



PROCEEDINGS OF THE AUTHORITY
DATED 12th MARCH 2020

Ref. No.	CMP/171101/0000182
Complainant	NEELAMADHAV GANTAYAT B206, Adithya Greens Apartment, Amrutha Nagar Hebbal, Bengaluru-560092. Rep. by: Sri Rishabha Raj Thakur, Advocate.
Opponent	KSR Properties Pvt. Ltd., 23, Sankey Apartment, Square Sankey Cross Road, Sadashivanagar Bengaluru -560003. Rep. by: Sri R.Muralidara, Advocate.

"J U D G E M E N T"

1. NEELAMADHAV GANTAYAT, Complainant has filed complaint bearing complaint no.CMP/171101/0000182 under Section 31 of RERA Act against developer by name "KSR Properties Pvt. Ltd.," as the complainant is the consumer in the said project. The complaint is as follows:

*I, Neelamadhav Gantayat, booked an apartment (CA-04-11) and executed the agreement attached here-with on 21st June 2014. As per Agreement to Build (AOB), the flat had to be handed over in 12 months i.e. June 2015, with a grace period of 6 months which ended in December 2015. The unexplained delay and repeated failure to meet the deadlines has caused me severe mental harassment, pain, and suffering, apart from huge financial loss. As per the AOB, builders agreed upon paying an amount of small value Rs.6222/- per month (1037 SQFT * Rs.6 / SQFT = INR 6222/-) because of the unilateral agreement favoring the builder. However, this is far from meeting my financial hardships suffered due to the huge EMI for the loan and rent for the existing house. Though the builder agreed on delay compensation after the agreed hand over date in AOB, he has*

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Karnataka Real Estate Regulatory Authority,

1/14, 2nd Floor, Silver Jubilee Block, Unity Building Backside, CSI Compound,
3rd Cross, Mission Road, Bengaluru-560027



not voluntarily paid the assured sum till date. I request you to refer AOB Pt. 7.1 which states that, if the Builder delays the project, they are liable to pay Rs.6 Per / SQFT only, whereas, as per Point AOB 3.1, Consequence of delay to pay by the buyer is fixed at 18%, which is far more in comparison to Rs.6 / SQFT which the builder is liable to compensate. Hence, it is evident that the builder since inception had mala fide intention and wanted to make profit out of such unilateral terms and conditions, and misappropriated payment received from us by way of trust. I had agreed to purchase my apartment at a higher price of INR 4000 / SQFT (in the year 2014), in comparison to the market rate, only on the basis of the Prospectus (attached here-with) which mentioned amenities as under, but I recently learnt from the builder that the amenities have been unilaterally reduced to save cost, and still they wish to charge us Rs. 150,000/- for the Club house. Prospectus / Brochure - attached for your kind reference. Details of provisions and amenities as per the attached prospectus / brochure which was the basis of the sale. Inside the club house A) Banquet Hall, B) Aerobic Centre, C) Squash Court, D) Gym, E) Meditation Hall, F) Library, G) Table Tennis, H) Billiards, I) Snookers, J) Pool Table, K) Spa, L) Jacuzzi, M) Steam Room, N) Sauna, O) Change Rooms, P) Creche, Q) Departmental Store, R) Unisex Saloon Amenities A) Swimming Pool, B) Amphitheater, C) Enchanting Walkaway, D) Half Basketball Court, E) Gazzibo, F) Centralized Gas System, G) Wifi System, H) 24/7 Security System, I) Jogging Track, J) Skating Ring, K) Mystical Fountain, L) Guest Suite, M) Water cascade N) Home automation system The builder does not give any satisfactory answer for what has been done to the money collected from us in past several years, where most of us have paid 85% of the project's cost already and few have even paid entire 100% of the apartment's cost. The builder keeps citing reasons like Labor shortage, Festivals, Strike, Election, Slump, Demonetization and GST implementation for further delay and thus keeps pushing the deadlines time and again. We as buyers are being given hope always that in next 6 months, we will have the keys to our apartment and then we hear a new reason for an extension for another 6 months. We were surprised that the builder has not registered the project KSR Cordelia under RERA and cleverly sent an application to BBMP for OC & CC in March 2017 without completion of basic requisites (even to the date of filing this complaint) and have been stating to us that as they have sent an application to the BBMP, hence this project is out of purview of RERA and they have discussed it with RERA officials. Time and again, we have discussed with the builder for timely completion, increasing compensation, keeping their words on amenities as per the

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3rd Cross, Mission Road, Bengaluru-560027



prospectus, meeting the quality workmanship but the builder has failed to meet all of these and has now interpreted the law in their own way for being out of purview of RERA. Thus, in the light of above facts, I request to the Hon'ble RERA officials to consider our below requests and direct KSR Properties Pvt. Ltd. Accordingly: a) To ask KSR Properties Pvt. Ltd. to immediately register the project - 'KSR Cordelia' under RERA. b) To direct KSR Properties Pvt. Ltd. to meet the new deadline of 31st December 2017 for completing the project in entirety with the amenities as mentioned in the attached prospectus and brochure. c) To instruct KSR Properties Pvt. Ltd. that if there is any reduction in the amenities from the list provided in the Prospectus / Brochure (which was handed over at the time of agreement), then they shall waive off the Club house charges of INR 150,000/- which too is also not adequate compensation because I purchased the apartment at a whopping rate of INR 4000 / SQFT in the year 2014 based on the amenities promised by way of Prospectus / Brochure. d) As per the AOB, the interest charged for any delay from the Buyers side in payment is 18% whereas, the delay compensation the Builder is liable to pay is mere Rs.6 / SQFT, this is a unilateral agreement and delay component of Rs.6 / SQFT could have been accepted for a month or two, to take care of some spill over, rather than the present scenario where builder has intentionally made the delay and is profiting out of it. Hence the builder should be instructed that in the next demand note, they shall reduce Rs. 25,000/- per month in excess to the 18 months by which the apartment had to be handed over. This Rs. 25,000/- is the average rental in the area where the said project is located. e) To increase the defect liability from 1 year to 5 years from the date of OC and CC whichever is later so that the builder is liable for poor workmanship and any cracks and seepage in the building because of delay. f) Any other relief, which the Hon'ble authority feels is justified in this case.

Relief Sought from RERA : seeking completion of delayed project

2. In pursuance of the summons issued by this authority, the parties were present. The complainant is represented by his advocate Rihabha Raj Thakur and the developer is represented by his advocate Sri R. Muralidhar. After filing the objection statement and hearing the parties, the matter was posted for judgment. In the mean while the complainant has sent a mail to this authority on 08/07/2019 which reads as under:

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[Signature]



Karnataka Real Estate Regulatory Authority,

1/14, 2nd Floor, Silver Jubilee Block, Unity Building Backside, CSI Compound,
3rd Cross, Mission Road, Bengaluru-560027



Respected Sir/Ma'am

Sorry for the delayed response, as my spam filter filtered this mail I was not able to read the mail in due time. I would like to bring this to the notice of the department that Complaint was made in October/November 2017. However, so far there has been no action from the department.

Apart, the builder KSR Construction has obtained OC and are progressing well towards completion.

In view of the above situation, I would like to withdraw my complaint against the Builder.

Request you to acknowledge my complaint withdrawal.

3. The present complaint is being closed as withdrawn as per e-mail sent by the complainant dated 08/07/2019. With this observation, we proceed to pass the following


ORDER

- a. The Complaint filed by the complainant bearing No.CMP/171101/0000182 is hereby treated as closed as withdrawn as per e-mail dated 08.07.2019.

Intimate the parties regarding the order.


(D.Vishnuvardhana Reddy)

Member-1
K-RERA


(Adoni Syed Saleem)
Member-2
K-RERA


(M.R.Kamble)
Chairman
K-RERA