

PROCEEDINGS OF THE AUTHORITY

BEFORE BENCH 5

Dated 25th SEPTEMBER, 2023

PRESIDED BY HON'BLE MEMBER G.R. REDDY

COMPLAINT NO.CMP/220113/0008790

COMPLAINANTS : Ms.Aparajita Singh
Flat NO.301, Pioneer Moonstone
Behind HP Petrol Bunk, Seegehalli
Kadugodi, Bengaluru:560067

(Party in Person)

RESPONDENT / : M/s.Shrivision Towers Pvt Ltd.
PROMOTER No.40/43, 8th Main, 4th Cross,
Sadashiv Nagar, Bengaluru:560080

By JSM Law Partners, Advocates

PROJECT NAME & : SHRIRAM GREEN FIELD PHASE-2
REGISTRATION NO. PRM/KA/RERA/1250/304/PR/
171014/001220

J U D G E M E N T

This complaint is filed under Sec-18 of the Real Estate (Regulation and Development) Act, 2016 before this Authority against the project **SHRIRAM GREEN FIELD PHASE-2** praying for a direction to pay Delay Period Interest.

BRIEF FACTS OF THE COMPLAINT ARE AS UNDER:-

1. The Complainant has entered into an agreement of sale with the Respondents on 08.05.2018 for purchase of an apartment. The project completion date as per agreement was 31.03.2021. The



complainant has paid an amount of Rs.22,01,623/- (Rupees Twenty two lakhs one thousand six hundred twenty three only) to the respondent till the date of complaint. Since there was delay of more than two years in handing over the apartment, the complainant has filed the above complaint before the Authority praying for a Direction to the Respondents to pay Delay Period Interest.

2. On a perusal of the sale agreement, it is seen that the completion date is agreed as 31.03.2021 with a grace period of 6 months. The promoter-respondent was required to complete the project and hand over possession of the apartment by 31.03.2021. In cases where the respondent-promoter has failed to complete or unable to handover the possession of the apartment to the allottee, the Allottee has a right to file a complaint before the Authority and hence this complaint is admissible for relief in accordance with Section 18 of the Act.

3. After registration of the complaint, notice was issued by the Authority to both complainant and the Respondent to appear before the Authority. In pursuance of the notice, issued by the Authority, the Complainant has appeared in person and the respondent has appeared before the Authority through its counsel and authorised representative, filed statement of objections. The Respondent in its statement of objection contended 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. In addition COVID-19 pandemic and the lockdown have also contributed significantly to the obstacles faced by the respondent. The Respondent further submits that the impact of the ruling of the NGT,



New Delhi also caused for the delay in completion of the project. In support of their defence, the Respondent has submitted RERA Registration Certificate, copy of agreement of sale. The respondent has sought to explain the delay by referring to above issues which are nothing but routine requirements of compliances and construction related issues which are required to be handled by the Promoter of any project who has undertaken to develop the real estate project. None of the reason submitted by the Respondent has any force and legal validity to justify the delay in completion of the project and provide any exception from the application of Section-18 of the Act. Therefore, as per Section 18 of the Act, the promoter is liable pay the delay period interest.

4. One of the contentions raised by the respondent for delay in completing the project is on account of Covid-19. Needless to mention that lockdown due to Covid-19 in Karnataka started during March 2020. Even taking into account the grace period of 6 months after the completion date and Covid-19 extensions of 9 months, the project should have completed by June, 2022. The Respondent has not submitted any document to show the status of the project and the probable date of completion of the project and intimated the same to the complainant. Even during the hearing on 25.7.2023, the Respondent has not produced any document to show that the project is completed nor submitted the status report of the project stating the probable date of completion thereby establishing that the project is still not completed even as on 25.7.2023. Therefore, the exemption sought by the Respondent on account of Covid-19 for calculation of delay period interest for 9 months and grace period of 6 months as per agreement is not tenable and the same is not agreed by the



Authority. The fact remain that the amounts paid by the Complainant remained with the respondent and there is a cost associated with it to the complainant which is recognised by the Act.

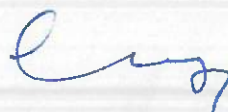
5. On a perusal of the documents filed and submissions made before the Authority, it is evident that complainant has paid sale consideration amount and admittedly there is a delay of more than two years in completing the project and the Respondent has not intimated to the Complainant the probable date of completion handing over the apartment with all amenities as per the agreement. Hence the complainant is entitled to delay period interest u/s 18 of the Act and accordingly a memo of calculation submitted by the Complainant.

6. The has submitted various documents such as copy of the agreement of sale, payment receipts, etc., and prayed the Authority to award delay period interest. On the other hand the Respondent has submitted sale agreement, plan sanction, NGT Order, Hon'ble Supreme Court order copy, RERA Certificates etc., in support of its contention. The Complainant has submitted the MOC for delay period interest and served on the Respondent. The Respondent did not dispute the MOC filed by the Complainant.

HENCE, the Authority orders the following:

ORDER


1. In exercise of the powers conferred under Section 31 read with section 18 of the Real Estate (Regulation and Development) Act,



2016, the complaint bearing CMP/220113/0008790 is hereby allowed.

2. Respondent is directed to pay interest on delay period at the rate of SBI MCLR + 2 from 31.03.2021 till handing over possession. The promoter shall pay the interest for the delay period as arrived at by the complainant from 31.03.2021 to 03.07.2023 amounting to Rs.8.02,311/- (Rupees Eight Lakhs two thousand three hundred eleven only). Further, the Respondent is directed to pay interest for the subsequent period i.e., till the date of handing over possession at the same rate of interest mentioned above. The Complainant is at liberty to initiate action for recovery in accordance with law, if the respondent fails to pay the amount within 60 days from the date of this order.

3. The Respondent-Promoter is directed to complete the construction of the project at the earliest with all amenities as per agreement, obtain occupancy certificate and handover the apartment to the allottee by executing the registered sale deed in favour of the complainant at the earliest.


(G.R. REDDY)
MEMBER
FIFTH ADDITIONAL BENCH
K-RERA

