

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 5

Dated 10th NOVEMBER, 2025

PRESIDED BY HON'BLE MEMBER G.R. REDDY

COMPLAINT NO: CMP/221104/10175

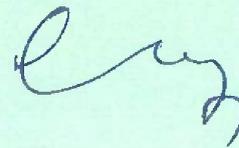
COMPLAINANT : MR.SHASHIDAR IRAPPA BAGEWADI
Ramky One North Apartments
B4 Block, Flat No.902, Opp BMSIT
College, Doddaballapur Road
Avalahalli, Bengaluru:560064

(Party in Person)

RESPONDENT / : M/s.Casa Grande Garden City Builders
PROMOTER Pvt Ltd.,
Salma Bizhouse, No.34/1, 3rd Floor
T-1 & T-2, Meanee Avenue Road
Ulsoor Road, Bengaluru:560042

(Ms.Sujatha H.H. Advocate)

PROJECT NAME & : **CASA GRANDE LORENZA**
REGISTRATION NO. PRM/KA/RERA/1251/472/PR/
181130/002193



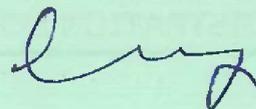
J U D G E M E N T

This complaint is filed by the Complainant before this Authority against the project **CASA GRANDE LORENZA** under Section 12 and 14 of The Real Estate (Regulation and Development) Act, 2016 praying for a direction to pay delay period interest.

BRIEF FACTS OF THE COMPLAINT ARE AS UNDER:-

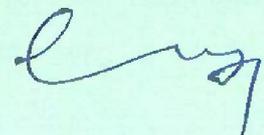
1. The Complainant has entered into an agreement of sale on 09.05.2019. The project completion date as per agreement was 15.10.2020. The Complainant has paid an amount of Rs.57,33,752/- (Rupees Fifty Seven lakhs thirty three thousand seven hundred fifty two only) to the respondent. Since there was delay of two years in handing over the apartment, the Complainant has filed the above complaint before the Authority praying for Delay Period Interest.

2. On a perusal of the sale agreement, it is seen that the completion date agreed as 15.10.2020. The promoter-respondent was required to complete the project and hand over possession of the apartment by 15.10.2020. In cases where in the respondent-promoter has failed to complete or unable to handover the possession of the apartment to the allottee, the allottee is entitled to file a complaint before this Authority and as such the complaint filed by the Complainant is admissible for relief in accordance with Section 18 of the Act.



3. After registration of the complaint, notice was sent to both complainant and respondent to appear before the authority. The hearings were conducted on 01.08.2023, 10.10.2023, 13.03.2024, 02.04.2024, 10.03.2025, 09.04.2025, 22.04.2025, 14.05.2025, 15.07.2025, 30.07.2025 and on 09.09.2025. In pursuance of the notice, issued by the Authority, the Complainant appeared in person and filed various documents including MOC together with supporting documents and filed proof for having served on the respondent. The complainant in support of his contention produced copy of Agreement of sale, Payment receipts, email communications, occupancy certificate, statement of bank loan, tripartite agreement, rejoinder etc. Respondent also filed statement of objection along with RERA Registration certificate, agreement of sale, extension certificate, occupancy certificate, copy of legal notice and copy of interim order made in W.P.No.14135 of 2023, objections to the amendment of prayer etc., in support of its contention.

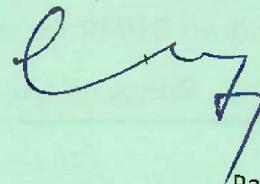
4. During the course of hearing the Complainant submitted that the Respondent has not completed the project as per sanctioned plan and there are so many deviations and argued in detail along with supporting documents. The Respondent also submitted that the complainant made false allegations on the construction made by the Respondent to various authorities, including BBMP for cancellation of the Occupancy Certificate issued to the Respondent. Respondent submitted that based on the



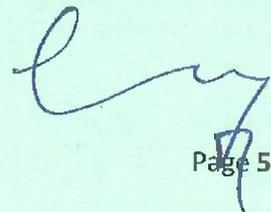
complaint filed by the Complainant to the BBMP, the occupancy certificate issued by the BBMP to the Respondent was cancelled. Aggrieved by the action of the BBMP in cancelling the occupancy certificate issued to Respondent, the Respondent filed W.P.No.14135/2023 challenging the cancellation of the occupancy certificate issued to the Respondent. The Hon'ble High Court after hearing passed an interim order staying the order dated 01.07.2023 passed by the BBMP, cancelling the occupancy certificate issued to the Respondent till the next date of hearing.

5. On 10.03.2025, the hearing was conducted, both Complainant and Respondent were present. During the hearing, the Advocate for Respondent submitted that the case is still pending before the High Court regarding the validity of the occupancy certificate and further submitted the hearing is scheduled on 28.03.2025 for filing the objections from BBMP side. Complainant prayed for modifying his prayer restricting only to Delay Period Interest and undertaken to file MOC and serve the same on Respondent before the next date of hearing. The prayer of Complainant for delay period interest is allowed by the Authority.

6. During the course of hearing on 30.07.2025, the Respondent submitted that the agreement of sale was entered on 09.05.2019 with completion date as 15.10.2020. Occupancy certificate was issued on 28.01.2022. Respondent sent an email



communication requesting the Complainant to pay the balance amount payable by him as per the terms of payment and take the possession of the unit booked by him. The Complainant has not responded to the said mail nor paid the balance sale consideration. Therefore, the Respondent sent Legal Notice on 16.07.2022 vide Document No.6 produced before the Authority calling upon the Complainant to pay the balance sale consideration of Rs.3,51,776/- and take possession of the flat booked by the Complainant. Since the Complainant has not paid the balance sale consideration nor shown any interest to take the possession of the apartment offered by the Respondent on receipt of occupancy certificate, the Respondent cancelled the allotment made in favour of complainant on 18.06.2022. The Complainant has not produced any documentary evidence to show that the complainant has paid the balance sale consideration as demanded in the Legal Notice nor sent any communication agreeing to take the possession of the apartment. The Complainant filed the instant complaint subsequent to the cancellation of the allotment made in favour of the complainant. In the complaint the Complainant initially prayed for awarding delay period interest only. Subsequently during the course of hearing the complainant raised various issues / violations in the constructions made by the Respondent without amending his prayer. Later on the during the course of hearing the Complainant restricted his prayer only to delay period interest and prayed for passing an order for delay period interest. Since the matter was pending before Hon'ble



High Court of Karnataka, the Respondent was directed to update the status of the writ petition filed by them on the next date of hearing and the matter was adjourned to 09.09.2025. On 09.09.2025, both Complainant and Respondent appeared and the Authority heard the submissions made by complainant and Respondent. Respondent submitted that the Hon'ble High Court of Karnataka has passed order on the writ petition filed by them on the issue of occupancy certificate. Two weeks' time was granted to the Respondent to produce the copy of the order passed by the Hon'ble High Court, upon receipt of the copy of the order of the Hon'ble High Court, the matter is reserved for orders.

7. From the above averments, the following points would arise for my consideration:

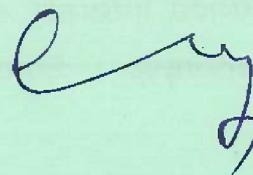
- a) Whether the complainants are entitled for the relief claimed?
- b) What order?

8. My findings on the above points are as under:

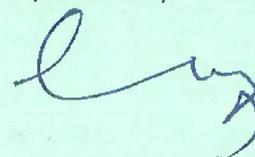
- a) Partly in the affirmative
- b) As per the final order

FINDINGS ON THE ABOVE POINTS

9. From the documents produced by both the Complainant and the Respondent before the Authority, it is seen that the completion date agreed as 15.10.2020. The promoter-respondent was required to complete the project and hand over possession of the apartment booked by the Complainant by 15.10.2020. The



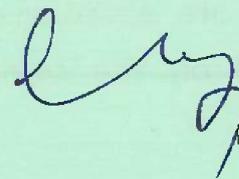
Respondent failed to complete and handover possession of the apartment to the complainant before the completion date as agreed in the agreement of sale. Admittedly, the Respondent obtained occupancy certificate on 28.01.2022. The Respondent intimated to the Complainant about obtaining of occupancy certificate and called upon the Complainant to pay the balance amount due and payable and take possession of the apartment. The complainant raised several issues before taking possession of the apartment and requested the Respondent to comply all the issues raised by him. Thereafter there were discussions between both the parties and multiple options were explored between the Complainant and the Respondent in settling the issues. None of the options were agreed between the Complainant and Respondent and the settlement could not take place. Therefore, the Respondent sent an email calling upon the complainant to come forward for cancellation of the agreement as the complainant failed to pay the balance amount due and payable and did not come forward for taking possession of the apartment. The Respondent also requested the complainant to furnish bank details to refund the amount paid by the Complainant. The Complainant, instead of taking possession or cancelling the agreement, replied questioning the plan, design, construction and alleged non-compliance of sanction plan, violations and filed complaint before BBMP and other statutory authorities alleging there are deviations and non-compliance of the plan sanctioned. Based on the complaint filed by the Complainant, the BBMP



authorities have cancelled the occupancy certificate issued to the Respondent.

10. The Respondent submits that aggrieved by the cancellation of the occupancy certificate, the Respondent approached the Hon'ble High Court of Karnataka by filing W.P.No.14135/2023. The Hon'ble High Court after hearing passed an interim order staying the order of cancellation of the occupancy certificate issued to the Respondent till the next date of hearing. The writ petition was finally heard again on 23.08.2025. On 23.08.2025, the Hon'ble High Court after hearing the submissions made by BBMP allowed the writ petition filed by the Respondent. The BBMP filed an affidavit stating that there is no deviation by the Respondent (Petitioner in W.P) and further submitted that they have no objection in allowing the writ petition filed by the Respondent. Accordingly, the Hon'ble High Court, based on the submissions made by BBMP through an affidavit, the writ petition is disposed of by setting aside the order dated 01.07.2023 passed by BBMP authorities cancelling the occupancy certificate issued to Respondent with liberty to the complainant to agitate his grievance before the appropriate forum.

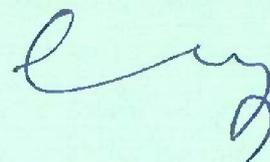
11. In view of the order dated 23.08.2025 passed by the Hon'ble High Court of Karnataka in W.P.No.14135/2023 that there are no deviations or violations in the constructions made by the Respondent and as such allowed the writ petition filed by the Respondent by setting aside the cancellation order of the BBMP,



cancelling the occupancy certificate. Therefore, the occupancy certificate dated 28.01.2022 issued to this respondent is valid. Therefore, the Complainant is entitled for the delay period interest on the amounts paid till the date of possession as agreed in the agreement of sale, till the date of occupancy certificate i.e., 28.01.2022. Further delay period interest claimed by the Complainant in his calculation beyond occupancy certificate is not considered by the Authority. The complainant could have taken possession once the offer of possession was given by the Respondent and his right to claim defect liability was kept open till five years as per Section 14(3) of the Act. It is not the domain of the Authority to address the other issues raised by the Complainant other than the delay period interest. The Complainant himself restricted his prayer only for delay period interest and therefore, the Authority has not considered the other issues raised by the complainant, so also the submissions / documents as well as arguments advanced during the course of hearing by both the parties. The Complainant is at liberty to approach the appropriate forum to agitate his grievance other than Delay period interest before appropriate forum.

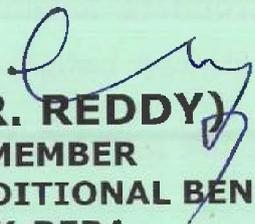
12. Accordingly, the **point (a)** raised above is answered partly in the affirmative.

1. **Findings on Point No.b:** In view of the above observations, I conclude that this complaint deserves to be allowed partly and accordingly, I proceed to pass the following:



ORDER

1. In exercise of the powers conferred under Section 18 read with section 31 of the Real Estate (Regulation and Development) Act, 2016, the complaint bearing CMP/221104/10175 is hereby partly allowed.
2. The Respondent is directed to pay interest on delay period to the Complainant on the amount paid by the Complainant till the possession date agreed in the agreement of sale at the rate of SBI MCLR + 2 from 15.10.2020 till the date of obtaining the Occupancy Certificate i.e., 28.01.2022 within 60 days from the date of this order.
3. Respondent is also directed to handover the possession of the apartment by executing the registered sale deed in favour of the Complainant within 60 days from the date of this order with all amenities as per agreement of sale by receiving the balance sale consideration and interest on delayed payments, if any, payable by the complainant.
4. The Complainant is at liberty to initiate action for recovery in accordance with law if the respondent fails to comply as per the orders of this Authority.


(G.R. REDDY)
MEMBER
FIFTH ADDITIONAL BENCH
K-RERA