

**KARNATAKA REAL ESTATE REGULATORY AUTHORITY,
BENGALURU**

FIFTH ADDITIONAL BENCH

CORUM

**SHRI.D.VISHNUVARDHANA REDDY
HON'BLE MEMBER-1**

COMPLAINT NO.CMP/200918/0006576

DATED THIS 7TH DAY OF NOVEMBER, 2022

COMPLAINANTS : Somashekar S Umadi,
No.467, CQAL Layout, Sahakaranahar,
Bengaluru-560092.

RESPONDENT / : M/s.Mantri Technology Constellations Pvt
PROMOTER Ltd.
Mantri House, No. 41, Vittal Malya Road,
Bangalore-560001.

PROJECT NAME & : Mantri Webcity 2A
REGISTRATION NO PRM/KA/RERA/1251/310/PR/
171015/000608

J U D G E M E N T

This complaint is filed under Sec-31 of the Real Estate (Regulation and Development) Act, 2016 before this Authority against the project Mantri Webcity 2A praying for a direction to pay delay period interest and for other reliefs:

BRIEF FACTS OF THE COMPLAINT ARE AS UNDER:-

1. The complainants have entered into an agreement of sale on 06.09.2013 The project completion date as per agreement was 30.09.2016. The complainants have paid an amount of Rs. 64,12,477/- (Rupees Sixty Four Lakhs Twelve Thousand and Four Hundred and Seventy Seven only) to the

respondent till date. Since there was delay of more than four years in handing over the apartment, the complainants have filed the above complaint before the Authority praying for the following reliefs:

- a) Direct the Respondents to complete the construction at the earliest and handover the apartment with all amenities along with O.C.
- b) Direct the Respondents to pay the delayed compensation from 31.09.2016 until handing over of possession of Apartment and until Occupancy Certificate on our entire pay of Rs.62,77,117/-
- c) Direct the Respondent to pay a sum of Rs.1,31,046/- towards the arrears of PRE-EMI installment for the month of January, February and March 2017 (Rs.46282/-*3 Month=Rs. 1,31,046/-) along with interest on the same..
- d) Direct the Respondent to set off the compensation awarded from any money legally payable by the Complainant to Respondent.
- e) Direct the Respondent to pay a sum of Rs.20000/- towards the cost of accommodation until possession with Occupancy Certificate.
- f) Direct the respondent builder to provide account of service tax, VAT and GST and return the excess receipts of the Service Tax, VAT and GST along with interest.
- g) Compensation for the Mental Agony and pain and Damages to an extent of Rs.5,00,000/-.
- h) Compensation for unfair Trade practice to an Extent of Rs.5,00,000/-.
- i) Cost of litigation and expense to an Extent of Rs.50,000/-.

2. On a perusal of the sale agreement, it is seen that the completion date is agreed as 06.09.2013. The promoter-respondent was required to complete the project and hand over possession of the apartment by 30.09.2016. In cases

wherein the respondent-promoter has failed to complete or unable to handover the possession of the apartment to the allottee, this complaint is admissible for relief in accordance with Section 18 of the Act.

3. After registration of the complaint, in pursuance of the notice, the respondent has appeared before the Authority through its counsel and filed statement of objection.
4. Therefore, as per Section 18 of the Act, the promoter is liable pay the delay period interest.
5. On a perusal of the documents filed and oral submissions made before the Authority, it is evident that complainant has paid an advance sale consideration amount and admittedly there is a delay in handing over the apartment as per the agreement. Hence the complainant is entitled to delay period interest u/s 18 of the Act and accordingly a memo of calculation submitted by the Complainant. The Promoter-Respondent has not submitted any memo of calculation.
6. As regards the relief in the form of cost of accommodation sought by the allottee, the delay period interest admissible u/s 18 of the Act is the appropriate relief available to the allottee. There is no provision under the Act for granting cost of accommodation as an additional relief to the allottee during the completion delay in the project.
7. As regards damages of Rs.5.0 lakhs claimed by the allottee on account of mental agony and pain, the complainant may seek an appropriate relief by filing a complaint before the

Adjudicating Officer who is empowered to adjudge the compensation under the provisions of the Act. Similarly as regards the compensation claimed for unfair trade practice, the complainant is at liberty to seek appropriate relief by filing a complaint before the Adjudicating Officer.

8. The complainant has sought a relief of RS.50,000/- to defray the litigation expenses. It is noted that the complainant has booked the apartment in the year 06.09.2013 for a total consideration of Rs.64,12,477/-. It is submitted by the complainant that about Rs. 62,77,117/- was paid which accounted to 99% of the basic cost of the apartment. It is also submitted as per the sale agreement and construction agreement that the completion date was fixed as 30.09.2016. Further submissions of the complainant include that the respondent failed to pay pre EMI instalment as undertaken by the respondent while entering into sale agreement. These facts brought out in the complaint indicate that the complainant was left with no choice but to file a complaint before the Authority and pursue the same. It is evident that the complainant has engaged an advocate and incurred expenditure for pursuing the litigation which has arisen only on account of the defaults committed by the promoter-respondent. Having regard to all the facts the Authority is of the view that the complainant is entitled for some relief in the form of payment of litigation expenses by the promoter-respondent. Accordingly, it is hereby ordered that respondent-promoter shall pay a sum of Rs.20,000/- to the complainant on account of litigation expenses.

And accordingly the Authority orders the following:

ORDER

1. In exercise of the powers conferred under Section 31 read with section 18 of the Real Estate (Regulation and Development) Act, 2016, the complaint bearing CMP/200918/0006576 is hereby partly allowed.

2. Respondent is directed to pay interest on delay period at the rate of SBI MCLR + 2 from 06.09.2013 till the date of handing over possession along with occupancy certificate. The working submitted by the complainant is enclosed to this order as Annexure-A. The promoter shall pay the interest for the delay period as arrived at amounting to Rs.37,68,718/ (Thirty Seven lakhs Sixty Eight Thousand Seven Hundred and Eighteen only) within 60 days from the date of this order. The delay period interest working submitted by the complainant is for the period commencing from 06.09.2013 to 07.11.2022. The Promoter is also liable to pay delay period interest for every month delay for the subsequent period of delay handing over the apartment and by executing the sale deed in favour of the complainant.

3. Respondent-Promoter is directed to complete the construction of the project at the earliest with all amenities, obtain occupancy certificate and handover the apartment to the allottees at the earliest.

4. As regards the relief in the form of cost of accommodation sought by the allottee, the delay period interest admissible u/s 18 of the Act is the appropriate relief available to the allottee. There is no provision under the Act for additionally granting cost of accommodation as an additional relief to the allottee during the completion delay in the project. Therefore, this claim is not entertained.

5. As regards damages of Rs.5.0 lakhs claimed by the allottee on account of mental agony and pain, the complainant may seek an appropriate relief by filing a complaint before the Adjudicating Officer who is empowered to adjudge the compensation under the provisions of the Act.

6. Similarly the compensation claimed for unfair trade practice also the complainant is at liberty to seek appropriate relief by filing a complaint before the Adjudicating Officer.

7. As regards the cost of litigation expenses to the extent of Rs.50,000/- claimed, the promoter is directed to pay an amount of Rs.20,000/- to the Allottee towards cost of litigation.


(D.VISHNUVARDHANA REDDY)
MEMBER-1
FIFTH ADDITIONAL BENCH
K-RERA