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

Dated 5th December 2019

COMPLAINT No. CMP/130515/0000833

PRAMOD T P

......Complainant Mounica Espancia, Lepakshi Block, 2nd Floor Banjara Layout, Horamavu Agara,

AND

SRI SAI PALAJI CONSTRUCTIONS,

.....Respondent

Sy. No. 65/2, 2nd Cross, Banjara Layout, Moramavu Agara, Bengaluru Urban - 560043.

Bengaluru Urban - 560043.

This complaint is filed against Mounica Espancia Project, situated in Horamavu Agara, Bengaluru. The complaint in brief is as under.

- 1. Without registering the project Mounica Espancia, the promoter is selling the apartments.
- 2. The builder has not provided CC and OC for the buyers and has not taken the initiative to handover the project as well.
- 3. That the builder has started a new project namely, Mounica park vesta with registration No. PR/KN/170831/001836, without disclosing the fact of the previous unregistered project.

Notices were issued and enquiry conducted.

The respondent vide his letter dated 19/08/2019 has submitted that the building license and the plan were approved by BBMP on

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16/07/2013 and after the completion of the project, they have sold more than 60% of the flats to the purchasers and have executed the sale deeds and handed over the possession to them in the year 2016. On this ground the respondent has requested for exemption of this project from registration.

Once again by his letter dated 16/10/2019 the respondent has submitted that out of 100 apartments, 85 apartments are sold. He has also enclosed details of the registrations of the sale deeds.

As could be seen from the list of registrations of the sale deeds, 85 apartments have been sold before the Real Estate (Regulation and Development) Act, 2016 came into force.

Sec. 3(1) of the Act makes it mandatory for all the on-going projects as on the date of the commencement of the Act (i.e., 01/05/2017) to be registered.

Rule 4 provides for exemption of the project from registration in certain cases. Rule 4 (1) (iii) reads as under:-

"where all development works have been completed as per the Act and certified by the competent agency and sale/lease deeds of 60% of the apartments/houses/plots have been registered and executed".

Hence the project Mounica Espancia is eligible for exemption from registration.

Notwithstanding the fact of the exemption from registration, the promoter is bound by the responsibilities entrusted to him towards the purchasers of the apartments.

Sec. 11 (4) reads as

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"the promoter shall (b) be responsible to obtain the completion certificate or the occupancy certificate, or both as applicable, from the relevant competent authority as per local laws or other laws for the time being in force and to make it available to the allottees individually or to the association of allottes as the case may be."

Sec. 11 (4) (e) reads as "enable the formation of an association or society or co-operative society as the case may be, of the allottees, or a federation of the same, under the laws applicable".

Hence ir view of the above, following order is passed.

ORDER

- 1. The project "Mounica Espancia" is hereby exempted from registration under Rule 4 (1) (iii) of the Real Estate (Regulation and Development) Rules, 2017.
- 2. However the respondent/promoter is hereby directed to fulfill his responsibilities under Sec. 11(4) (b) and (e) of the Real Estate (Regulation and Development) Act, 2016.
- 3. Separate notice shall be issued to the respondent for not declaring "Mounica Espancia" as a project completed by him while applying for the new project namely "Mounica park vesta" under Registration No. PR/KN/170831/001836

(Adon't Syed Saleem)

Member - 2

KRERA