

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 V

PRESIDED BY SHRI G.R. REDDY, HON'BLE MEMBER

Dated 21th November 2025

COMPLAINT NO: CMP/00380/2025

COMPLAINANT...

**Gurajapu Venkata Satya Manikya
Varaprasad
Jains Carlton Creek Apartments,
Flat A106, Khazaguda,
Gachibouli,
Telangana-50018.
STATE: HYDERABAD.
(Mr. Vikas.M, Advocate)**

Vs

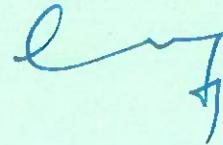
RESPONDENT.....

**1. M/s Ozone Realtors Private
Limited,
No.38, Ulsoor Road,
Bangalore-560042.
2. Vasudevan Sathyamoorthy
No. 32, Norris Road,
Richmond Town, Benglauru-560025.
3. Sathya Moorthy Sai Prasad
No. 32, Norris Road,
Richmond Town, Benglauru-560025.
(Represented by Authorized signatory)**

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JUDGEMENT

1. This complaint is filed under section 31 of the RERA Act against the project "Ozone Polestar" developed by M/s. Ozone Realtors Pvt. Ltd., for the relief of refund along with interest.



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2. This project has been registered with RERA vide registration No. PRM/KA/RERA/1251/309/PR/171015/000386 valid till 31-03-2021 and it has got covid extension till 31-12-2021.
3. This project is situated at, Sy.no. 78/5, Nagavara Village, Kasaba Hobli, Bengaluru North Taluk, Bengaluru Urban.

Brief facts of the complaint are as under:-

4. The complainant had booked a flat bearing No.A-1401, situated in the project "Ozone Polestar" of respondent in the year 2018. Both have entered into an agreement of sale on 16-02-2019 for total sale consideration of Rs.2,16,90,495/-(Rupees Two Crore Sixteen Lakhs Ninety Thousand Four Hundred and Ninety Five only). The complainant had paid the amount of Rs.4,51,563/-(Rupees Four Lakhs Fifty One Thousand Five Hundred and Sixty Three only) to the respondent on the various dates.
5. Subsequently, the complainant had applied home loan in HDFC and it has sanctioned of Rs.1,62,16,785/-(Rupees One Crore Sixty Two Lakhs Sixteen Thousand Seven Hundred and Eighty Five only) and it has disbursed the amount of Rs.65,07,149/-(Rupees Sixty Five Lakhs Seven Thousand One Hundred and Forty Nine only) to the respondent no.1. The respondent no.1, complainant and the bank have entered into a Tripartite Agreement dated 08-02-2019. However, the respondents were supposed to complete the project and handover the possession of their flat in December 2021. The respondents have not completed the project, the bank has started deducting interest for the loan amount disbursed and the same has not been paid

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by the respondent. Hence, the complainant have been compelled to pay the pre-emi. Further, the bank is compelling the complaint to pay the pre-emi because the respondent is not making the payment of pre-emi. The complainant had filed a W.P no. 10211 before the Hon'ble High Court of Karnataka and it has directed that the Directors of the respondent company have been made as a respondent in the complaint. As per the Tripartite agreement, the respondents are supposed to pay the pre-emi till the delivery of possession. The respondent had stopped to pay the pre-emi, the Petitioners filed W.P No. 7549 of 2025 also be made respondent to pay the pre-emi to the bank vide its interim order dated 01-04-2025. The respondents have not refunded the received amount to the complainants till date. Hence, this complaint.

6. After registration of the complaint, this Authority had issued notice to both the parties to appear before this Authority. In pursuance of the notices, the complainant had appeared before the Authority through his counsel and filed documents. The respondents have appeared before the Authority through their counsel not filed their objections.
7. In support of their claim, the complainants have produced documents such as copies of an agreement of sale, Tripartite agreement, payment receipts, W.P No.10211/2023, interim order in W.P No. 7549/2025, loan account statement and memo of calculation as on 06-08-2025.
8. This matter is heard on 11-08-2025 and 14-10-2025.

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9. **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?

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

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

REASONS

11. **My answer to Point No.1:-** The complainant had approached this forum seeking relief of refund along with interest on the grounds that the respondents have not completed the project as agreed i.e., in December 2021. However, the respondents have failed to complete the project and to handover possession of said flat to the complainant as agreed.

12. From the materials available on record, it is apparent that in spite of entering into an agreement of sale having received a substantial sale consideration from the complainant, the respondents have failed to hand over the possession of the said flat. The respondents have neither handover the flat nor refund their money. The complainant had tried to contact the respondents to handover the possession, but there is no response from their end. The complainant had decided to come out from this project.

13. At this juncture, my attention is drawn towards the decision of Hon'ble Supreme Court in appeal No.6750-57/2021, M/S

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Newtech Promoters v/s The State Of Uttar Pradesh it is held as under:

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. Further, 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

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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 letter 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. As per section 18(1) of RERA Act, 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 received by him in respect of that apartment, plot, 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 only if the promoter fails to complete or provide possession of an apartment etc., in accordance with sale agreement.

17. A thorough verification of the documentary evidence submitted by the complainants reveals that their claim is genuine. Having regard to all these aspects, this Authority concludes that the

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complainant is entitled for refund with interest as submitted vide his memo of calculation as on 06-08-2025.

18. Therefore, it is incumbent upon the respondent to refund the amount with interest which is determined as under –

Memo Calculation			
PRINCIPLE AMOUNT (A)	INTEREST (B = I1 + I2 + I3) AS ON 02-06-2025	REFUND FROM PROMOTER (C)	TOTAL BALANCE AMOUNT (A + B - C)
94,98,974	54,81,329	0	1,49,80,303

19. Accordingly the point raised above is answered in the Affirmative.

20. **My answer to point No.2:-** In view of the above discussion, I am of the opinion that this complaint deserves to be allowed. Hence, I proceed to pass the following:

ORDER

23. In exercise of the powers conferred under Section 31 of the Real Estate (Regulation and Development) Act, 2016, the complaint bearing **No. CMP/001373/2024** is hereby allowed.

- i) The Respondents are directed to pay a sum of **Rs. 1,49,80,303/- (Rupees One Crore Forty Nine Lakhs Eighty Thousand and Three Hundred and Three only)** towards refund with interest, calculated at MCLR + 2% from 30-11-2018 till 06-08-2025 within 60 days from the date of this order.

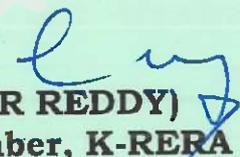
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- ii) The interest due from 07-08-2025 up to the date of final payment will be calculated likewise and paid to the complainants.
- iii) The complainant is hereby directed to cooperate with the respondents for cancellation of agreement of sale dated 16-02-2019 on receipt of entire amount as directed to be refunded by the respondent.
- iv) 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.

No order as to costs.


(G R REDDY)
Member, K-RERA