

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 22<sup>ND</sup> SEPTEMBER 2023**

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

**COMPLAINT NO.:00902/2023**

**COMPLAINANTS.....**

**AMRENDRA KUMAR SINGH  
& RAKHI RANI  
H-120507, FLOOR NO.5  
TOWER NO.12  
SHRIRAM SAMEEKSHA APARTMENT  
NAIDU LAYOUT  
JALAHALLI  
BENGALURU-560014.**

**(IN PERSON)**

**V/S**

**RESPONDENT.....**

**1.M/S.SUVILAS REALITIES  
PRIVATE LIMITED  
NO. 100, OLD NO.52  
DONNABAS TOWER  
RAILWAY PARALLEL ROAD  
KUMARA PARK WEST  
BANGALORE-560020.**

**(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 **"THE POEM BY SHRIRAM PROPERTIES"** developed by **"SUVILAS REALITIES PRIVATE LIMITED"** situated at Sy.No.60/3, Shettihalli Sy.No.20, 21, 22 and 29 of Myadarahalli, Yeshwanthpur

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Karnataka Real Estate Regulatory Authority,

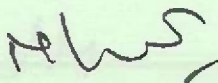
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Hobli, BBMP Ward No.12, Bengaluru-560090 for the relief of refund with interest.

2. This project has been registered under RERA bearing registration No.PRM/KA/RERA/1251/309/PR/210319/004033. The registration is valid till 31/03/2026.

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

3. The complainants have booked a flat bearing No.02.14.05, 14<sup>th</sup> Floor, Tower-02 in the project of the respondent by entering into an agreement for sale on 17/04/2023 and have paid an amount of Rs.9,01,040/- (Rupees Nine Lakh One Thousand and Forty only) to the respondent on various dates. The complainants submit that they came to know that the agreement of sale should be registered in the Registrar Office as per RERA 13(2) and despite several request made by them to the respondent, the respondent did not agree to register the agreement for sale. The complainants submit that they decided to cancel the booking and demanded refund of full amount. The complainants also submit that the respondent has collected more than 10% of the total sale consideration value and has violated both the requirements of RERA 13(2). Thus, the complainants have approached the Hon'ble Authority and pray for direction to the respondent for refund of full amount with interest. Hence, this complaint.
4. After registration of the complaint, in pursuance of the notice, the respondent has appeared before the Hon'ble Authority through their counsel/representative but have not filed any statement of objections nor produced documents on their behalf.
5. The complainants have produced documents such as copies of Agreement for Sale, E-payment receipts, statement of account issued by SBI and memo of calculation as on 19/08/2023.



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6. This matter was heard on 14/09/2023. Heard arguments of both sides.
7. **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?
8. **My answer to the above points are as under:-**
1. In the Affirmative.
  2. As per final order for the following:-

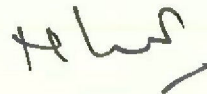
**REASONS**

9. **My answer to Point No.1:-** From the materials placed on record, it is apparent that inspite of several requests by the complainants, the respondent did not come forward to register the agreement of sale as required under RERA 13(2) and it is evident that the respondent has collected more than 10% of the total sale consideration value and thereby violated RERA 13(2), certainly entitles the complainants for refund of full amount with interest.

10. The Hon'ble Authority has perused the written submission submitted by the complainants.

11. During the process of the hearing, the respondent has agreed to refund the amount to the complainants.

12. Though the respondent has appeared before the Authority in response to the notice through their counsel/representative, the respondent has not filed any statement of objections and produced any documents on their behalf. The respondent has not at all disputed the claim of the complainants in any manner and has agreed to refund the amount. Therefore, the claim of the complainants remained unchallenged and it is corroborated with cogent evidence. These being the facts, in the absence of any resistance by the



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respondent, the Authority accepts the claim of the complainants for refund with interest.

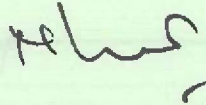
13. At this juncture, my attention is drawn towards the decision of Hon'ble Supreme Court in Appeal No.6750-57/2021, M/s Newtech Promoters v/s The State of Uttar Pradesh it is held that:

*"Section 18(1) of the Act spells out the consequences if the promoter fails to complete or is unable to give possession of an apartment, plot or building either in terms of the agreement for sale or to complete the project by the date specified therein or on account of discontinuance of his business as a developer either on account of suspension or revocation of the registration under the Act or for any other reason, the allottee/home buyer holds an unqualified right to seek refund of the amount with interest at such rate as may be prescribed in this behalf."*

14. In the Judgement reported in Civil Appeal No.3581-3590 of 2020 at Para No.23 between M/s Imperia Structures Ltd v/s Anil Patni and another by the Hon'ble Supreme Court it is held that:

*"In terms of section 18 of the RERA Act, if a promoter fails to complete or is unable to give possession of an apartment duly completed by the date specified in the agreement, the promoter would be liable, on demand, to return the amount received by him in respect of that apartment if the allottee wishes to withdraw from the project. Such right of an allottee is specifically made "without prejudice to any other remedy available to him". The right so given to the allottee is unqualified and if availed, the money deposited by the allottee has to be refunded with interest at such rate as may be prescribed. The proviso to section 18(1) contemplates a situation where the allottee does not intend to withdraw from the project. In that case he is entitled to and must be paid interest for every month of delay till the handing over of the possession. It is upto the allottee to proceed either under section 18(1) or under proviso to section 18(1). The case of Himanshu Giri came under the later category. The RERA Act thus definitely provides a remedy to an allottee who wishes to withdraw from the project or claim return on his investment."*

15. In case the allottee wishes to withdraw from the project the promoter is liable without prejudice to any other remedy available, to return the amount



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received by him in respect of that apartment, flat, building as the case may be with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act.

16. Therefore, as per **section 18(1)** of the Act, the promoter is liable to return the amount received along with interest and compensation if the promoter fails to complete or provide possession of an apartment etc., in accordance with sale agreement.

17. The complainants vide their memo of calculation as on 19/08/2023 have claimed an amount of Rs.9,40,912/- (Rupees Nine Lakh Forty Thousand Nine Hundred and Twelve only) as refund with interest.

18. Having regard to all the above aspects, the Authority has concluded that the complainants are entitled for refund with interest as calculated in their memo of calculation as on 19/08/2023.

19. Therefore, it is incumbent upon the respondent to pay refund with interest determined as under:

Interest Calculation Till 30/04/2017 (Before RERA)							
S.NO	DATE	AMOUNT PAID BY CUSTOMER	NO OF DAYS	NO OF DAYS TILL	INTEREST @9%		
1	30-04-2017	0	0	30-04-2017	0		
2		0		TOTAL INTEREST ( I1 )	0		
Interest Calculation From 01/05/2017 (After RERA)							
S.NO	DATE FROM 01/05/2017	AMOUNT PAID BY CUSTOMER	NO OF DAYS	NO OF DAYS TILL	MCLR INTEREST X%	INTEREST RATE X+2%	INTEREST @X+2%
1	01-05-2017	0	2301	19-08-2023	8.15	10.15 as on 01-05-2017	0
2	25-02-2023	50,000	175	19-08-2023	8.7	10.7 as on 15-02-2023	2,565

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3	14-03-2023	6,09,430	158	19-08-2023	8.7	10.7 as on 15-02-2023	28,227
4	05-04-2023	6,644	136	19-08-2023	8.7	10.7 as on 15-03-2023	264
5	13-04-2023	2,34,966	128	19-08-2023	8.7	10.7 as on 15-03-2023	8,816
6	TOTAL AMOUNT	9,01,040				TOTAL INTEREST (I2)	39,872

Memo Calculation			
PRINCIPLE AMOUNT (A)	INTEREST ( B = I1 + I2 ) AS ON 19-08-2023	REFUND FROM PROMOTER ( C )	TOTAL BALANCE AMOUNT ( A + B - C )
9,01,040	39,872	0	9,40,912

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

21. 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 No. **00902/2023** is hereby allowed.

The respondent is directed to pay a sum of **Rs.9,40,912/- (Rupees Nine Lakh Forty Thousand Nine Hundred and Twelve only)** towards refund with interest to the complainants within 60 days from the date of this order, calculated at MCLR + 2% from 25/02/2023 to 19/08/2023.

*[Handwritten Signature]*

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The interest accruing from 20/08/2023 till 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.

No order as to the costs.

  
(Neelmani N Raju)  
Member, K-RERA

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University of California, Berkeley  
Department of Psychology  
Psychology 101  
Berkeley, CA 94720-1200

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*[Signature]*  
Member, N-1234

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