

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 5

PRESIDED BY SHRI G.R. REDDY, HON'BLE MEMBER

Dated 05th January 2024

COMPLAINT NO: CMP/00297/2023

COMPLAINANTS...

1. Vinay Kumar Murthy
2. Kunte Sushma
No. 421, Sunith, 13th Cross,
16th Main Road, Micolayout,
Hongasandra,
Bangalore-560068.
STATE: KARNATAKA

(In Person)

Vs

RESPONDENT.....

Reddy Structure Pvt. Ltd.,
No. 133/1, 2nd Floor,
The Residency Road,
BENGALURU-560025.

(Mrs. Sujatha H.H, Advocate)

JUDGEMENT

1. This complaint is filed under section 31 of the RERA Act against the project "Mahaveer Trident" developed by M/s Reddy Structures Pvt. Ltd., seeking for the relief of interest on delay period and complete all the pending works and handing over the possession.
2. This project has been registered with RERA vide registration No. PRM/KA/RERA/1251/310/PR/190219/002385 valid till 31-12-2021 and extended till 30-09-2023.

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3. Said project is situated at BBMP Ward No.192, Khatha/Survey No. 708/28/1, 28/6, Basapura Village, Begur Hobli, Bengaluru-South.

Brief facts of the complaint are as under:-

4. The complainants had purchased a flat bearing No.C-230, in the project of respondent who had issued an allotment letter dated 24/01/2022 for a total sale consideration of Rs.61,16,219/- (Rupees Sixty One Lakhs Sixteen Thousand Two Hundred and Nineteen only). The complainants and respondent had entered into an agreement of sale on 10/02/2022. At the time of entering into an agreement of sale, the complainants had paid the sum of Rs.48,31,813/- (Rupees Forty Eight Lakhs Thirty One Thousand Eight Hundred and Thirteen only) on various dates to the respondent. The respondent was supposed to handover the possession of the said flat to the complainants on March 2023. The respondent has failed to complete the project as agreed and to handover the possession of the said flat to the complainants along with the occupancy certificate. There are lot of pending works such as tile work, lift installation, wiring, sanitary fitting, painting, amenities and common area. The complainant is requesting this Authority to direct the respondent to complete the project, execute the sale deed and hand over the possession to the complainants. Hence, this complaint.

5. After registration of the complaint, this Authority had issued notice to both the parties to appear before this Authority. In pursuance of the notices, the complainants have appeared

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before the Authority and filed memo of calculation, copy of allotment letter, agreement of sale and payment receipts. The respondent advocate appeared before the Authority and filed a vakalathnama but he did not file his statement of objections and relevant documents.

6. In support of their claim, the complainants have produced documents such as copies of allotment letter, agreement of sale, payment receipts and memo of calculation as on 08-09-2023.
7. This matter was heard on 13-09-2023 and 02-11-2023.

8. **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?

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

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

REASONS

10. **My answer to Point No. 1:-** The complainants have approached this forum seeking for the relief of interest on delay period; execute sale deed and for handing over the possession. The grounds urged are that the complainants had booked a flat bearing No.C-230 in the project of the respondent by entering into an agreement of sale on 10/02/2022. As per the said agreement, the respondent was supposed to handover possession of the said flat to the complainants on or before

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March 2023 but, the respondent has not handed over possession of the said flat to the complainants as agreed.

11. Looking to the averments of agreement, parties herein have entered into an agreement of sale on 10/02/2022. 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 complainant in March 2023.

12. As per decision of Hon'ble Supreme Court in appeal No.6750-57/2021, M/S Newtech Promoters 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 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'.

13. The said principle laid down in the above decision is aptly applicable to the present case on hand.

14. As per sec.18 of RERA Act, the respondent is liable to pay interest on delay period. Considering the entire materials available on record, the delay in handing over possession being apparent, this

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Authority see no legal impediment in allowing the complaint as prayed. The complainants have paid Rs. 48,31,813/- (Rupees Forty Eight Lakhs Thirty One Thousand Eight Hundred and Thirteen only) to the respondent towards part sale consideration.

15. The complainants have claimed Rs.5,17,506- (Rupees Five Lakhs Seventeen Thousand Five Hundred and Six only) as delay period interest vide their memo of calculation as on 08/09/2023 calculated from 01/09/2022 to 08/09/2023. The respondent has not resisted the said memo of calculation filed by the complainants and he has not submitted his memo of calculation inspite of providing sufficient opportunity. On verification of the memo of calculation filed by the complainants reveal that their claim is genuine. In response to the notice, the respondent has not taken any interest to participate in the proceedings and to resist the claim of complainant. Hence, the claim of complainant remained unchallenged and their claim is corroborated with cogent materials. There is no reason to discard the claim of complainants.

16. Having regard to all these aspects, this Authority concludes that the complainants are entitled for delay period interest from 01/09/2022 to 08/09/2023.

17. The complainants have established their claim by producing cogent evidence i.e. agreement of sale dated 10/02/2022, payment receipts and memo of calculation etc.,.

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18. A thorough verification of the documentary evidence placed by the complainants reveals that their claim is genuine. Having regard to all these aspects, this Authority concludes that the complainants are entitled for interest on delay period as submitted vides their memo of calculation as on 08/09/2023.

Payment Details			
S. NO	TYPE	AMOUNT	DATE
1	TOTAL PAYMENT TILL POSSESSION	48,31,813	01-09-2022
2	TOTAL DELAYED INTEREST as on 08/09/2023	5,17,506	

S.NO	FROM DATE	TO DATE	NO. OF DAY S	MCL R RAT E	INTEREST RATE	INTEREST
INTEREST CALCULATION FOR AMOUNT PAID 42,97,536						
1	01-09-2022	01-10-2022	30	8	10.0 as on 15-08-2022	39,713
2	01-10-2022	01-11-2022	31	8	10.0 as on 15-09-2022	41,037
3	01-11-2022	01-12-2022	30	8.25	10.25 as on 15-10-2022	40,706
4	01-12-2022	01-01-2023	31	8.35	10.35 as on 15-11-2022	42,473
5	01-01-2023	01-02-2023	31	8.6	10.6 as on 15-12-2022	43,499
6	01-02-2023	01-03-2023	28	8.6	10.6 as on 15-01-2023	39,289
7	01-03-2023	01-04-2023	31	8.7	10.7 as on 15-02-2023	43,909
8	01-04-2023	01-05-2023	30	8.7	10.7 as on 15-03-2023	42,493
9	01-05-2023	01-06-2023	31	8.7	10.7 as on 15-04-2023	43,909
10	01-06-2023	01-07-2023	30	8.7	10.7 as on 15-05-2023	42,493
11	01-07-2023	01-08-2023	31	8.7	10.7 as on 15-06-2023	43,909
12	01-08-2023	01-09-2023	31	8.75	10.75 as on 15-07-2023	44,115

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13	01-09-2023	08-09-2023	7	8.75	10.75 as on 15-07-2023	9,961
					TOTAL DELAYED INTEREST as on 08/09/2023	5,17,506

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 am of the opinion that this complaint deserves to be allowed. Hence, 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/00297/0002023** is hereby allowed.

1. Respondent is directed to pay a sum of **Rs. 5,17,506/- (Rupees Five Lakhs Seven Thousand Five Hundred and Six only)** towards delay period interest as on 01-09-2022 to 08-09-2023 the complainants within 60 days from the date of this order.
2. The interest due from 09-09-2023 up to the date of final payment will be calculated as per MCLR + 2% and paid to the complainant.
3. Further, the respondent is directed to complete all the pending works in the project bearing no.322, and execute the sale deed of flat and hand over the possession of the same to the complainants.

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4. The complainants are at liberty to initiate action for recovery in accordance with law if the respondent fails to comply with the order of this Authority.

No order as to costs.

(G R REDDY, IRS)
Member, K-RERA

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