

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 7<sup>TH</sup> AUGUST 2023**

**PRESIDED BY HON'BLE MEMBER SMT.NEELMANI N RAJU**

**COMPLAINT NO.:CMP/221125/0010404**

**COMPLAINANT.....**

**DEEPAK DAMODARAN  
CHAITHANYA  
KARUVATTA POST  
ALAPPUZHA - 690517  
DISTRICT: ALAPPUZHA  
STATE: KERALA**

**(BY MR. NAGESH POOJARY,  
ADVOCATE)**

**V/S**

**RESPONDENTS....**

**1.M/S.SUVILAS PROPERTIES  
PRIVATE LIMITED  
NO. 100, OLD NO.52  
DONNABAS TOWER  
RAILWAY PARALLEL ROAD  
KUMARA PARK WEST  
BANGALORE-560020.**

**2.M/S. SHRIRAM PROPERTIES LIMITED  
NO.31 (OLD NO.192), 2<sup>ND</sup> MAIN ROAD  
T. CHOWDAIAH ROAD  
(NEAR BHASYAM CIRCLE)  
SADASHIVA NAGAR  
BANGALORE-560080.**

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

**\* \* \* \* \***

**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 SUVILAS GARDEN OF JOY**" developed by

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“SUVILAS PROPERTIES PRIVATE LIMITED” situated at No.15/2, Royal Street, Mydrahalli, Yeshwanthapura Hobli, BBMP Ward No.12, Bangalore-560090, Bengaluru Urban for the relief of refund with interest.

2. This project has been registered under RERA bearing registration No.PRM/KA/RERA/1251/309/PR/180227/001096; which has been taken over by Shriram Properties Limited and its registration is valid till 30/04/2025.

**Brief facts of the complaint are as under:-**

3. The complainant has purchased an apartment in the project of respondent by entering into an agreement for sale on 28/07/2021 and has paid an amount of Rs.32,48,154/- (Rupees Thirty Two Lakh Forty Eight Thousand One Hundred and Fifty Four only) to the respondent on various dates. The complainant submits that the respondent was supposed to handover the apartment by 15/4/2022 and has failed to handover the apartment as agreed. The complainant submits that the construction work in the project is stopped since February 2022 and there is no progress since then. The complainant further submits that the respondent is not responding to the matter regarding the project. Thus, the complainant has approached the Hon'ble Authority and prays for directions to the respondent for refund of full amount with interest. 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 informed the Hon'ble Authority that Shriram Properties have filed application before the RERA Authority for taking over this project. Accordingly, the project has been taken over by Shriram Properties Limited. The respondent has not filed any statement of objections nor produced documents on its behalf.

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5. The complainant has produced documents such as copies of Agreement for Sale, payment receipts and memo of calculation as on 21/06/2023.
6. This matter was heard on 14/03/2023, 13/04/2023, 22/06/2023, and 02/08/2023. Heard arguments of both sides.
7. **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?
8. **My answer to the above points are as under:-**
  1. In the Affirmative.
  2. As per final order for the following:-

**REASONS**

9. **My answer to Point No.1:-**From the materials placed on record, it is apparent that inspite of entering into an agreement to handover the possession of an apartment latest by 15/4/2022 the respondent has failed to abide by the terms of the agreement and has not handed over the possession of the apartment to the complainant till today.

10. The Hon'ble Authority has perused the written submission submitted by the complainant.

11. Though the respondents have appeared before the Authority in response to the notice through their counsel/representative, the respondents have not taken any interest to participate in the proceedings by filing statement of objections and producing documents on its behalf. The respondents have not at all disputed the claim of the complainants in any manner and have agreed to pay the refund. Therefore, the claim of the complainants remained unchallenged and it is corroborated with cogent evidence. These being the facts, in the absence of any resistance by the



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respondent, there is no option left to this Authority except to accept the claim of the complainants.

12. During the process of the hearing, the complainant submitted a plea for impleading M/s Shriram Properties Limited as a respondent in the instant complaint. The Authority has accepted the prayer accordingly.

13. At this juncture, my attention is drawn towards the decision of Hon'ble Supreme Court in Appeal No.6750-57/2021, M/s Newtech Promoters v/s The State of Uttar Pradesh it is held that:

*"Section 18(1) of the Act spells out the consequences if the promoter fails to complete or is unable to give possession of an apartment, plot or building either in terms of the agreement for sale or to complete the project by the date specified therein or on account of discontinuance of his business as a developer either on account of suspension or revocation of the registration under the Act or for any other reason, the allottee/home buyer holds an unqualified right to seek refund of the amount with interest at such rate as may be prescribed in this behalf."*

14. In the Judgement reported in Civil Appeal No.3581-3590 of 2020 at Para No.23 between M/s Imperia Structures Ltd v/s Anil Patni and another by the Hon'ble Supreme Court it is held that:

*"In terms of section 18 of the RERA Act, if a promoter fails to complete or is unable to give possession of an apartment duly completed by the date specified in the agreement, the promoter would be liable, on demand, to return the amount received by him in respect of that apartment if the allottee wishes to withdraw from the project. Such right of an allottee is specifically made "without prejudice to any other remedy available to him". The right so given to the allottee is unqualified and if availed, the money deposited by the allottee has to*

*H. S.*

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*be refunded with interest at such rate as may be prescribed. The proviso to section 18(1) contemplates a situation where the allottee does not intend to withdraw from the project. In that case he is entitled to and must be paid interest for every month of delay till the handing over of the possession. It is upto the allottee to proceed either under section 18(1) or under proviso to section 18(1). The case of Himanshu Giri came under the later category. The RERA Act thus definitely provides a remedy to an allottee who wishes to withdraw from the project or claim return on his investment."*

15. In case the allottee wishes to withdraw from the project the promoter is liable without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, flat, 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.

16. Therefore, as per **section 18(1)** of the Act, the promoter is liable to return the amount received along with interest and compensation if the promoter fails to complete or provide possession of an apartment etc., in accordance with sale agreement.

17. The complainant vide his memo of calculation as on 21/06/2023 has claimed an amount of Rs.37,85,206/- (Rupees Thirty Seven Lakh Eighty Five Thousand Two Hundred and Six only) as refund with interest. The Respondent No.2 has not filed their memo of calculation despite several opportunities were given.

18. Having regard to all the above aspects, the Authority has concluded that the complainant is entitled for refund with interest as calculated vide his memo of calculation as on 21/06/2023.

19. Therefore, it is incumbent upon the respondent to pay refund with interest determined as under:

*rehs*

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Interest Calculation Till 30/04/2017 (Before RERA)					
S.NO	DATE	AMOUNT PAID BY CUSTOMER	NO OF DAYS	NO OF DAYS TILL	INTEREST @9%
1	30-04-2017	0	0	30-04-2017	0
2		0		TOTAL INTEREST ( I1 )	0

Interest Calculation From 01/05/2017 (After RERA)							
S.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%
1	01-05-2017	0	2242	21-06-2023	8.15	10.15 as on 01-05-2017	0
2	14-02-2021	1,00,000	857	21-06-2023	7.3	9.3 as on 10-02-2021	21,835
3	17-06-2021	2,50,000	734	21-06-2023	7.3	9.3 as on 15-06-2021	46,754
4	10-07-2021	2,18,830	711	21-06-2023	7.3	9.3 as on 15-06-2021	39,643
5	15-09-2021	21,79,608	644	21-06-2023	7.3	9.3 as on 15-09-2021	3,57,646
6	09-12-2021	4,99,716	559	21-06-2023	7.3	9.3 as on 15-11-2021	71,174
7	TOTAL AMOUNT	32,48,154				TOTAL INTEREST ( I2 )	5,37,052

Memo Calculation			
PRINCIPLE AMOUNT ( A )	INTEREST ( B = I1 + I2 ) AS ON 21-06-2023	REFUND FROM PROMOTER ( C )	TOTAL BALANCE AMOUNT ( A + B - C )
32,48,154	5,37,052	0	37,85,206

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

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21. 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/221125/0010404** is hereby allowed.

Respondent No.2 is directed to pay a sum of **Rs.37,85,206/- (Rupees Thirty Seven Lakh Eighty Five Thousand Two Hundred and Six only)** towards refund with interest to the complainant within 60 days from the date of this order, calculated at MCLR + 2% from 14/02/2021 to 21/06/2023.

The interest accruing from 22/06/2023 till the date of final payment will be calculated likewise and paid to the complainant.

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.

No order as to the costs.

  
(Neelmani N Raju)  
Member, K-RERA

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