

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 4

SHRI RAKESH SINGH, HON'BLE CHAIRMAN

DATED THIS 09 MARCH 2026

COMPLAINT NO.00754/2025

COMPLAINANTS....	1. ARPAN SARKAR 2. PRIYA SARKAR (both are residing at) B-008, Vibha Elite Apartments, 9 th Cross Road, B Naryanapura, Bengaluru Urban-560016. (Rep by Mohammed Eshaluddin & Rajesh Advocates). V/s
RESPONDENT....	CASA GRANDE GARDEN CITY BUILDERS PVT.LTD Salma Bizhouse, No.34/1, 3 rd floor,T1 & T2, Meance Avenue road, Ulsoor road, Bengaluru Urban-560042. (Rep by Amaresh M Advocate).

JUDGMENT

1. The complaint is filed on 19.05.2025 under section 31 of RERA Act, against the project "Casagrاند Orlena" developed by the Promoter Casagrاند Garden City Builders Pvt.Ltd, situated at Sy.No.17/10D, 18/1& New Sy.no.18 (part old Sy.no18/1) Katha No.831/17/10D, 18/1, Thanisandra Village, K.R. Puram Hobli, Bangalore East, Bangalore, Bengaluru East, Bengaluru Urban.

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2. The Complainants sought for the relief of directing the Respondent to promptly share the revised plan including all amenities agreed upon at the time of registration, to pay delay period interest for delay in delivery of possession.
3. This project has been registered with RERA vide registration no.PRM/KA/RERA/1251/446/PR/210928/004324. Valid till 21.08.2024 Section 6 Extension till 21.08.2025.

Brief facts of the complaint is as under

4. The Complainants have booked flat no.A-405, in the project "Casagrand Orlena". The Agreement for sale was executed on 29.03.2022 for total Sale Consideration of Rs.1,06,93,756/- (One Crore Six Lakhs Ninety Three Thousand Seven Hundred Fifty Six Only) and paid an advance of Rs.10,65,376/- (Ten Lakhs Sixty Five Thousand Three Hundred and Seventy Six Only). The Respondent promised to hand over the flat on 21.08.2024 + 3 months grace period. As per the terms of the contract, they have paid the amount as per payment schedule.
5. The Respondent has changed the location/venue of the club house without seeking the consent of the buyers/allottees. The Respondent has promised to provide certain amenities in the project, essential major portion of the amenities are situated at the club house. The Complainants have paid higher price to acquire flats next to the club house with bonafide intention to enjoy the amenities. But, the Respondent is making arrangement to change the location of the club house without the permission of the allottees.
6. The spot inspection report dated 08.08.2025 reveal certain facts and issues, as to BBMP approved plan and dispute regarding the location of club house

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in the alleged encroached land. It was informed that the matter would be resolved shortly.

7. The Respondent has failed to comply with the terms of booking and Agreement of sale and delayed the delivery of physical possession of the completed apartments/flats. The promised date for completion of the project as per booking and Sale Agreement is on or before 21.08.2024. The Promoter shall be liable to compensate the purchasers in case of any loss caused to them due to defective title of the land or for delayed delivery of possession. The Respondent has not delivered the possession of the apartment within the time specified in the Agreement. Hence, the Complainants sought for interest on delay in delivery of possession on the amount paid to Respondent.
8. The Complainants have produced the documents such as copies of Booking Form, Agreement for Sale, Allotment Letter, E-mails and Project Photos.
9. After registration of the complaint, in pursuance of the notice the Respondent had appeared before this Authority through the counsel. The Respondent contested the matter filing the common statement of objection.
10. It is contended in the statement of objection that, the complaint is vexatious, frivolous and the same has been filed with an intention to harass the Respondent. The Complainants may be put to strict proof of the allegation made by them against the Respondent.
11. The Respondent entered into Joint Development Agreement dated 05.12.2020 with the owners of the land, wherein, project "Casagrاند Orlena" is proposed to be constructed. The Respondent has obtained necessary

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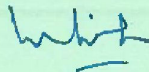
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sanctions, planning permission and approvals from the development authority, for the construction of the residential units.

12. The Complainants have booked the flat/unit have signed Booking Form, Sale Agreement, respectively for their respective units. The Complainants agreed to the terms and conditions and to pay valid consideration as agreed in the agreement.
13. The project has been completed in accordance with the agreed terms and conditions, except the club house is concern. There are some changes/modifications required for clubhouse. Hence, the Respondent has approached the concern authority for modification of the plan. The same was communicated to the customers.
14. The Respondent has filed an application for modification of sanction plan for shifting the club house from Block-A to Block-E. It is pending for consideration before the BBMP from 20.02.2024. The Respondent is ready to provide all documents to the Complainants as per Section 17 of RERA Act.
15. The Respondent has not committed any breach of contract or performance of contract. The time limit as promised by the Respondent is outer limit for the purpose of construction subject to necessary extension for justifiable cause/reason. Therefore, sought for dismissal of the complaint.
16. The Respondent has produced the documents such as Joint Development Agreement, RERA Registration Certificate, Building License, Allotment Letter, Sale Agreement and Payment Receipt.
17. This matter was heard on 28.07.2025, 12.08.2025, 02.09.2025, 15.09.2025, 08.10.2025, 21.10.2025, 10.11.2025, 24.11.2025, and 17.12.2025.



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18. **Heard arguments.**

19. 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?

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

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

REASON

22. **Finding on point no.1:-** It is contended that, the Complainants have booked flat no.A-405, in the project "Casagrand Orlena". The Agreement for sale was executed on 29.03.2022 for total Sale Consideration of Rs.1,06,93,756/- (One Crore Six Lakhs Ninety Three Thousand Seven Hundred Fifty Six Only) and paid an advance of Rs.10,65,376/- (Ten Lakhs Sixty Five Thousand Three Hundred and Seventy Six Only). The Respondent promised to hand over the flat on 21.08.2024 + 3 months grace period. As per the terms of the contract. The Complainants have paid the amount as per payment schedule.

23. As per Section 11(4) of RERA Act the promoter shall develop and complete the proposed project in accordance with the sanctioned plan, layout plans and specifications as approved by the competent authority. The promoter shall be responsible for all obligations, responsibilities and functions under the provisions of the RERA Act, Rules and Regulations as per the agreement. According Section 17(1) the promoter shall execute registered Conveyance Deed in favour of the allottee by physically handing over the possession of the flat within 3 months from the date of issuance of Occupancy Certificate.

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24. If in case, the promoter fails to deliver the possession of the flat/unit, then the promoter shall compensate or pay interest for delay period. The Respondent in this case has made an attempt to change the location of the clubhouse without the consent of allottees. There are dispute as to the location of the clubhouse. The BBMP plan indicates that the clubhouse is located in the south east corner of the project. However, the proposed clubhouse site is allegedly situated on BDA land that was encroached upon by the builder/land owner. It is also reported in the spot inspection dated 08.08.2025.
25. Section 14 of RERA Act provides for adherence to sanctioned plans and project specifications by the promoter. If any alterations or an addition in the Sanctioned plans, Layout plans and specifications of the building within the project at least 2/3 of allottees have to give previous consent for approval.
26. The Respondent even though assured to resolve the matter in dispute as to location of clubhouse has not obtained modified plan approvals and there is considerable delay in completing all remaining pending works. Therefore, the delay in delivery of possession is not justified by the Respondent with cogent reasons and evidence. Therefore, the Respondent is responsible to pay the interest for delay in delivery of possession as per section 18 of the RERA Act.
27. In the judgement rendered by the Hon'ble Supreme Court of India in Appeal No.6750-57/2021 M/s Newtech Promoters V/s The State of Uttar Pradesh, it is held as under:

Para No.22 "If we take a conjoint reading of subsections (1), (2) and (3) of Section 18 of the Act, the different contingencies spelt out therein, (A) the allottee can either seek refund of the amount by withdrawing from the project; (B) such refund could be made

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together with interest as may be prescribed; (C) in addition, can also claim compensation payable under Sections 18(2) and 18(3) of the Act; (D) the allottee has the liberty, if he does not intend to withdraw from the project, will be required to be paid interest by the promoter for every months' delay in handing over possession at such rates as may be prescribed."

28. 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 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."

29. Mere executions of documents such as Booking Form, Sale Agreements are not sufficient without being completion and hand over of the project by

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providing all amenities/facilities as agreed. Here in this case, the construction of the clubhouse and the amenities to be provided are not completed so as to fulfil the terms of Agreement of Sale.

30. Therefore, it is incumbent upon the Respondent to pay the delay period interest which is determined as under.

CMP.NO.00754/2025

Payment Details

S.NO	TYPE	AMOUNT	DATE
1	TOTAL PAYMENT TILL POSSESSION AS PER AGREEMENT	1,01,11,568	21-11-2024
3	TOTAL DELAYED INTEREST as on 18/12/2025	11,95,442	

Interest Calculation

S.NO	FROM DATE	TO DATE	NO. OF DAYS	MCLR RATE	INTEREST RATE	INTEREST
INTEREST CALCULATION FOR AMOUNT PAID TILL POSSESSION 1,01,11,568						
1	21-11-2024	21-12-2024	30	9.1	11.1 as on 15-11-2024	92,250
2	21-12-2024	21-01-2025	31	9.1	11.1 as on 15-12-2024	95,325
3	21-01-2025	21-02-2025	31	9.1	11.1 as on 15-01-2025	95,325
4	21-02-2025	21-03-2025	28	9.1	11.1 as on 15-02-2025	86,100
5	21-03-2025	21-04-2025	31	9.1	11.1 as on 15-03-2025	95,325

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S.NO	FROM DATE	TO DATE	NO. OF DAYS	MCLR RATE	INTEREST RATE	INTEREST
6	21-04-2025	21-05-2025	30	9.1	11.1 as on 15-04-2025	92,250
7	21-05-2025	21-06-2025	31	9.1	11.1 as on 15-05-2025	95,325
8	21-06-2025	21-07-2025	30	9.1	11.1 as on 15-06-2025	92,250
9	21-07-2025	21-08-2025	31	8.9	10.9 as on 15-07-2025	93,608
10	21-08-2025	21-09-2025	31	8.85	10.85 as on 15-08-2025	93,178
11	21-09-2025	21-10-2025	30	8.85	10.85 as on 15-09-2025	90,173
12	21-10-2025	21-11-2025	31	8.85	10.85 as on 15-10-2025	93,178
13	21-11-2025	18-12-2025	27	8.85	10.85 as on 15-10-2025	81,155
					TOTAL DELAYED INTEREST as on 18/12/2025	11,95,442

31. 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 ensures efficient project execution as per plan and dispute resolution.

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32. Having regard to all these aspects and the cogent evidence placed on record it would be just and appropriate to direct the Respondent/Promoter to deliver the possession of the flat providing all amenities assured in the Agreement to the Complainants. The Respondent to obtain consent of 2/3 of the allottees for changed plan approval. Further, the Respondent is directed to pay interest for delay in handing over possession, at such rate as may be prescribed.
33. 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. Accordingly the point No.1 is answered in the Affirmative.
34. 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.

ORDER

In exercise of the powers conferred under section 31 of the Real Estate (Regulation and Development) Act, 2016, the Complaint bearing no.00754/2025 is hereby allowed as under:

- i) The Respondent is hereby directed to pay an amount of Rs.11,95,442/- (Eleven Lakhs Ninety Five Thousand Four Hundred and Forty Two Only) towards delay period interest calculated from 21.11.2024 till 18.12.2025 @ the rate of SBI MCLR + 2% as provided under the RERA Act to the Complainants within 60 days from the date of this order.
- ii) The interest due from 19.12.2025 up to the date of delivery of possession will be calculated like wise and paid to the Complainants as per the order.

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- iii) The Respondent is hereby directed to complete the project as per specification providing all amenities assured in the Agreement for Sale and deliver the possession of the flat purchased by the complainants at the time of registration, within 60 days from the date of this order.
- iv) The Respondent is hereby directed to share the revised plan approvals and clubhouse land documents to the Complainants as per Section 14(2) of the RERA Act.
- v) The Complainants are at liberty to initiate action in accordance with law, if the Respondent fails to comply with this order.

No order as to costs.


(RAKESH SINGH)
CHAIRMAN
K-RERA

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