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 26TH DECEMBER 2022

PRESIDED BY HON'BLE MEMBER SMT.NEELMANI N RAJU

COMPLAINT NO.: CMP/220126/0008874

COMPLAINANTS.....

MR. SHASHANK KUMAR JHA & MRS. DEBASRI CHATTERJEE 108, SRR MEADOWS VM MEADOWS PRIVATE ROAD HORAMAVU MAIN ROAD BANGALORE-560016

(IN PERSON)

Vs

RESPONDENT.....

SHRIVISION TOWERS PVT LTD 40/43, 8TH MAIN, 4TH CROSS SADASHIVA NAGAR BANGALORE-560080.

(By Mr.Joseph Anthony, Advocate & others, JSM Law Partners)

JUDGEMENT

- 1. This complaint is filed under section 31 of the RERA Act against the project "SHRIRAM GREENFIELD PHASE 2" developed by **SHRIVISION TOWERS PVT LTD** on Sy.No.73/1, 73/2A, 74(P) & 81, Bommanahalli Village, Bidarahalli Hobli, Bangalore East Taluk, Hoskote, Bengaluru Rural District for the relief of interest on delay.
- 2. This project has been registered under RERA bearing Registration No.PRM/KA/RERA/1250/304/PR/171014/001220 valid till 31/3/2021. The project was extended due to Covid-19 for a period of 9 months till

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31/12/2021. The Authority has further extended its registration for a further period of 12 months i.e. till 31/12/2022.

Brief facts of the complaint are as under:-

- 3. The complainants had purchased an apartment in the project of respondent and entered into an agreement of sale and construction agreement on 04/08/2018 and has paid an amount of Rs.46,92,348/-(Rupees Forty Six Lakh Ninety Two Thousand Three Hundred and Forty Eight only) to the respondent till date. The respondent was supposed to hand over the possession of the flat to the complainants by 31/03/2021 with a grace period of six months i.e. latest by the end of September 2021, but till today the respondent has not handed over the possession of the apartment to the complainants. The respondent has failed to complete the project and deliver the possession of the flat on time and to pay PEMIs to the Bank. The respondent has kept postponing the date of possession and has defaulted on terms and conditions as agreed. The project is still not complete. Hence, the respondent is liable to pay interest on delay period. Hence, this complaint.
- 4. After registration of the complaint, in pursuance of the notice, the respondent has appeared before the Authority through its counsel and has filed statement of objections as under:
- 5. The Respondent contends that the complainant is not entitled for seeking relief sought in light of the Agreement of Sale dated 04/08/2018 and submits that the delay in completion of the project was attributed to the pending litigations against the respondent before the Hon'ble National Green Tribunal in O.A.No.222/2014 as well as before the Hon'ble Supreme Court in Civil Appeal No.5016/2016 benches regarding maintenance of buffer zones where the apartment allotted to complainant

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- in respect of the project was situated and on conclusion of the cases in Hon'ble NGT and Hon'ble Supreme Court, the construction proceeded.
- 6. The respondent further contends that the project has not been completed within stipulated time due to force majeure events such as, scarcity of raw materials, non-availability of skilled labours, transport disruption 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. In addition COVID-19 pandemic and the lockdown have also contributed significantly to the obstacles faced by the respondent. The respondent contends that there is no wilful delay or default by the respondent in handing over the possession of the apartment to the complainant and continues to remain committed to delivering the possession to its customers. The respondent denies the allegations of the complainant and submits that the delay has been caused as a result of factors beyond the control of the respondent such as the ruling of the NGT and force majeure of the pandemic. The respondent further contends that the impact of the ruling of the NGT, New Delhi was common knowledge as the same had been extensively published in the media and the newspapers as the same was widely covered in public knowledge and prays not to grant the relief sought by the complainants in the interest of justice and equity and to dismiss the complaint.
- 7. In support of their defence, the respondent has submitted copies of the Agreement of Sale, sanctioned plan dated 1/3/2016, Order dated 4/5/2016 passed by Hon'ble National Green Tribunal, Delhi in O.A.222/2014, Order dated 5/3/2019 passed by the Hon'ble Supreme Court in Civil Appeal No.5016/2016, maps of Bommenahalli and Bendiganahalli village depicting the lake, screenshot from Google Maps depicting the location of the Project and the lake, copies of the RERA



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registration and extension certificates and memo of calculation as on 11/11/2022.

- 8. In support of their claim, the complainants have produced documents such as copies of Agreement of Sale, Demand letter, Customer Statement of account issued by Shrivision Towers Private Limited, Statement of Account issued by ICICI Bank towards Loan EMI paid to the bank and memo of calculation as on 19/7/2022.
- 9. Heard arguments of both sides.
- 10. 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?
- 11. My answer to the above points are as under:-
 - 1. In the Affirmative.
 - 2. As per final order for the following

REASONS

- 12. **My answer to point No.1:-** From the materials placed on record, it is apparent that inspite of entering into an agreement for sale to handover the apartment within 31/3/2021 with a grace period of six months i.e. latest by the end of September 2021, the respondent failed to abide by the terms of the agreement and not handed over the possession of the apartment to the complainants till today.
 - 13. The respondent was directed to furnish information regarding the date of start of NGT litigation, date of order of Hon'ble NGT/Hon'ble Supreme

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Court, when the appeal was filed in the Hon'ble Supreme Court, date of sale of apartment to the complainant, whether the complainants/customers were kept informed about the litigation existing at the time of sale of agreement, whether they had kept the RERA Authority informed about this litigation at the time of registration, date of application for RERA registration.

- 14. The respondent have not kept the RERA Authority informed about the litigation at the time of Registration nor had intimated the complainant/customers about the ongoing dispute despite knowing the fact that the Hon'ble NGT order could delay their project. At the time of registration in RERA, the respondent could have taken larger time for completion or changed their building plan. The respondent's contention that the ruling of the NGT, New Delhi had been extensively published in the media and newspapers and that the buyer ought to have been aware about the ruling of the NGT, New Delhi is not acceptable. The onus is on the promoter to open all their cards at the time of sales and not to keep the customers in dark.
- 15. The complainants vide their memo of calculation as on 19/7/2022 have claimed an amount of Rs.5,70,160/- as interest on delay calculated from 31/3/2021 to 19/7/2022. The respondent in its memo of calculation as on 11/11/2022 has submitted that an amount of Rs.3,05,472/- has to be paid to the complainants towards delay period interest calculated from 31/12/2021 to 11/11/2022. There is dispute over the principal amount paid and received by both the parties. Having regard to all these aspects, this Authority concludes that the complainants are entitled for delay period interest from 30/9/2021 to 19/7/202.



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

	Payment Details		
S.NO	TYPE	AMOUNT	DATE
1	TOTAL PAYMENT TILL POSSESSION	46,92,348	31/03/2021
2	TOTAL DELAYED INTEREST as on 19/07/2022	5,70,160	

		Interest	Calculatio	n		
S.NO	FROM DATE	TO DATE	NO. OF	MCLR	INTEREST	INTEREST
			DAYS	RATE	RATE	
	INTEREST CALCUL	ATION FOR AMO	UNT PAID	TILL POS	SESSION 46,92	,348
1	30/09/2021	30/10/2021	30	7.3	9.3 as on 15-09-2021	35,867
2	30/10/2021	30/11/2021	31	7.3	9.3 as on 15-10-2021	37,063
3	30/11/2021	30/12/2021	30	7.3	9.3 as on 15-11-2021	35,867
4	30/12/2021	30/01/2022	31	7.3	9.3 as on 15-12-2021	37,063
5	30/01/2022	28/02/2022	29	7.3	9.3 as on 15-01-2022	34,671
6	28/02/2022	28/03/2022	28	7.3	9.3 as on 15-02-2022	33,476
7	28/03/2022	28/04/2022	31	7.3	9.3 as on 15-03-2022	37,063
8	28/04/2022	28/05/2022	30	7.4	9.4 as on 15-04-2022	36,253
9	28/05/2022	28/06/2022	31	7.5	9.5 as on 15-05-2022	37,860



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10	28/06/2022	19/07/2022	21	7.7	9.7 as on 15-06-2022	26,187
11					TOTAL DELAYED INTEREST	3,51,370
					as on 19/07/2022	1

- 17. Accordingly, the point raised above is answered in the Affirmative.
- 18. My answer to Point No.2:- In view of the above discussion, I proceed to pass the following order –

ORDER

In exercise of the powers conferred under Section 31 of the Real Estate (Regulation and Development) Act, 2016, the complaint bearing No.CMP/220126/0008874 is hereby allowed. Respondent is directed to pay a sum of Rs.3,51,370/- (Rupees Three Lakh Fifty One Thousand Three Hundred and Seventy only) towards delay period interest to the complainants within 60 days from the date of this order, calculated at MCLR + 2% from 30/9/2021 till 19/07/2022. The interest due from 20/07/2022 up to the date of final payment will be calculated likewise and paid to the complainants. 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.

(Neelmani N Raju) Member, K-RERA MOTAMOFFICIAL