

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

PROCEEDING OF THE AUTHORITY BEFORE BENCH 4

PRESENT:

SHRI RAKESH SINGH, HON'BLE CHAIRMAN

DATED THIS 16th DECEMBER 2025

COMPLAINT NO.00729/2024

COMPLAINANTS.....

- 1. RAMKUMAR &**
- 2. PUSHPALATHA**

(Both are residing at)
Flat 104, Soundarya Link Apartment,
Link Road, Jai Bheema Nagar,
Seshadripuram, Bengaluru
Urban - 560020.

(Rep.by K.S Rajesh Gowda Advocate)

v/s

RESPONDENT.....

**CASAGRANDE GARDEN CITY
BUILDERS PRIVATE LIMITED**
No.34/1, 4th Floor Salma Bizhouse
Meanee Avenue Road, Opp to
Lakeside Hospital, Ulsoor Road,
Near Ulsoor lake, Bangalore-560042.

(Rep. by M.Umashankar & others
Advocate).

PROJECT NAME:

CASAGRANDE VIVACITY

REGISTRATION NO:

**PRM/KA/RERA/1251/308/PR/220424/
006830.**

JUDGEMENT

1. The Complaint is filed on 16.08.2024 under section 31 of Real Estate (Regulation and Development) Act, 2016 against Project "CASAGRANDE VIVACITY" situated at Sy.No.93 & 99, Chikkanagamangala Village,

h/h

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Sarjapura Hobli, Anekal Taluk, Anekal, Bengaluru Urban developed
Respondent/Promoter Casagrande Garden City Builders Private Limited.

2. The Complainants sought for the "relief" of directing the Respondent/Promoter to refund with interest.
3. The Project has been registered under RERA Vide Registration PRM/KA/RERA/1251/308/PR/220424/006830. Valid till 04.04.2029.

The brief facts of the complaint is as under:

4. The Complainants in their complaint narrated that "They have booked 2 BHK Apartment in a residential project 'Viva City' in Electronic City, Bangalore, developed by Respondent/Promoter. The Promoter allotted Flat No.402 in Tower I of 'Viva City' Project, super built up area is 120 Sq.Mtrs. or 1292 Sqft. The Agreement for Sale was executed on 27.05.2024 and the Complainants have paid booking/advance amount of Rs.33,49,980/- (Thirty Three Lakhs Forty Nine Thousand Nine Hundred and Eighty Only).
5. At the time of booking the Builder showed GST liability as Rs.8,57,000/- (Eight Lakhs Fifty Seven Thousand Only) and total cost as Rs.79,98,000/- (Seventy Nine Lakhs Ninety Eight Thousand Only). The actual GST liability is only of Rs.3,80,943/- (Three Lakhs Eighty Thousand Nine Hundred and Forty Three only). The Respondent illegally shown excess amount of Rs.4,76,057/- (Four Lakhs Seventy Six Thousand and Fifty Seven Only) as GST Liability.
6. The Complainants have already paid Rs.32,99,980/- (Thirty Two Lakhs Ninety Nine Thousand Nine Hundred and Eighty Only), spent Rs.41,650/- (Forty One Thousand Six Hundred and Fifty Only) towards franking charges for registration of Sale Deed and deposited Rs.30,476/- (Thirty Thousand Four Hundred and Seventy Six Only) as TDS. The Respondent agreed to adjust this amount of TDS while making future demand. The Complainant so far paid total of Rs.33,72,106/- (Thirty Three Lakhs Seventy Two Thousand One Hundred and Six only).

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7. The Respondent is refusing to give official confirmation of the cost breakup, builder keeps changing the amount shown under different heads, including GST. The builder is indulging in unfair trade practice of showing more GST liability to increase the total cost.

8. The Respondent/Promoter failed to provide basic service of giving a written confirmation of cost breakup that was shown and agreed upon while booking the Flat. Hence, Complainant is seeking refund of Rs.33,72,106/- (Thirty Three Lakhs Seventy Two Thousand One Hundred and Six only) paid so far along with interest. Hence, this Compliant.

9. In support of the claim, the Complainants have produced Copies of Agreement of sale, Payment receipt, Allotment Letter, Photo Copies and copy of Mail.

10. Subsequently, after Registration of the complaint, this Authority had issued notices to both the parties to appear before this Authority. In pursuance of the notice, the Respondent has appeared before this Authority during the hearing, through the Representative/Council, but has not filed Statement of objection.

11. This matter was heard on 23.12.2024, 20.01.2025, 03.02.2025, 18.02.2025, 05.03.2025, 01.04.2025, 07.04.2025 and 22.04.2025.

12. Heard Arguments.

13. On the above averments, the following point would arise for my consideration:-

- 1) Whether the Complainants are entitled for the relief claimed?
- 2) What order?

14. My answer to the above points are as under:

- 1) In the Affirmative.

which

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2) As per the final order for the following:

REASONS

- 15. Finding on point No.1:-** From the materials placed on record it is apparent that the Complainants have booked 2 BHK Apartment in a residential project 'Viva City' in Electronic City, Bangalore, developed by Respondent/Promoter. The Promoter allotted Flat No.402 in Tower I of 'Viva City' Project, super built up area is 120 Sq.Mtrs. or 1292 Sqft. The Agreement for Sale was executed on 27.05.2024 and the Complainants have paid booking/advance amount of Rs.33,49,980/- (Thirty Three Lakhs Forty Nine Thousand Nine Hundred and Eighty Only).
- 16.** At the time of booking the Builder showed GST liability as Rs.8,57,000/- (Eight Lakhs Fifty Seven Thousand Only) and total cost as Rs.79,98,000/- (Seventy Nine Lakhs Ninety Eight Thousand Only). The actual GST liability is only of Rs.3,80,943/- (Three Lakhs Eighty Thousand Nine Hundred and Forty Three only). The Respondent illegally shown excess amount of Rs.4,76,057/- (Four Lakhs Seventy Six Thousand and Fifty Seven Only) as GST liability.
- 17.** The Complainants have already paid Rs.32,99,980/- (Thirty Two Lakhs Ninety Nine Thousand Nine Hundred and Eighty Only), spent Rs.41,650/- (Forty One Thousand Six Hundred and Fifty Only) towards franking charges for registration of Sale Deed and deposited Rs.30,476/- (Thirty Thousand Four Hundred and Seventy Six Only) as TDS. The Respondent agreed to adjust this amount of TDS while making future demand. The Complainant so far paid total of Rs.33,72,106/- (Thirty Three Lakhs Seventy Two Thousand One Hundred and Six only).
- 18.** The Respondent is refusing to give official confirmation of the cost breakup, builder keeps changing the amount shown under different heads, including GST. The builder is indulging in unfair trade practice of showing more GST liability to increase the total cost.

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19. The Respondent/Promoter failed to provide basic service of giving a written confirmation of cost breakup that was shown and agreed upon while booking the Flat. Hence, Complainants are seeking refund of Rs.33,72,106/- (Thirty Three Lakhs Seventy Two Thousand One Hundred and Six only) paid so far along with interest.
20. The Respondent even though represented through their Counsel has not filed any statement of objection to put forth the defence. The claim of the Complainants remained unchallenged and undisputed. The Respondent is refusing to give in writing the cost breakup for certain compliance and tax purposes. The Respondent/builder is keeps changing the amount shown under different heads, including GST. The Respondent is indulging in unfair trade practice is manifest on record and the evidence - CD conversation and Electronic evidence produced is proving the fact stated in the compliant. Therefore, the Respondent is liable to refund the booking amount, franking charges and TDS deducted along with interest as per Section 18 of RERA Act.
21. The Complainants filed further statement and clearly narrated the facts and course of events along with the conversations held between the Complainant and the Respondent. The Complainants in their further statement substantially reiterated the facts stated in the complaint. Since the Complainants suffer a loss due to false and incorrect information entitle to seek refund with interest for violation of obligations, regarding Veracity of the advertisement and prospectus under section 12 of RERA Act. It is stated that, the Respondent violated Section 13 by collecting more amount than prescribed. The Respondent failed to comply the information required by the allottee in accordance with Section 19 of RERA Act.
22. The Complainants have made further payments of Rs.5,94,271/- (Five Lakhs Ninety Four Thousand Two Hundred and Seventy One Only) on 16.01.2025 and Rs.6,54,569/- (Six Lakhs Fifty Four Thousand Five Hundred and Sixty Nine Only) on 27.01.2025, TDS deposit of Rs.11,428/- (Eleven Thousand Four Hundred and Twenty Eight Only) which have been acknowledged by

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the Respondent. Therefore the total claim for refund is at Rs.46,32,373/- (Forty Six Lakhs Thirty Two Thousand Three Hundred and Seventy Three Only) with interest. These facts are not controverted by the Respondent by adducing any evidence. Hence the Complainants evidence has to be appreciated and considered on the facts of the case to grant the relief claimed by the Complainants.

23. Section 18 of RERA Act provides that if the Promoter fails to provide the Plot as per the terms of booking or Agreement then he shall be liable on demand to return the amount received by him. The allottee if wishes to withdraw from the project is entitled to refund of the booking amount.
24. Hon'ble Supreme court in Appeal No.6750-57/2021 in the case of M/s Newtech promoters and developers Private Limited Versus State of UP & others, which is held as under:

"Section 18(1) of the Act spells out the consequences possession of an apartments, plot or building either in terms of the agreements for sale or complete the project by the date specified therein or on account of discontinuance of his business as a revocation of the registration under the Act or 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".

25. In the Judgment reported in Civil Appeal no.3581-3590 of 2020 at Para 23 between M/s Imperia Structures Limited Vs Anil Patni & Another by 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

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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 of 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 the provision of 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."

26. The purport and object of RERA Act is to develop and promote Real Estate Sector and at the same time to safe guard the interest of purchasers. The Act gives protection to home buyer and enhanced transparency and "Accountability" in Real Estate transactions and ensure efficient project execution as per plan and dispute resolution.
27. Therefore, it is incumbent upon the respondent to refund the amount with interest which is 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 (11) | 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 | 3110 | 05-11-2025 | 8.15 | 10.15 as on 01-05-2017 | 0 |

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| 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% |
|------|-------------------------|-------------------------------|---------------|--------------------|------------------------|---------------------------|-------------------|
| 2 | 05-05-2024 | 1,00,000 | 549 | 05-11-2025 | 8.85 | 10.85 as on 15-04-2024 | 16,319 |
| 3 | 14-05-2024 | 6,99,980 | 540 | 05-11-2025 | 8.85 | 10.85 as on 15-04-2024 | 1,12,361 |
| 4 | 27-05-2024 | 25,00,000 | 527 | 05-11-2025 | 8.85 | 10.85 as on 15-05-2024 | 3,91,640 |
| 5 | 27-05-2024 | 7,000 | 527 | 05-11-2025 | 8.85 | 10.85 as on 15-05-2024 | 1,096 |
| 6 | 27-05-2024 | 1,000 | 527 | 05-11-2025 | 8.85 | 10.85 as on 15-05-2024 | 156 |
| 7 | 27-05-2024 | 22,476 | 527 | 05-11-2025 | 8.85 | 10.85 as on 15-05-2024 | 3,521 |
| 8 | 13-06-2024 | 41,650 | 510 | 05-11-2025 | 8.85 | 10.85 as on 15-05-2024 | 6,314 |
| 9 | 14-01-2025 | 5,94,271 | 295 | 05-11-2025 | 9.1 | 11.1 as on 15-12-2024 | 53,313 |
| 10 | 14-01-2025 | 5,714 | 295 | 05-11-2025 | 9.1 | 11.1 as on 15-12-2024 | 512 |
| 11 | 27-01-2025 | 6,54,569 | 282 | 05-11-2025 | 9.1 | 11.1 as on 15-01-2025 | 56,135 |
| 12 | 27-01-2025 | 5,714 | 282 | 05-11-2025 | 9.1 | 11.1 as on 15-01-2025 | 490 |
| 13 | TOTAL AMOUNT | 46,32,374 | | | | TOTAL INTEREST (I2) | 6,41,857 |

Memo Calculation

| PRINCIPLE AMOUNT (A) | INTEREST (B = I1 + I2 + I3) AS ON 05-11-2025 | REFUND FROM PROMOTER (C) | TOTAL BALANCE AMOUNT (A + B - C) |
|---------------------------|---|-------------------------------|---------------------------------------|
| 46,32,374 | 6,41,857 | 0 | 52,74,231 |

28. Having regard to all these aspects and the cogent evidence placed on records by the parties, it would be just and appropriate to allow the Complaint. Hence, point No.1 is answered in the Affirmative.

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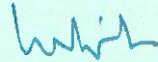
29. The final order in the present Complaint could not be passed within the stipulated period as prescribed under section 29(4) of the Real Estate (Regulation and Development) Act of 2016, due to multiple adjournments sought by Advocates/Parties and other procedural reasons.

30. My answer to the point no 2. In view of the above discussion, this complaint deserves to be allowed. Hence, 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 bearing No.00729/2024 is hereby by allowed.

- i) The Respondent is here by directed to pay Rs. 52,74,231/- (Fifty Two Lakhs Seventy Four Thousand Two Hundred and Thirty One Only) Hundred and Seventy Five Only) towards refund with interest calculated at the rate of SBI MCLR + 2% from 05.05.2024 to 05.11.2025 to the Complainants within 60 days from the date of this order.
 - ii) The Interest due from 06.11.2025 up to the date of final payment will be calculated likewise and paid to the Complainant as per the order.
 - iii) The Complainants are at liberty to initiate action in accordance with law, if the Respondent fails to pay the amount as per the order of this authority.
- No order as to costs.



(RAKESH SINGH)
Chairman
K-RERA

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