

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 BEFORE BENCH 6**

**Dated 25<sup>TH</sup> MAY 2023**

**PRESIDED BY HON'BLE MEMBER SMT.NEELMANI N RAJU**

**CMP/220625/0009691 COMPLAINT NO.: CMP/220625/0009691**

**COMPLAINANT.....**

**MR. VARUN BANSAL  
NO.38/2, ABHINANDANA BUILDING  
3<sup>RD</sup> CROSS, HEMANT NAGAR  
MARATHAHALLI  
NEAR HAA COLLEGE  
BANGALORE-560037.**

**(IN PERSON)**

**Vs**

**RESPONDENT.....**

**SHRIRAM PROPERTIES PVT LTD  
40/43, 8<sup>TH</sup> MAIN, 4<sup>TH</sup> CROSS  
SADASHIVA NAGAR  
BANGALORE-560080.**

**SHRIPROP DWELLERS PRIVATE LTD  
40/43, 8<sup>TH</sup> MAIN, 4<sup>TH</sup> CROSS  
RMV EXTENSION  
SADASHIVA NAGAR  
BANGALORE-560080.**

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

**\* \* \* \* \***

**J U D G E M E N T**

1. This complaint is filed under section 31 of the RERA Act against the project "**SHRIRAM SUMMITT**" developed by **SHRIRAM PROPERTIES PVT LTD** on Sy.No.80/1, 2, 3, 4, 84/6 & 7, 85/2, 87/2, 89/1 & 2, 121/1, 2, 3, Veerasandra Village & Hebbagodi Village, Attibele, Anekal Taluk, Bengaluru Urban-562107 for the relief of interest on delay period.

2. This project has been registered under RERA bearing Registration No.PRM/KA/RERA/1251/308/PR/171015/001121 valid till 31/12/2019.

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The Authority has further extended its registration for a period of 12 months i.e. till 31/12/2020. The project was extended due to Covid-19 for a period of 9 months till 30/09/2021.

**Brief facts of the complaint are as under:-**

3. The complainant had booked an apartment in the project of respondent in January 2018 and entered into an agreement of sale on 10/04/2018 and had paid an amount of Rs.60,95,520/- (Rupees Sixty Lakh Ninety Five Thousand Five Hundred and Twenty only) on various dates to the respondent. The respondent was supposed to hand over the possession of the flat to the complainant by 31/12/2019, but the respondent has handed over the possession of the apartment to the complainant on 5/7/2022 after a delay of more than two years. The respondent has failed to complete the project and deliver the possession of the flat on time as agreed.

4. The complainant submits that the respondent through an email dated 27/9/2019 informed the date of handing over is 31/12/2020. Similarly, in an another letter dated 14/05/2021 the respondent informed that the date of handing over possession of the apartment is modified to 31/12/2021 citing covid pandemic as reason. But the handover of the possession of the flat never happened on that day.

5. The complainant further submits that after multiple follow ups, the flat was registered in favour of the complainant on 05/07/2022. Therefore, the complainant has approached this Authority and pray for direction to the respondents to pay interest on delay period, compensation for mental agony. Hence, this complaint.

6. After registration of the complaint, in pursuance of the notice, the respondent has appeared before the Authority through its representative/counsel and has filed statement of objections as under:

7. The Respondent contends that the complainant is not entitled for seeking relief sought for in light of the Agreement of Sale dated 06/01/2018 and

14/12/2021

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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 discrepancies in the maintenance of buffer zones where the apartment allotted to complainant in respect of the project was situated, the respondent was constrained to halt constructions in respect of the project and on conclusion of the cases in Hon'ble NGT and Hon'ble Supreme Court, the construction proceeded.

8. The respondent further submits that the aforesaid act was brought to the notice of both the Hon'ble Authority and allottees vide communication in the form of letters/emails dated 27/12/2019.

9. In addition COVID-19 pandemic and the lockdown have also contributed significantly to the obstacles faced by the respondent. 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 was unable to complete the project on time.

10. The respondent further contends that the complainant was intimated through email dated 30/5/2022 that occupancy certificate has been received and the sale deed was registered on 05/07/2022 in favour of the complainant. The respondent submits that as per agreement of sale, it was agreed that the time for completion of the project where there arose force majeure situations would be extended for the reasons beyond the control of the respondent.

11. The respondent contends that amounts paid as GST shall not be considered while computing the interest. The respondent submits 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

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denies the allegations of the complainant as false and prays not to grant the relief sought for by the complainants in the interest of justice and equity and to dismiss the complaint.

12. In support of their defence, the respondent has submitted copies of the Agreement for Sale, Sanctioned Plan, 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, email communication dated 27/12/2019 and 30/5/2022, Occupancy Certificate dated 7/5/2022, Sale Deed dated 05/07/2022, RERA registration and extension certificates.

13. In support of his claim, the complainant has produced documents such as copies of Agreement of Sale, Sale Deed, customer statement of account issued by the respondent for having received the principle amount, occupancy certificate, email/letter correspondences with respondent and memo of calculation as on 24/09/2022 (calculated from 31/12/2019 till 24/9/2022).

14. Heard arguments of both sides.

**15. On the above averments, the following points would arise for my consideration:-**

1. Whether the complainant is entitled for the relief claimed?
2. What order?

**16. My answer to the above points are as under:-**

1. In the Affirmative.
2. As per final order for the following

**REASONS**

**17. 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 by 31/12/2019 and further extending it to 31/12/2020 and again to 31/12/2021, the respondent failed to abide by the terms of the

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agreement and not handed over the possession of the apartment to the complainant till 05/07/2022, the date on which the sale deed for the property was got registered in favour of the complainant. Thus, the respondent has failed to handover possession of the apartment on time as agreed.

18. From the averments of the complaint and the copies of agreement between the parties, it is obvious that complainant has already paid entire sale consideration amount to the respondent. Having accepted the said amount and failure to keep up promise to handover possession of the apartment on time as agreed, certainly entitles the complainant herein for delay period interest.

19. During the hearing, the respondent made an appeal that the complainant may implead M/s Shriprop Dwellers also as a party to this complaint. The Authority took note of this appeal and directed the complainant to implead M/s Shriprop Dwellers as a party in this complaint. Accordingly, the complainant submitted a prayer to implead M/s Shriprop Dwellers Private Limited also as respondent in the complaint. The Authority has gone through the contentions of the respondent made in their statement of objection that the project was delayed for the reasons as explained supra and concludes that their contentions are not acceptable as the project is delayed for no fault of the complainant and the registration of the flat was executed only on 05/07/2022. The respondent and the complainant informed that they tried for a settlement at Lok Adalat, which did not materialized further.

20. The complainant in their rejoinder to the objections raised by the respondents submits that though the respondent claims that due to NGT issue the construction was stopped which led to the delay in completing the project, they kept sending monthly status report till 7/11/2019 which proves that the work never stopped but the construction was slow which may be seen in the status report for each wing. The complainant received

12/11/2019



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an email dated 27/12/2019 from the respondent about a stay order from NGT only when the handover of the possession of the flat was due on 31/12/2019 i.e. 4 days before the actual date of possession.

21. The complainant vide their memo of calculation as on 24/9/2022 has claimed an amount of Rs.12,64,409/- as delay period interest calculated from 31/12/2019 to 24/9/2022. The respondent has not submitted their memo of calculation despite several opportunities were given. There is no dispute over the principal amount paid and received by both the parties.

22. Having regard to all these aspects, this Authority concludes that the complainant is entitled for delay period interest from 31/12/2019 to 05/07/2022 the date on which the respondent executed registration of the apartment in favour of the complainant.

23. Further the complainant has prayed for compensation for mental agony which does not come under the jurisdiction of this Authority and, as such, the same is not considered.

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

Payment Details			
S.NO	TYPE	AMOUNT	DATE
1	TOTAL PAYMENT TILL POSSESSION	44,05,968	31-12-2019
2	SUBSEQUENT PAYMENT 1	4,26,384	08-03-2021
3	SUBSEQUENT PAYMENT 2	2,84,256	12-11-2021
4	SUBSEQUENT PAYMENT 3	3,15,000	23-12-2021
5	SUBSEQUENT PAYMENT 4	54,614	23-05-2022
6	SUBSEQUENT PAYMENT 5	50,000	05-07-2022
7	SUBSEQUENT PAYMENT 6	5,59,298	06-07-2022
8	TOTAL PRINCIPLE AMOUNT	60,95,520	
9	TOTAL DELAYED INTEREST as on 05/07/2022	11,31,613	

*H. S.*

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Interest Calculation						
S.NO	FROM DATE	TO DATE	NO. OF DAYS	MCLR RATE	INTEREST RATE	INTEREST
INTEREST CALCULATION FOR AMOUNT PAID TILL POSSESSION 4,405,968						
1	31-12-2019	31-01-2020	31	8.2	10.2 as on 10-12-2019	38,168
2	31-01-2020	29-02-2020	29	8.2	10.2 as on 10-01-2020	35,706
3	29-02-2020	29-03-2020	29	8.15	10.15 as on 10-02-2020	35,531
4	29-03-2020	29-04-2020	31	8.05	10.05 as on 10-03-2020	37,607
5	29-04-2020	29-05-2020	30	7.7	9.7 as on 10-04-2020	35,127
6	29-05-2020	29-06-2020	31	7.55	9.55 as on 10-05-2020	35,736
7	29-06-2020	29-07-2020	30	7.3	9.3 as on 10-06-2020	33,678
8	29-07-2020	29-08-2020	31	7.3	9.3 as on 10-07-2020	34,801
9	29-08-2020	29-09-2020	31	7.3	9.3 as on 10-08-2020	34,801
10	29-09-2020	29-10-2020	30	7.3	9.3 as on 10-09-2020	33,678
11	29-10-2020	29-11-2020	31	7.3	9.3 as on 10-10-2020	34,801
12	29-11-2020	29-12-2020	30	7.3	9.3 as on 10-11-2020	33,678
13	29-12-2020	29-01-2021	31	7.3	9.3 as on 10-12-2020	34,801
14	29-01-2021	28-02-2021	30	7.3	9.3 as on 10-01-2021	33,678

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15	28-02-2021	28-03-2021	28	7.3	9.3 as on 10-02-2021	31,433
16	28-03-2021	28-04-2021	31	7.3	9.3 as on 10-03-2021	34,801
17	28-04-2021	28-05-2021	30	7.3	9.3 as on 10-04-2021	33,678
18	28-05-2021	28-06-2021	31	7.3	9.3 as on 15-05-2021	34,801
19	28-06-2021	28-07-2021	30	7.3	9.3 as on 15-06-2021	33,678
20	28-07-2021	28-08-2021	31	7.3	9.3 as on 15-07-2021	34,801
21	28-08-2021	28-09-2021	31	7.3	9.3 as on 15-08-2021	34,801
22	28-09-2021	28-10-2021	30	7.3	9.3 as on 15-09-2021	33,678
23	28-10-2021	28-11-2021	31	7.3	9.3 as on 15-10-2021	34,801
24	28-11-2021	28-12-2021	30	7.3	9.3 as on 15-11-2021	33,678
25	28-12-2021	28-01-2022	31	7.3	9.3 as on 15-12-2021	34,801
26	28-01-2022	28-02-2022	31	7.3	9.3 as on 15-01-2022	34,801
27	28-02-2022	28-03-2022	28	7.3	9.3 as on 15-02-2022	31,433
28	28-03-2022	28-04-2022	31	7.3	9.3 as on 15-03-2022	34,801
29	28-04-2022	28-05-2022	30	7.4	9.4 as on 15-04-2022	34,040
30	28-05-2022	28-06-2022	31	7.5	9.5 as on 15-05-2022	35,549
31	28-06-2022	05-07-2022	7	7.7	9.7 as on 15-06-2022	8,196

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INTEREST CALCULATION FOR SUBSEQUENT PAYMENT 426,384						
1	08-03-2021	08-04-2021	31	7.3	9.3 as on 10-02-2021	3,367
2	08-04-2021	08-05-2021	30	7.3	9.3 as on 10-03-2021	3,259
3	08-05-2021	08-06-2021	31	7.3	9.3 as on 10-04-2021	3,367
4	08-06-2021	08-07-2021	30	7.3	9.3 as on 15-05-2021	3,259
5	08-07-2021	08-08-2021	31	7.3	9.3 as on 15-06-2021	3,367
6	08-08-2021	08-09-2021	31	7.3	9.3 as on 15-07-2021	3,367
7	08-09-2021	08-10-2021	30	7.3	9.3 as on 15-08-2021	3,259
8	08-10-2021	08-11-2021	31	7.3	9.3 as on 15-09-2021	3,367
9	08-11-2021	08-12-2021	30	7.3	9.3 as on 15-10-2021	3,259
10	08-12-2021	08-01-2022	31	7.3	9.3 as on 15-11-2021	3,367
11	08-01-2022	08-02-2022	31	7.3	9.3 as on 15-12-2021	3,367
12	08-02-2022	08-03-2022	28	7.3	9.3 as on 15-01-2022	3,041
13	08-03-2022	08-04-2022	31	7.3	9.3 as on 15-02-2022	3,367
14	08-04-2022	08-05-2022	30	7.3	9.3 as on 15-03-2022	3,259
15	08-05-2022	08-06-2022	31	7.4	9.4 as on 15-04-2022	3,404
16	08-06-2022	05-07-2022	27	7.5	9.5 as on 15-05-2022	2,996
INTEREST CALCULATION FOR SUBSEQUENT PAYMENT 284,256						

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1	12-11-2021	12-12-2021	30	7.3	9.3 as on 15-10-2021	2,172
2	12-12-2021	12-01-2022	31	7.3	9.3 as on 15-11-2021	2,245
3	12-01-2022	12-02-2022	31	7.3	9.3 as on 15-12-2021	2,245
4	12-02-2022	12-03-2022	28	7.3	9.3 as on 15-01-2022	2,027
5	12-03-2022	12-04-2022	31	7.3	9.3 as on 15-02-2022	2,245
6	12-04-2022	12-05-2022	30	7.3	9.3 as on 15-03-2022	2,172
7	12-05-2022	12-06-2022	31	7.4	9.4 as on 15-04-2022	2,269
8	12-06-2022	05-07-2022	23	7.5	9.5 as on 15-05-2022	1,701
<b>INTEREST CALCULATION FOR SUBSEQUENT PAYMENT 315,000</b>						
1	23-12-2021	23-01-2022	31	7.3	9.3 as on 15-12-2021	2,488
2	23-01-2022	23-02-2022	31	7.3	9.3 as on 15-01-2022	2,488
3	23-02-2022	23-03-2022	28	7.3	9.3 as on 15-02-2022	2,247
4	23-03-2022	23-04-2022	31	7.3	9.3 as on 15-03-2022	2,488
5	23-04-2022	23-05-2022	30	7.4	9.4 as on 15-04-2022	2,433
6	23-05-2022	23-06-2022	31	7.5	9.5 as on 15-05-2022	2,541
7	23-06-2022	05-07-2022	12	7.7	9.7 as on 15-06-2022	1,004
<b>INTEREST CALCULATION FOR SUBSEQUENT PAYMENT 54,614</b>						
1	23-05-2022	23-06-2022	31	7.5	9.5 as on 15-05-2022	440

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2	23-06-2022	05-07-2022	12	7.7	9.7 as on 15-06-2022	174
INTEREST CALCULATION FOR SUBSEQUENT PAYMENT 50,000						
INTEREST CALCULATION FOR SUBSEQUENT PAYMENT 559,298						
					TOTAL DELAYED INTEREST as on 5/7/2022	11,31,613

25. Accordingly, the point raised above is answered in the Affirmative.

26. **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/220625/0009691 is hereby allowed.

Respondent is directed to pay a sum of **Rs.11,31,613/- (Rupees Eleven Lakh Thirty One Thousand Six Hundred and Thirteen only)** towards delay period interest to the complainant within 60 days from the date of this order, calculated at MCLR + 2% from 31/12/2019 till 05/07/2022.

The complainant is 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



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