

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 14TH DECEMBER 2023

PRESIDED BY HON'BLE MEMBER SMT.NEELMANI N RAJU

COMPLAINT NO.:CMP/220516/0009461

COMPLAINANTS.....

**RAJEEV &
DIVYA RAJEEV
7, 8, 2ND FLOOR, 2ND MAIN
LAKESIDE AVENUE
NEW EXTENSION
JALAHALLI WEST
BANGALORE-560015.**

**(Smt. Sona Vakkund, Smt.Kshama
Nargund and Ms.Shruti M.N.
Advocates)**

V/S

RESPONDENT....

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

**2.SHRIRAM PROPERTIES LIMITED
NO.40/43, 4TH CROSS ROAD
8TH MAIN ROAD
SADASHIVANAGAR
BANGALORE-560080**

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

J U D G E M E N T

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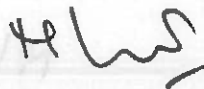
Karnataka Real Estate Regulatory Authority,

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1. This complaint is filed under section 31 of the RERA Act against the project "**SHRIRAM SUVILAS GARDEN OF JOY**" developed by "**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 interest on delay period.
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 with all its assets and liabilities and its registration is valid till 30/04/2025.

Brief facts of the complaint are as under:-

3. The complainants have purchased a flat bearing No.01.06.05, 6th Floor, Tower-1 in the project of respondent by entering into an agreement for sale on 08/10/2021 and have paid an amount of Rs.36,72,411/- (Rupees Thirty Six Lakh Seventy Two Thousand Four Hundred and Eleven only) to the respondents as on 01/01/2022. The complainants submit that the respondent was supposed to handover the flat by 01/01/2022 and has failed to handover the flat as agreed. The complainants are repaying the loan with interest in addition to the monthly rent. The complainants further submit that the respondent is not responding to the matter regarding providing compensation for the delay.
4. The respondent-2 vide their email dated 14/2/2022 stated that the project would be completed by October 2022 which did not happen. The respondent-2 vide their email dated 19/5/2022 intimated that the project is expected to be completed by September 2023 and that the delay will be compensated at the time of handing over possession of the flat. Vide letter dated 29/7/2022 the respondent-2 expected the complainants to waive of all the rights with respect to delay



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- compensation, which the complainants did not give their consent. The complainants have complied with the stipulated payments as agreed.
5. On taking over the project, the respondent-2 is liable to comply with all pending obligations of respondent-1 and the complainants are liable to be compensated as per section 18 of RERA Act, 2016. Thus, the complainants have approached the Hon'ble Authority and pray for directions to the respondent for interest on delay period and to inform the exact date of completion of the project. Hence, this complaint.
6. After registration of the complaint, in pursuance of the notice, the respondent-2 has appeared before the Authority through its counsel and informed the Hon'ble Authority that Shriram Properties Limited have taken over this project. The respondent-2 has not filed any statement of objections nor produced any documents on their behalf.
7. The complainants have produced documents such as copies of Agreement for Sale, payment receipts, email correspondence with the respondent and memo of calculation as on 17/11/2023.
8. This matter was heard on 20/9/2022, 16/11/2022, 11/1/2023, 15/2/2023, 21/3/2023, 01/06/2023, 13/7/2023, 7/9/2023, 11/10/2023 and 12/12/2023. Heard arguments of both sides.
9. **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?
10. **My answer to the above points are as under:-**
1. In the Affirmative.
 2. As per final order for the following:-

12/3

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REASONS

11. **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 the flat by 01/01/2022, the respondent has failed to abide by the terms of the agreement and has not handed over the possession of the flat to the complainants till today.

12. The Hon'ble Authority has perused the written submission submitted by the complainants.

13. Though the respondent No.2 has appeared before the Authority in response to the notice through their counsel/representative, they have not taken any interest to participate in the proceedings by filing statement of objections and producing documents on its behalf. The respondent No.2 has not at all disputed the claim of the complainants in any manner. 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 respondent-2, there is no option left to this Authority except to accept the claim of the complainants.

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

15. As per decision of Hon'ble Supreme Court in Appeal No.6750-57/2021, Newtech Promoters Vs the State of UP and other, 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 –

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- (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 project, will be required to be paid interest by the promoter for every month's delay in handing over possession at such rates as may be prescribed."

16. The complainants vide their memo of calculation as on 17/11/2023 have claimed an amount of Rs.7,00,137/- (Rupees Seven Lakh One Hundred and Thirty Seven only) as delay period interest calculated from 01/01/2022 to 17/11/2023. The respondent No.2 has not filed their memo of calculation despite several opportunities were given.

17. Having regard to all the above aspects, the Authority has concluded that the complainants are entitled for delay period interest from 01/01/2022 till handing over possession of the flat by the respondent No.2.

18. Therefore, it is incumbent upon the Respondent No.2 to pay interest on delay period determined as under:

Payment Details			
S.NO	TYPE	AMOUNT	DATE
1	TOTAL PAYMENT TILL POSSESSION AS PER AGREEMENT	36,72,411	01-01-2022
2	TOTAL DELAYED INTEREST as on 17/11/2023	7,00,137	

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Interest Calculation						
S.NO	FROM DATE	TO DATE	NO. OF DAYS	MCLR RATE	INTEREST RATE	INTEREST
INTEREST CALCULATION FOR AMOUNT PAID TILL POSSESSION 36,72,411						
1	01-01-2022	01-02-2022	31	7.3	9.3 as on 15-12-2021	29,007
2	01-02-2022	01-03-2022	28	7.3	9.3 as on 15-01-2022	26,199
3	01-03-2022	01-04-2022	31	7.3	9.3 as on 15-02-2022	29,007
4	01-04-2022	01-05-2022	30	7.3	9.3 as on 15-03-2022	28,071
5	01-05-2022	01-06-2022	31	7.4	9.4 as on 15-04-2022	29,318
6	01-06-2022	01-07-2022	30	7.5	9.5 as on 15-05-2022	28,674
7	01-07-2022	01-08-2022	31	7.7	9.7 as on 15-06-2022	30,254
8	01-08-2022	01-09-2022	31	7.8	9.8 as on 15-07-2022	30,566
9	01-09-2022	01-10-2022	30	8	10.0 as on 15-08-2022	30,184
10	01-10-2022	01-11-2022	31	8	10.0 as on 15-09-2022	31,190
11	01-11-2022	01-12-2022	30	8.25	10.25 as on 15-10-2022	30,938
12	01-12-2022	01-01-2023	31	8.35	10.35 as on 15-11-2022	32,282
13	01-01-2023	01-02-2023	31	8.6	10.6 as on 15-12-2022	33,061
14	01-02-2023	01-03-2023	28	8.6	10.6 as on 15-01-2023	29,862
15	01-03-2023	01-04-2023	31	8.7	10.7 as on 15-02-2023	33,373
16	01-04-2023	01-05-2023	30	8.7	10.7 as on 15-03-2023	32,297
17	01-05-2023	01-06-2023	31	8.7	10.7 as on 15-04-2023	33,373
18	01-06-2023	01-07-2023	30	8.7	10.7 as on 15-05-2023	32,297

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19	01-07-2023	01-08-2023	31	8.7	10.7 as on 15-06-2023	33,373
20	01-08-2023	01-09-2023	31	8.75	10.75 as on 15-07-2023	33,529
21	01-09-2023	01-10-2023	30	8.75	10.75 as on 15-08-2023	32,448
22	01-10-2023	01-11-2023	31	8.75	0.75 as on 15-09-2023	33,529
23	01-11-2023	17-11-2023	16	8.75	10.75 as on 15-09-2023	17,305
					TOTAL DELAYED INTEREST as on 17/11/2023	7,00,137

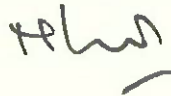
19. Accordingly, the point raised above is answered in the Affirmative.

20. 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/220516/0009461** is hereby allowed.

Respondent No.2 is directed to pay a sum of **Rs.7,00,137/- (Rupees Seven Lakh One Hundred and Thirty Seven only)** towards interest on delay period to the complainants within 60 days from the date of this order, calculated at MCLR + 2% from 01/01/2022 to 17/11/2023.



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The interest accruing from 18/11/2023 till the handing over possession of the flat by the respondent No.2 will be calculated likewise and paid to the complainants.

The complainants are 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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