authority.


(Neelmani N Raju)

Member-2

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