

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 FULL BENCH

PRESENT:

SHRI. RAKESH SINGH, HON'BLE CHAIRMAN

SHRI. GURIJALA RAVINDRANADHA REDDY, HON'BLE MEMBER

COMPLAINT NO.00915/2025

DATED THIS 3rd DAY OF JUNE 2026

COMPLAINANT.....

MRS. LAKSHMI V REDDY

No.316, 22 A Main Road,
28th Cross Road, Judicial Layout,
Bengaluru Urban - 560065.

(Rep by Charishma / L. Venkatarama
Reddy – Advocate)

V/s.

RESPONDENT.....

M/S MAXWORTH REALTY INDIA LTD.,

Rep by its Managing Director,
KMP House, No.12/2, Yamuna Bai Road,
Madhavnagar, Bengaluru – 560001.

(Rep by Divya BS – Advocate)

J U D G M E N T

1. The complaint is filed on 07/07/2025 under section 31 of the Real Estate (Regulation and Development) Act 2016 against Respondent “**M/S MAXWORTH REALTY INDIA LTD**” seeking direction for execution of registered Sale Deed and delivery of possession in respect of Plot No.579 measuring 30 x 40 Sqft. in the project as “Max Orchids III”.
2. This is an unregistered project.

with

[Signature]

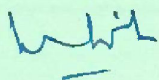
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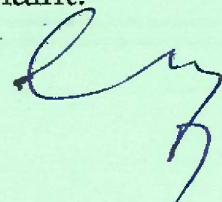
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Brief facts of the complaint are as under:

3. The gist of the complaints is that, the complainant had booked Plot No.579 in the respondent's project and paid an amount of Rs.1,00,000/- towards booking advance. The records disclose that a sum of Rs.50,000/- was paid through cheque dated 04/03/2013 and another sum of Rs.50,000/- originally paid in respect of Plot No.177 in "Max Meadows II" was transferred towards the subject plot vide Journal Voucher dated 11/07/2013.
4. The complainant has produced the booking form, layout plan, cheque copy, receipt, journal voucher and copies of legal notices issued to the respondent. The complainant contends that despite receipt of booking amount, the respondent failed to execute Agreement of Sale or registered Sale Deed and failed to hand over possession of the plot. It is further alleged that repeated attempts made by the complainant to contact the representatives of the respondent did not yield any result. The complainant got issued legal notices dated 27/10/2021 and thereafter another notice through RPAD to the respondent's corporate office. Despite service of notice, the respondent neither complied with the demands nor replied to the legal notices.
5. Aggrieved by the conduct of the respondent, the complainant approached this Authority seeking the reliefs for direction to execute registered Sale Deed in respect of Plot No.579 in favour of the complainant; direction to hand over possession of the said plot free from encumbrances and interim direction restraining the respondent from alienating or allotting the said plot to third parties. Hence, this complaint.





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6. After registration of the complaint, in pursuance of the notice, the parties had appeared before this Authority, records reveal that notice was issued to the respondent. The respondent initially appeared during the first two hearings. However, thereafter, the respondent remained continuously absent and failed to file objections or contest the matter despite sufficient opportunities being granted.
7. In support of their claim, the complainant has produced documents such as order copy in the High Court of Punjab and Haryana at Chandigarh, orders passed by this Authority before bench – 6, brochure, layout plan, booking form, photographs, cheques, journal voucher dated 11/07/2013, postal receipts and legal notice.
8. Respondent has not produced any documents in support of its defence.
9. This matter was heard on 25/08/2025, 22/09/2025, 15/10/2025, 07/11/2025, 20/11/2025, 01/12/2025 and 15/12/2025.
10. **On the above averments, the following points would arise for our consideration:-**
 1. Whether the complainant is entitled for the relief claimed?
 2. What order?
11. **Our answer to the above points is as under:-**
 1. In the Affirmative.
 2. As per final order for the following

REASONS

12. **Our finding on point No.1:-** From the materials placed on record, it is apparent that, the complainant has produced documentary evidence including the booking form, cheque copy, receipt and journal voucher

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evidencing payment of Rs.1,00,000/- towards booking of Plot No.579 in the year 2013 and has neither received registered conveyance nor possession even after more than twelve years. The respondent, despite entering appearance initially, has neither disputed these documents nor denied receipt of the amount. There is absolutely no rebuttal evidence placed on record by the respondent.

13. Accordingly, this Authority holds that the complainant has successfully established payment of booking amount in favour of the respondent for allotment of Plot No.579 in Max Orchids III project. The booking form itself stipulates that the Sale Agreement ought to have been executed within 20 days from the date of booking or stipulated period of time, depending on the project booked. The respondent has failed to perform its statutory obligations under Sections 11 and 13 of the Act. The complainant has therefore established deficiency and violation on the part of the respondent.
14. Section 13 of the Real Estate (Regulation and Development) Act, 2016 mandates that a promoter shall not accept more than ten percent of the cost of the apartment, plot or building without first entering into a written Agreement for Sale. The respondent has admittedly retained the complainant's money for several years without executing the Agreement of Sale.
15. There is also no material placed on record regarding present legal status of the project, encumbrance status etc. However, the respondent cannot be permitted to unjustly enrich itself by retaining the complainant's

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money indefinitely without either executing conveyance or refunding the amount. Such conduct is contrary to the mandate of Section 13 of the Act and amounts to deficiency in service and unfair practice.

16. Further, the Respondent failed to furnish any material regarding the stage of development of the project, status of approvals or readiness to execute conveyance. The conduct of the respondent in remaining absent throughout the proceedings after initial appearance further strengthens the complainant's case.
17. Considering the peculiar facts and circumstances of the case, this Authority deems it appropriate to direct the respondent to execute Agreement of Sale and thereafter registered Sale Deed in respect of Plot No.579 and compliance with statutory requirements.
18. On 25/08/2025 vide interim order, considering the facts and circumstances, this Authority is of the prima facie view that in order to safeguard the rights of the complainant, it is necessary to protect the subject property from transferring, any third-party alienating, mortgaging, creating any charge or otherwise dealing with or disposing Plot No.579 in the project Max Orchids III pending disposal of this complaint. These directions continue to remain in force and the Respondents have not demonstrated compliance nor sought modification.
19. From the records and proceedings, it is evident that the Respondent has undertaken sale of plots to multiple allottees post enactment of the RERA Act, 2016, clearly indicating that the project is ongoing and falls

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under the ambit of the RERA Act, 2016. The Respondent ought to have mandatorily made an application before this Hon'ble Authority for the registration of the project within a period of three months from the date of commencement of the Act as provided under the proviso to Section 3(1) of the Act. The Respondent-Promoter did not register the project, thus violating the provisions of the Act.

20. Despite issuance of Show Cause Notice under Section 59, the Respondent has failed to register the project and failed to offer any explanation. This constitutes a serious violation of statutory provisions. The conduct of the Respondent demonstrates non-compliance with regulatory framework, lack of transparency and disregard to the rights of allottees, the Respondent has failed to comply or respond.
21. 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.
22. **Our findings on point No. 2:-** In view of the above discussion, this complaint deserves to be allowed. Hence, we 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.00915/2025** is hereby allowed, as under:

With

[Signature]
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1. In exercise of the power conferred under section 3 of the Real Estate (Regulation and Development) Act, 2016, the Authority direct the Secretary, KREERA to initiate penalty proceedings against the Respondents, u/s. 59(1) of the RERA Act for violation of section 3 of the Act against the unregistered project 'Max Orchids III'.
2. Respondent is hereby restrained from selling, transferring, or creating any third-party interest in the unsold sites/plots of the project until the project is duly registered with this Authority and requisite disclosures under Section 4 of the Act.
3. Respondent is directed to hand over physical possession of Plot No.579 measuring 30 x 40 Sqft in the project Max Orchids III upon receiving the balance sale consideration and other lawful charges (as per final statement of account), and thereafter execute Agreement of Sale and registered Sale Deed in favour of the Complainant.

No order as to costs.

(RAKESH SINGH)

Chairman
K-RERA

(G.R. REDDY)

Member
K-RERA

