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 10th OCTOBER 2022

PRESIDED BY HON'BLE MEMBER SMT.NEELMANI N RAJU

COMPLAINT NO.:CMP/211126/0008636

COMPLAINANTS.....

MR. DIBYA RANJAN MOHANTY AND MRS.SIMLIN PATNAIK
NO.33, URBAN SERENITY
SARJAPUR BAGALUR ROAD
THINDLU, SARJAPUR
BANGALORE-562125

(By Mr.M.D. Raj Kumar, Advocate & Others)

V/S

RESPONDENT....

INNER URBAN INFRA ESTATE PVT LTD NO.523, GROUND FLOOR 24TH MAIN, SECTOR-2, HSR LAYOUT BANGALORE-560102.

(By Mr. Pradeep VR, Advocate & others)

JUDGEMENT

This complaint is filed under section 31 of the RERA Act against the project "URBAN SERENITY" developed by "INNER URBAN INFRA ESTATE PVT LTD" on Sy.No.117/1, 117/2, 117/3 & 119/2, Thindlu Village, Sarjapura Hobli, Anekal Taluk, Bengaluru Urban District for the relief of interest on delay.

2. This project has been registered under RERA bearing registration No. PRM/KA/RERA/1251/308/PR/171102/001592 valid from 31/8/2017 till 31/12/2019. As the registration of the project expired on 31/12/2021, the

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Authority extended the registration for a further period of 12 months which is valid till 31/12/2020. The project was extended due to COVID-19 for a period of 6 months i.e. till 30/06/2021.

Brief facts of the complaint are as under:-

- 3. The complainants have purchased a Villa in the project of respondent by entering into an agreement for sale on 4/2/2019 and has paid an amount of Rs.74,00,000/- (Rupees Seventy Four Lakh only) (including Bank Loan) to the respondent till date. As per the agreement respondent was supposed to handover the Villa on or before 12 months from the date of commencement of the Villa i.e. by the end of January 2020 with grace period of six months. The respondent handed over physical possession of the Villa to the complainants on 1/2/2020, but delayed registration of Sale Deed. Despite repeated requests seeking adjustment of delay compensation with the remaining sale consideration, respondent did not heed to their requests. The complainants sent Legal Notice on 26/2/2021 to the respondent demanding delay compensation with ancillary reliefs. The respondent issued untenable reply. The respondent forcibly got the Sale Deed registered on 28/7/2021 without any completion/occupancy certificates. Hence, the respondent is liable to pay interest on delay period.
- 4. After registration of the complaint, in pursuance of the notice, the respondent has appeared before the Authority through its counsel and filed statement of objections as under:

The Respondent contends that the complainants have approached the Hon'ble Authority seeking compensation for an alleged delay in handing over possession of the property in the project. The respondent denies all the allegations made by the complainants are false and baseless. The respondent submits that the possession was handed over within 12 months and hence there is no delay. The respondent submits that the delay in completion of the project

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was due to force majeure conditions such as, scarcity of raw materials, non-availability of skilled labours, delay in approvals by statutory authorities and litigations initiated by mischievous elements or such reasons beyond the control of the respondent, and the respondent cannot be held liable to compensate the complainant under section 18(1) of RERA Act. The respondent contends that there is no wilful delay or default by the respondent in handing over the possession of the Villa to the complainants and continues to remain committed of delivering the possession to its customers. The respondent denies the allegations of the complainants and prays not to grant the relief sought by the complainants in the interest of justice and equity.

- 5. The complainant has uploaded and produced in all 4 documents such as copies of Agreement of Sale, Sale Deed, Payment receipts, Commencement Certificate, copy of Legal Notice dated 26/2/2021, Villa defect photographs and memo of calculation as on 01/07/2022.
- 7. Heard arguments of both sides.
- 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:-From the materials placed on record, it is apparent that inspite of entering into an agreement of sale on 4/2/2019 to handover the possession of the Villa within 12 months from the commencement of the

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construction with the grace period of six months, the respondent failed to abide by the terms of the agreement. Though the respondent gave physical possession of the Villa on 1/2/2020, the registration of the Sale Deed was delayed. It is also evident from the complainants submission that the Sale Deed was got registered forcibly by the respondent on 28/7/2021 without obtaining completion certificate and occupancy certificate from the competent authority. The complainants vide their memo of calculation as on 01/07/2022 has claimed an amount of Rs.22,03,678/- (calculated from 30/5/2019 to 01/07/2022) as delay period interest. The respondent has not filed its memo of calculation despite several opportunities given. Having regard to all these above aspects, the Authority is of the opinion that the complainant is entitled for delay period interest from 30/5/2019 to 01/07/2022.

11. Therefore, it is incumbent upon the respondent to pay interest on delay as under:

Payment Details						
S.NO	TYPE	AMOUNT	DATE			
1	TOTAL PAYMENT TILL POSSESSION	74,00,000	30-05-2019			

		Intere	st Calcula	ation		
S.NO	FROM DATE	TO DATE	NO. OF DAYS	MCLR RATE	INTEREST RATE	INTEREST
INT	EREST CALCUL	ATION FOR AN	OUNT P	AID TILL	POSSESSION	7,400,000
1	30-05-2019	30-06-2019	31	8.65	10.65 as on 10-05-2019	66,934
2	30-06-2019	30-07-2019	30	8.65	10.65 as on 10-06-2019	64,775

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3	30-07-2019	30-08-2019	31	8.6	10.6 as on 10-07-2019	66,620
4	30-08-2019	30-09-2019	31	8.45	10.45 as on 10-08-2019	65,677
5	30-09-2019	30-10-2019	30	8.35	10.35 as on 10-09-2019	62,950
6	30-10-2019	30-11-2019	31	8.25	10.25 as on 10-10-2019	64 ,420
7	30-11-2019	30-12-2019	30	8.2	10.2 as on 10-11-2019	62,038
8	30-12-2019	30-01-2020	31	8.2	10.2 as on 10-12-2019	64,106
9	30-01-2020	29-02-2020	30	8.2	10.2 as on 10-01-2020	62,038
10	29-02-2020	29-03-2020	29	8.15	10.15 as on 10-02-2020	59,676
11	29-03-2020	29-04-2020	31	8.05	10.05 as on 10-03-2020	63,163
12	29-04-2020	29-05-2020	30	7.7	9.7 as on 10-04-2020	58,997
13	29-05-2020	29-06-2020	31	7.55	9.55 as on 10-05-2020	60,021
14	29-06-2020	29-07-2020	30	7.3	9.3 as on 10-06-2020	56,564
15	29-07-2020	29-08-2020	31	7.3	9.3 as on 10-07-2020	58,449
16	29-08-2020	29-09-2020	31	7.3	9.3 as on 10-08-2020	58,449
17	29-09-2020	29-10-2020	30	7.3	9.3 as on 10-09-2020	56,564



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18	29-10-2020	29-11-2020	31	7.3	9.3 as on 10-10-2020	58,449
19	29-11-2020	29-12-2020	30	7.3	9.3 as on 10-11-2020	56,564
20	29-12-2020	29-01-2021	31	7.3	9.3 as on 10-12-2020	58,449
21	29-01-2021	28-02-2021	30	7.3	9.3 as on 10-01-2021	56,564
22	28-02-2021	28-03-2021	28	7.3	9.3 as on 10-02-2021	52,793
23	28-03-2021	28-04-2021	31	7.3	9.3 as on 10-03-2021	58,449
24	28-04-2021	28-05-2021	30	7.3	9.3 as on 10-04-2021	56,564
25	28-05-2021	28-06-2021	31	7.3	9.3 as on 15-05-2021	58,449
26	28-06-2021	28-07-2021	30	7.3	9.3 as on 15-06-2021	56,564
27	28-07-2021	28-08-2021	31	7.3	9.3 as on 15-07-2021	58,449
28	28-08-2021	28-09-2021	31	7.3	9.3 as on 15-08-2021	58,449
29	28-09-2021	28-10-2021	30	7.3	9.3 as on 15-09-2021	56,564
30 🤻	28-10-2021	28-11-2021	31	7.3	9.3 as on 15-10-2021	58,449
31	28-11-2021	28-12-2021	30	7.3	9.3 as on 15-11-2021	56,564
32	28-12-2021	28-01-2022	31	7.3	9.3 as on 15-12-2021	58,449



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33	28-01-2022	28-02-2022	31	7.3	9.3 as on 15-01-2022	58,449
34	28-02-2022	28-03-2022	28	7.3	9.3 as on 15-02-2022	52,793
35	28-03-2022	28-04-2022	31	7.3	9.3 as on 15-03-2022	58,449
36	28-04-2022	28-05-2022	30	7.4	9.4 as on 15-04-2022	57,172
37	28-05-2022	28-06-2022	31	7.5	9.5 as on 15-05-2022	59,706
38	28-06-2022	01-07-2022	3	7.7	9.7 as on 15-06-2022	5,899
9				J.P	TOTAL DELAYED INTEREST as on 01/07/2022	22,03,678

- 12. Accordingly, the point raised above is answered in the Affirmative.
- 13. 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. <u>CMP/211126/0008636</u> is hereby allowed. Respondent is directed to pay a sum of Rs.22,03,678/- (Rupees Twenty Two Lakh Three Thousand Six Hundred and Seventy Eight only) towards delay period interest to the complainant within 60 days from the date of this order, calculated at MCLR +

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2% from 30/5/2019 to 01/07/2022. Failing which, 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.

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