

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 BEFORE THE AUTHORITY**

**Dated 7<sup>th</sup> September 2023**

**CMP/211129/0008650**

**Present**

**Hon'ble Chairman Shri. H.C. Kishore Chandra**

**Hon'ble Member Shri. G.R.Reddy**

**Complainants.....**

**1. Bala Kumar S**

**2. Jaysri B**

A202, Bhavya Serene Apartment,  
No 4111, Norbert Church Road,  
Kasavanahalli,  
Bengaluru - 560035.

(By Shri. Abheek Saha, Advocate)

**V/S**

**Respondent.....**

**FRONTIER SHELTERS PVT LTD**

NO 422 80 FEET ROAD,

6TH BLOCK KORAMANGALA

Bengaluru-560095.

(By Shri. Girish Kumar, Advocate )

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1. This complaint is filed under section 31 of the RERA Act against the project "FRONTIER HEIGHTS" developed by "FRONTIER SHELTERS PVT LTD" of the respondent for the relief of interest on delay period.
2. This project has been registered under RERA vide registration No. PRM/KA/RERA/1251/446/PR/171214/001250.

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3. The said project is situated at S.NO.49 1 2, HARALUR VILLAGE VARTHUR HOBLI , Bengaluru East , Bengaluru Urban.

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

4. The complainants have entered into an agreement of sale on 25/01/2021 to purchase a flat bearing No.2121 in the project of respondent. The respondent was supposed to handover the possession of the said flat to the complainants in June 2021. But, the respondent has failed to handover the possession of the said flat as agreed. Therefore, the respondent is liable to pay interest on delay period from July 2021 with interest. Hence, this complaint.

5. After registration of the complaint, in pursuance of the notice, the respondent has appeared before the Authority through his counsel, but has not contested the matter by filing statement of objections, producing documents on his behalf etc.,

6. In support of their claim, the complainants have produced/uploaded copies of agreement for sale, email conversation, payment receipts.

7. This matter was heard on 18/04/2021, 30/05/2022, 01/08/2022 and 30/03/2023.

8. Heard arguments of both sides.

**9. On the above averments, the following points would arise for our consideration:-**

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

**10. Findings on the above points are as under:-**

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

AdB

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**REASONS**

**11. Findings on Point No.1:-** The complainants have approached this forum seeking for the relief of interest on delay period. The grounds urged are that the complainants have booked a flat bearing No.2023 in the project of the respondent by entering into an agreement of sale on 25/01/2021. As per the said agreements the respondent was supposed to handover possession of the said flat to the complainants in June 2021. But till date he has not handed over the possession of the flat to the complainants.

12. In response to the notice, the respondent has appeared before the Authority through his counsel. But he has not contested the matter by filing statement of objections, producing documents, etc.

13. Looking to the averments of agreement, parties herein have entered into an agreement of sale on 25/01/2021. The agreement of sale is a key instrument which binds the parties in a contractual relation so as to be properly enforced in accordance with law, it is quite necessary that it shall be free from any ambiguity and vagueness. As per the terms of agreement of sale, the respondent was supposed to handover the possession of said flat to the complainants in June 2021. But the respondent had not completed and handover the possession of the said flat to the complainants till date.

14. As per decision of Hon'ble Supreme Court in appeal No.6750-57/2021, M/S Newtech Promoters and vs The State of Uttar Pradesh it is held as under

*Para No.22. 'If we take a conjoint reading of subsections (1), (2) and (3) of Section 18 of the Act, the different contingencies spelt out therein, (A) the allottee can either seek refund of the amount by withdrawing from the project; (B) such refund could be made together with interest as may be prescribed; (C) in addition, can also claim compensation payable under Sections 18(2) and 18(3) of the Act; (D) the allottee has the liberty, if he does not intend to withdraw from the*

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*project, will be required to be paid interest by the promoter for every months' delay in handing over possession at such rates as may be prescribed'.*

The said principle is aptly applicable to the present case on hand.

15. As per sec.18 of RERA Act, the respondent is liable to pay interest for delay period. Since the claim of the complainants remained unchallenged, considering the cogent materials available of record, the delay in handing over possession being apparent, this Authority see no legal impediment in allowing the complaint as prayed. The complainants have paid Rs. 53,08,918/- (Fifty three lakh eight thousand and nine hundred eighteen only) to the respondent towards entire sale consideration.

16. In response to the notice the respondent has appeared before the Authority through his counsel. But, he has not contested the matter by participating in the proceedings, filing objections, producing documents on his behalf etc. Therefore, claim of the complainants remained undisputed and unchallenged. Hence, there is no reason to discard the claim of complainants. In the absence of any resistance by the respondent no option is left to this Authority except to accept the claim of complainants which is corroborated with the cogent evidence.

17. Therefore, it is incumbent upon the respondent to pay the interest on delay period to the complainant Accordingly, the point raised above is answered in the Affirmative.

18. **Our findings on point No.2:-** In view of the above discussion, the complaint deserves to be allowed. Hence, we proceed to pass the following

**ORDER**

In exercise of the powers conferred under  
Section 31 of the Real Estate (Regulation and

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Development) Act, 2016, the complaint bearing No. **CMP/211129/0008650** is hereby allowed as under.

1. The respondent is directed to pay the interest on delay period on amount of Rs. 53,08,918/- (Fifty three lakh eight thousand and nine hundred eighteen only) at the rate of SBI MCLR+2% from 01/07/2021 till handover of the possession of flat bearing No.2023 in the project FRONTIER HEIGHTS to the complainants within 60 days from the date of this order.
  2. The complainants are at liberty to initiate action in accordance with law, if the respondent fails to comply with this order.
- No order as to costs.

  
(G.R.Reddy)  
Member  
K-RERA

  
(H.C. Kishore Chandra)  
Chairman  
K-RERA

