

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 17TH AUGUST 2023

PRESIDED BY HON'BLE MEMBER SMT.NEELMANI N RAJU

COMPLAINT NO.: CMP/221116/0010342

COMPLAINANT.....

**VISHAL KUMAR PANDEY
SHRIRAM SUMMITT
WING 19, FLAT NO.1403
GOLLAHALLI MAIN ROAD
BANGALORE-560100.**

(IN PERSON)

Vs

RESPONDENTS.....

**M/S SHRIRAM PROPERTIES PVT LTD
NO.40/43, 8TH MAIN, 4TH CROSS
SADASHIVANAGAR
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 SUMMITT**" 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 -562107 for the relief of interest on delay period.
2. This project has been registered under RERA bearing Registration No.PRM/KA/RERA/1251/308/PR/171015/001121 valid till 31/12/2019. The Authority has extended its 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 9 months till 30/09/2021.



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Brief facts of the complaint are as under:-

3. The complainant has purchased a flat bearing No.SMT – 19.14.03, 13TH Floor, Wing 19, Block-3 in the project of the respondent and entered into an agreement of sale on 27/04/2019 and has paid an amount of Rs.59,04,800/- (Rupees Fifty Nine Lakh Four Thousand and Eight Hundred only) to the respondent on various dates. The respondent was supposed to hand over the possession of the flat to the complainant by 31/12/2019 as agreed. But the flat was handed over to the complainant only on 17/6/2022. The complainant came to know about the NGT/SC issue only during the hearing before the Hon'ble Authority. The complainant submits that they are finding it difficult to bear monthly rent, EMIs and other expenses during this delay period. Thus, the complainant has approached this Hon'ble Authority and prays for directions to the respondent to pay interest for the delay period. 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 complainants are not entitled for seeking such relief sought in light of the Agreement of Sale dated 27/04/2019 and submits that the 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 and the orders dated 4/5/2016 and 5/3/2019 passed by the Hon'ble NGT and Hon'ble Supreme Court regarding maintenance of buffer zones where the apartment allotted to the complainants 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.

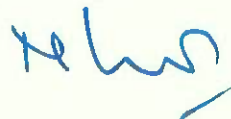
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6. The respondent contends that regarding NGT/SC issue, the ongoing litigation was kept informed to all the allottees in the project through an email dated 27/12/2019.
7. The respondent submits that the complainants have filed this complaint for reaping fruits from the instant complaint. The respondent further submits 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.
8. The respondent contends that amounts paid as GST cannot be considered for computing the delay period interest as the respondent has made the payments to the statutory authority.
9. The respondent contends that there is no willful delay or default by the respondent in handing over the possession of the apartment to the complainants and continues to remain committed to delivering the possession to its customers. The respondent denies the allegations of the complainants 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 submits 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
10. The respondent further submits that they have completed the construction and development of the project and have also received Occupancy Certificate dated 7/5/2022 from the competent authority and that the same was intimated to the complainant. Accordingly, on



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being satisfied with the flat, the respondent executed sale deed on 27/4/2019 in favour of the complainant and prays not to grant the relief sought by the complainant in the interest of justice and equity and to dismiss the complaint.

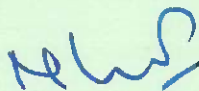
11. In support of their defence, the respondent has submitted copies of the Agreement for Sale, Occupancy Certificate, RERA registration, extension and covid certificates, Order dated 4/5/2016 passed by the Hon'ble National Green Tribunal in O.A.No.222/2014, Order dated 5/3/2019 passed by the Hon'ble Supreme Court in Civil Appeal No.5016/2016, Sanctioned Plan demonstrating the location of the project vis-à-vis the tertiary nala flowing through, email communication with complainants, letter dated 23/12/2019 seeking extension of RERA registration and intimating Hon'ble Authority that construction activity is stopped due to order passed by Hon'ble NGT with regard to the buffer zone, email dated 19/7/2022 intimating customers about construction activity being stopped in the project due to Hon'ble NGT order and memo of calculation as on 29/7/2023.

12. In support of their claim, the complainant has produced documents such as copies of Agreement of Sale, Statement of account issued by the respondent in respect of payments made by the complainant, Sale Deed dated 17/6/2022 and memo of calculation as on 02/03/2023.

13. This case was heard on 14/3/2023, 13/4/2023, 22/6/2023 and 02/08/2023. Heard arguments of both sides.

14. **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?



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

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

REASONS

16. **My answer to Point No.1:-** From the materials placed on record, it is apparent that inspite of entering into an agreement for sale and accepting substantial sale consideration amount, the respondent failed to handover the possession of the flat within 31/12/2019 as agreed and handed over the possession of the flat to the complainant and executed the sale deed on 17/6/2022.
17. The Hon'ble Authority has perused the statement of objections submitted by the respondent and written submission submitted by the complainant. The Authority has not accepted the contentions of the respondent. The Authority also noticed that the respondent in their statement of objections have mentioned that the sale deed was executed on April 27, 2019 which is not correct, whereas the sale deed was executed on 17/6/2022.
18. The complainant vide his memo of calculation as on 2/3/2023 has claimed an amount of Rs.13,73,351/- (Rupees Thirteen Lakh Seventy Three Thousand Three Hundred and Fifty One only) as delay period interest calculated from 31/12/2019 to 17/06/2022.
19. The respondent vide its memo of calculation as on 29/7/2023 submits that the interest on delay period payable to the complainant is Rs.7,25,274/- calculated from 25/1/2020 to 29/7/2023 which is not correct, as the cut-off date for calculating the delay period interest is 17/6/2022, the date on which the sale deed was executed.
20. Having regard to all these aspects, this Authority concludes that the complainant is entitled for delay period interest from 31/12/2019

MHS

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to 17/6/2022 as calculated by him in his memo of calculation as on
2/3/2023.

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

Payment Details			
S.NO	TYPE	AMOUNT	DATE
1	TOTAL PAYMENT TILL POSSESSION	59,04,800	31-12-2019
3	TOTAL DELAYED INTEREST as on 17/06/2022	13,73,351	

Interest Calculation						
S.NO	FROM DATE	TO DATE	NO. OF DAYS	MCLR RATE	INTEREST RATE	INTEREST
INTEREST CALCULATION FOR AMOUNT PAID TILL POSSESSION 5,904,800						
1	31-12-2019	31-01-2020	31	8.2	10.2 as on 10-12-2019	51,153
2	31-01-2020	29-02-2020	29	8.2	10.2 as on 10-01-2020	47,853
3	29-02-2020	29-03-2020	29	8.15	10.15 as on 10-02-2020	47,618
4	29-03-2020	29-04-2020	31	8.05	10.05 as on 10-03-2020	50,401
5	29-04-2020	29-05-2020	30	7.7	9.7 as on 10-04-2020	47,076
6	29-05-2020	29-06-2020	31	7.55	9.55 as on 10-05-2020	47,893
7	29-06-2020	29-07-2020	30	7.3	9.3 as on 10-06-2020	45,135
8	29-07-2020	29-08-2020	31	7.3	9.3 as on 10-07-2020	46,639
9	29-08-2020	29-09-2020	31	7.3	9.3 as on 10-08-2020	46,639
10	29-09-2020	29-10-2020	30	7.3	9.3 as on 10-09-2020	45,135

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11	29-10-2020	29-11-2020	31	7.3	9.3 as on 10-10-2020	46,639
12	29-11-2020	29-12-2020	30	7.3	9.3 as on 10-11-2020	45,135
13	29-12-2020	29-01-2021	31	7.3	9.3 as on 10-12-2020	46,639
14	29-01-2021	28-02-2021	30	7.3	9.3 as on 10-01-2021	45,135
15	28-02-2021	28-03-2021	28	7.3	9.3 as on 10-02-2021	42,126
16	28-03-2021	28-04-2021	31	7.3	9.3 as on 10-03-2021	46,639
17	28-04-2021	28-05-2021	30	7.3	9.3 as on 10-04-2021	45,135
18	28-05-2021	28-06-2021	31	7.3	9.3 as on 15-05-2021	46,639
19	28-06-2021	28-07-2021	30	7.3	9.3 as on 15-06-2021	45,135
20	28-07-2021	28-08-2021	31	7.3	9.3 as on 15-07-2021	46,639
21	28-08-2021	28-09-2021	31	7.3	9.3 as on 15-08-2021	46,639
22	28-09-2021	28-10-2021	30	7.3	9.3 as on 15-09-2021	45,135
23	28-10-2021	28-11-2021	31	7.3	9.3 as on 15-10-2021	46,639
24	28-11-2021	28-12-2021	30	7.3	9.3 as on 15-11-2021	45,135
25	28-12-2021	28-01-2022	31	7.3	9.3 as on 15-12-2021	46,639
26	28-01-2022	28-02-2022	31	7.3	9.3 as on 15-01-2022	46,639
27	28-02-2022	28-03-2022	28	7.3	9.3 as on 15-02-2022	42,126
28	28-03-2022	28-04-2022	31	7.3	9.3 as on 15-03-2022	46,639

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29	28-04-2022	28-05-2022	30	7.4	9.4 as on 15-04-2022	45,620
30	28-05-2022	17-06-2022	20	7.5	9.5 as on 15-05-2022	30,737
					TOTAL DELAYED INTEREST as on 17/06/2022	13,73,351

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

23. **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/221116/0010342** is hereby allowed.

Respondent is directed to pay a sum of **Rs.13,73,351/- (Rupees Thirteen Lakh Seventy Three Thousand Three Hundred and Fifty One 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 to 17/06/2022.

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.

No order as to the costs.


(Neelmani N Raju)
Member, K-RERA