

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 30th DECEMBER 2022

PRESIDED BY HON'BLE MEMBER SMT.NEELMANI N RAJU

COMPLAINT NO.: CMP/220518/0009480

COMPLAINANT.....

**MR. SANTOSH SUBBARAO
BLOCK 8, B-13,
NANDI GARDEN PHASE-I
ANJANAPURA POST
JP NAGAR 9TH PHASE
BANGALORE-560108.**

(IN PERSON)

Vs

RESPONDENT.....

**SHRIPROP DWELLERS PVT LTD
40/43, 8TH MAIN, 4TH CROSS
RMV EXTENSION
SADASHIVA NAGAR
BANGALORE-560080.**

**SHRIRAM PROPERTIES PVT LTD
40/43, 8TH MAIN, 4TH CROSS
SADASHIVA NAGAR
BANGALORE-560080.**

**(By Mr. Joseph Anthony, Advocate
& others, JSM Law Partners)**

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J U D G E M E N T

1. This complaint is filed under section 31 of the RERA Act against the project "SHRIRAM SUMMIT" developed by SHRIRAM PROPERTIES PVT LTD on Sy.No.80/1, 2, 3, 4, 84/6 & 7, 85/2, 87/2, 89/1 & 2, 121/1, 2, 3, Veerasandra Village & Hebbagodi Village, Attibele, Anekal Taluk, Bengaluru Urban-562107 for the relief of interest on delay.

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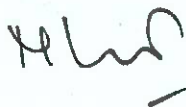
2. This project has been registered under RERA bearing Registration No.PRM/KA/RERA/1251/308/PR/171015/001121 valid till 31/3/2021. The project was extended due to Covid-19 for a period of 9 months till 31/12/2021. The Authority has further extended its registration for a further period of 12 months i.e. till 31/12/2022.

Brief facts of the complaint are as under:-

3. The complainant had purchased an apartment in the project of respondent and entered into an agreement of sale on 31/05/2018 and has paid an amount of Rs.54,48,000/- (Rupees Fifty Four Lakh Forty Eight Thousand only) on various dates to the respondent. The respondent was supposed to hand over the possession of the flat to the complainant by 31/12/2019 but till 10/06/2022 the respondent did not handover the possession of the apartment to the complainant. The respondent has failed to complete the project and deliver the possession of the flat on time as agreed and is citing Covid-19 pandemic as the reason for delay, whereas the Covid-19 came into picture only by March 2020. After several follow ups, the respondent informed the complainant regarding receipt of Occupancy Certificate and inviting for pre-registration visit through an email dated 30/5/2022. The respondent executed and registered the sale deed in favour of the complainants on 10/06/2022. Due to the enormous delay, the complainant has under gone mental and financial hardships. The respondent has told that he will only handover the apartment and not pay interest for delay. Hence, this complaint.

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

5. The Respondent contends that the complainant is not entitled for seeking relief sought in light of the Agreement of Sale dated 31/05/2018 and submits that the



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delay in completion of the project was attributed to the pending litigations against the respondent before the Hon'ble National Green Tribunal in O.A.No.222/2014 as well as before the Hon'ble Supreme Court in Civil Appeal No.5016/2016 benches regarding maintenance of buffer zones where the apartment allotted to complainant in respect of the project was situated and on conclusion of the cases in Hon'ble NGT and Hon'ble Supreme Court, the construction proceeded.

6. The respondent further contends that the project has not been completed within stipulated time due to force majeure events such as, scarcity of raw materials, non-availability of skilled labours, transport disruption 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. In addition COVID-19 pandemic and the lockdown have also contributed significantly to the obstacles faced by the respondent. The respondent contends that there is no wilful delay or default by the respondent in handing over the possession of the apartment to the complainant and continues to remain committed to delivering the possession to its customers. The respondent denies the allegations of the complainant and submits that the delay has been caused as a result of factors beyond the control of the respondent such as the ruling of the NGT and force majeure of the pandemic. The respondent further contends that the impact of the ruling of the NGT, New Delhi was common knowledge as the same had been extensively published in the media and the newspapers as the same was widely covered in public knowledge.

7. The respondent also submits a copy of the Occupancy Certificate issued by BDA dated 7/5/2022 and email dated 30/5/2022 intimating the allottees regarding receipt of the occupancy certificate from the competent authority and inviting the allottees for pre-registration visit. The respondent submits that they have executed and registered the sale deed in favour of the complainant on 10/6/2022 and prays not to grant the relief sought by the complainants in the interest of justice and equity and to dismiss the complaint.



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8. In support of their defence, the respondent has submitted copies of the Agreement of Sale, Occupancy Certificate dated 7/5/2022 from BDA, sanctioned plan dated 1/3/2016, Order dated 4/5/2016 passed by Hon'ble National Green Tribunal, Delhi in O.A.222/2014, Order dated 5/3/2019 passed by the Hon'ble Supreme Court in Civil Appeal No.5016/2016, maps of Bommenahalli and Bendiganahalli village depicting the lake, copies of the RERA registration and extension certificates and email correspondence with the complainant.

9. In support of his claim, the complainant has produced documents such as copies of Agreement of Sale, payment receipts, statement of account issued by the respondent, email correspondence with the respondent, Demand letter, Sale Deed dated 10/6/2022 and memo of calculation as on 12/11/2022 (calculated from 31/12/2019 till 10/06/2022).

10. Heard arguments of both sides.

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

1. Whether the complainant is entitled for the relief claimed?
2. What order?

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

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

REASONS

13. My answer to point No.1:- From the materials placed on record, it is apparent that inspite of entering into an agreement for sale to handover the apartment within 31/12/2019, the respondent failed to abide by the terms of the agreement. The respondent has executed and registered the sale deed in favour of the complainant and handed over the possession of the apartment to the complainant on 10/6/2022. It is also evident from the records that the



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respondent on receipt of the Occupancy Certificate on 7/5/2022 has informed all the allottees about the receipt of occupancy certificate and arranging for pre-registration visit to their respective apartment through email dated 30/5/2022. The complainant vide his memo of calculation as on 12/11/2022 has claimed an amount of Rs.12,57,179/- as delay period interest calculated from 31/12/2019 to 10/06/2022. Despite opportunities given, the respondent has not filed his memo of calculation. Having regard to all these aspects, this Authority concludes that the complainant is entitled for delay period interest from 31/12/2019 to 10/06/2022.

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

Payment Details			
S.NO	TYPE	AMOUNT	DATE
1	TOTAL PAYMENT TILL POSSESSION	54,48,000	31/12/2019
2	TOTAL DELAYED INTEREST as on 10/06/2022	12,57,179	

Interest Calculation						
S.NO	FROM DATE	TO DATE	NO. OF DAYS	MCLR RATE	INTEREST RATE	INTEREST
INTEREST CALCULATION FOR AMOUNT PAID TILL POSSESSION 54,48,000						
1	31/12/2019	31/01/2020	31	8.2	10.2 as on 10-12-2019	47,196
2	31/01/2020	29/02/2020	29	8.2	10.2 as on 10-01-2020	44,151
3	29/02/2020	29/03/2020	29	8.15	10.15 as on 10-02-2020	43,934
4	29/03/2020	29/04/2020	31	8.05	10.05 as on 10-03-2020	46,502
5	29/04/2020	29/05/2020	30	7.7	9.7 as on 10-04-2020	43,434

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6	29/05/2020	29/06/2020	31	7.55	9.55 as on 10-05-2020	44,188
7	29/06/2020	29/07/2020	30	7.3	9.3 as on 10-06-2020	41,643
8	29/07/2020	29/08/2020	31	7.3	9.3 as on 10-07-2020	43,031
9	29/08/2020	29/09/2020	31	7.3	9.3 as on 10-08-2020	43,031
10	29/09/2020	29/10/2020	30	7.3	9.3 as on 10-09-2020	41,643
11	29/10/2020	29/11/2020	31	7.3	9.3 as on 10-10-2020	43,031
12	29/11/2020	29/12/2020	30	7.3	9.3 as on 10-11-2020	41,643
13	29/12/2020	29/01/2021	31	7.3	9.3 as on 10-12-2020	43,031
14	29/01/2021	28/02/2021	30	7.3	9.3 as on 10-01-2021	41,643
15	28/02/2021	28/03/2021	28	7.3	9.3 as on 10-02-2021	38,867
16	28/03/2021	28/04/2021	31	7.3	9.3 as on 10-03-2021	43,031
17	28/04/2021	28/05/2021	30	7.3	9.3 as on 10-04-2021	41,643
18	28/05/2021	28/06/2021	31	7.3	9.3 as on 15-05-2021	43,031
19	28/06/2021	28/07/2021	30	7.3	9.3 as on 15-06-2021	41,643
20	28/07/2021	28/08/2021	31	7.3	9.3 as on 15-07-2021	43,031
21	28/08/2021	28/09/2021	31	7.3	9.3 as on 15-08-2021	43,031
22	28/09/2021	28/10/2021	30	7.3	9.3 as on 15-09-2021	41,643
23	28/10/2021	28/11/2021	31	7.3	9.3 as on 15-10-2021	43,031
24	28/11/2021	28/12/2021	30	7.3	9.3 as on 15-11-2021	41,643
25	28/12/2021	28/01/2022	31	7.3	9.3 as on 15-12-2021	43,031

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26	28/01/2022	28/02/2022	31	7.3	9.3 as on 15-01-2022	43,031
27	28/02/2022	28/03/2022	28	7.3	9.3 as on 15-02-2022	38,867
28	28/03/2022	28/04/2022	31	7.3	9.3 as on 15-03-2022	43,031
29	28/04/2022	28/05/2022	30	7.4	9.4 as on 15-04-2022	42,091
30	28/05/2022	10/06/2022	13	7.5	9.5 as on 15-05-2022	18,433
					TOTAL DELAYED INTEREST as on 10/06/2022	12,57,179

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

16. **My answer to Point No.2:-** In view of the above discussion, I proceed to pass the following order -

ORDER

In exercise of the powers conferred under Section 31 of the Real Estate (Regulation and Development) Act, 2016, the complaint bearing No.**CMP/220518/0009480** is hereby allowed. Respondent is directed to pay a sum of **Rs.12,57,179/- (Rupees Twelve Lakh Fifty Seven Thousand One Hundred and Seventy Nine only)** towards delay period interest to the complainant within 60 days from the date of this order, calculated at MCLR + 2% from 31/12/2019 till 10/06/2022. The complainant is 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, K-RERA

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