

BEFORE ADJUDICATING OFFICER, RERA

BENGALURU, KARNATAKA

Presided by:- Sri. K.PALAKSHAPPA

Adjudicating Officer.

Complaint No. CMP/181003/0001351

Date: 02nd January 2019

Complainant

: RAVI CHANDRAN

**158, Daddy's Garden Phase 2,
2nd Cross, Kamasandra Village Road,
Hebbagudi, Bengaluru - 560099.**

AND

Opponent

: Anand Marthand Purohit

**S & G LUXURIA,
SHWETA AND GITA CONSTRUCTION INDIA
Pvt Ltd,
Sy No. 132, Iggalur Chandapura, Attibele
Hobli, Anekal Taluk,
Bengaluru -560099.**

J U D G E M E N T

1. Ravi Chandran has filed this complaint under Section 31 of RERA Act against the project "S & G LUXURIA" developed by SHWETA AND GITA CONSTRUCTION INDIA Pvt Ltd, bearing complaint no. CMP/181003/0001351. The brief facts of the complaint is as follows:

Respected Sir/Madam, We Ravichandran aged 62 years & Shyamala Ravichandran aged 56yearsyears, request your help in getting the complete refund of paid amount with compensation from the builder. I have cancelled the flat no E-303 on 5/02/2018, which we made Sale & construction agreement on 16/12/2016 on 25th February 2018? with Shweta and Gita Constructions India Pvt. Ltd. I have cancelled the flat as builder not progressed since I have purchased the flats. I haven't seen much progress in E-Block or as whole apartment complex for last 22months. It is in the same stage from the day I booked the flat. Every time builder has convinced us with false promises. Till date Builder has collected more than 70% (Rs 24,62,610/-) of amount (disbursed and interest) on the sale value Rs35,69,000/-. On 22 May 2018, Builder has given 4 cheques of Karnataka bank, developer told me to deposit the two of six cheques which values about Rs16,50,000/- (cheque no ? 103240 & 103218?) for honoring. But the cheques were dishonored due to insufficient funds and developer ordered for Stop payment of the following cheques. Even after Subsequent follow up, no positive response from the S&G construction team and directors. Promoter Information S&G Construction Pvt Ltd Board of Directors & developers information 1. SITANSU SEKHAR BEHURA ? Director - +91 9741001001 2. SHWETA MISHRA ? Director - +91 9886464651 3. ANAND MARTHAND PUROHIT-Director ? +91 9845353333 4. VIJAY UPADHYAY ? Director ? 7026665873, 9740000087 5. Lalit Mohan Tayal - Additional Director 6. Rakesh Chetan Tayal - Additional Director Land Owners are: 7. Mr.Chikka Muni Reddy ? Mobile no +91 9844428405 (S/o Late Venkata Reddy), Mr. Puroshotham (S/o Mr.Chikka Muni Reddy), Mrs. Kalpana (Mr.Chikka Muni Reddy), Mrs. Aruna(D/o Mr.Chikka Muni Reddy), 8. Mrs.Lakshamma (W/o Late Munishami Reddy), Mr.Venugopal (S/o Late Munishami Reddy), Mrs.Kalavathi (D/o Late Munishami Reddy). 9. Mrs. Papamma (W/o Late Muni Reddy), Mrs.Kavitha (D/o Late Muni Reddy), Mr.Anil Kumar (S/o Late Muni Reddy) Residing at No 66, Iggluru Village, Chandrapura Post, Attibele Hobli, Anekal Taluk, Bangalore-99. To get the refund, I have been following with builder last 8months, till now I haven't received single rupee as a refund from the builder on disbursed amount. I am completely depressed and stressed with this issue. I

A handwritten signature in blue ink, followed by the date 02/01/19.

have all the records of communication in mails, kindly help me to get refund from Builder. My Nephew Mr. Rukesh Narayanan or my nephew appointed Lawyer will be representing my case for all the court proceedings. since I am staying out of India. I agree to my representative's decisions taken on behalf of me in court proceedings relative to this cases. please consider this application and ignore previous incomplete submission application acknowledgement no. is cmp/181003/0001347

Relief Sought from RERA : Immediate refund of paid amount with interest

2. In pursuance of the summons issued by this authority the son of brother of the Complainant was present on 30/10/2018 with authority letter but the Respondent has not appeared. On 20/11/2018 the Developer has appeared. Finally on 21/12/2018 both parties were present and arguments were heard and reserved for orders.
3. The Complainant is seeking refund of the amount paid by him to the Developer and the same has not been denied. The developer has made a prayer that he required some time for refund of the amount. Of course it was also submitted that the present Developer is searching for a new Developer or a Developer who is funding. But the Complainant who has paid the amount is waiting since long time for realization of his dream to own a flat but because of the delay shown by the Developer in completing the project the Complainant wants to go out of the flat.
4. As per Section 18 of the RERA Act, it is the wish of the consumer to be with the project or to go out of the project. The wordings used in Section 18 are as under:

" in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case

may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act".

5. By reading the above, it is clear that the Act does not make any specific ground to go out of the project. However the parties have entered into agreement with number of clauses which are all binding upon each other.
6. More over before going to award the compensation I have to give importance to Section 72 along with Section 18. The developer has to honour the demand of the consumer and hence, I hold that the complainant is entitled for the relief since there was any hurdle in granting the relief. Another point for consideration is regarding the interest.

Coming to section 18 of RERA, the complainant who is going away from the project is entitled for refund of the amount with interest @10.25% P.A from 01/05/2017. According to complainant he has paid 95% of the amount to the developer. It means he has paid the amount to the developer even before delivery of possession. Therefore the complainant is entitled for compensation @9% as per Karnataka Apartment Ownership Act, 1972 till coming into force of RERA Act.

7. As per sec.18 by the Act delay Compensation has to be paid at the rate of interest as prescribed. As per rule 16, it is said under.

Rate of interest payable by the promoter and the allottee:- The rate of interest payable by the promoter to the allottee or by the allottee to the promoter, as the case may be, shall be the State Bank of India highest marginal cost of lending rate plus two percent.

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02/01/19

8. By taking into consideration of all these Points; I would like say that the complainant is entitled for compensation @ Rs.9/- on the amount paid by him from the respective payment till 30/04/2017 and @10.25% P.A from 01/05/2017.
9. As per S.71(2) RERA, the complaint shall be closed within 60 days from the date of filing. This complaint was presented on 03/10/2018. As per the SOP the 60 days be computed from the date of appearance of parties. In this case the parties have appeared on 21/12/2018 and hence, there is no delay in disposing of the case. With this observation I proceed to pass following order.

ORDER

- a. The Complaint No. CMP/181003/0001351 is allowed.
- b. The developer is hereby directed to return all the amount received from the Complainant towards purchase of the flat.
- c. The developer is liable to pay interest at the rate of 9% of simple interest on the above said sum on the amount paid on the respective date till 30/04/2017 and at the rate of 10.25% commencing from May 2017 till the realisation of entire amount.
- d. The developer is also directed to discharge the loan amount with its EMI if any.
- e. The developer is here by directed to deduct the GST amount if paid and necessary documents be provided to the complainant to enable him to take back that amount from the Government.
- f. The complainant is hereby directed to execute the cancellation deed only after realisation of entire amount.

Intimate the parties regarding the Order.

(Typed as per Dictated, Verified, Corrected and
Pronounced on 02/01/2019)

(K.PALAKSHAPPA)

Adjudicating Officer