

ಕರ್ನಾಟಕರಿಯಲ್‌ಎಸ್ಟೇಟ್ 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.01208/2024

DATED 05th JUNE 2026

COMPLAINANT.....

SANJEEV KUMAR MISHRA

No.412, 11th Main, 9th Cross,
BEML Layout, 6th Stage, Thubarahalli,
Bengaluru- 560066.

(In Person)

V/S

RESPONDENT.....

FRONTIER SHELTERS PVT LTD

#422, 80 Feet Road, 6th Block,
Koramangala, Bengaluru-560095.

(M/s India Law Practice-ILP.,)

REGISTRATION NO.

PRM/KA/RERA/1251/446/PR/171214/
001250 valid till 31/11/2019 and
extended u/s 6 till 30/11/2020

PROJECT NAME:

Frontier Heights

J U D G E M E N T

1. This complaint is filed under section 31 of the RERA Act against the project "Frontier Heights" developed by "**Frontier Shelters Pvt.Ltd.,**" situated at Sy.No.49 1 2, Haralur Village, Varthur Hobli, Bengaluru East, Bengaluru Urban seeking the reliefs of direction to respondents for complete all the pending works, handover the possession and to pay interest on delay period.

ಕರ್ನಾಟಕರಿಯಲ್‌ಎಸ್ಟೇಟ್ ನಿಯಂತ್ರಣ ಪ್ರಾಧಿಕಾರ,

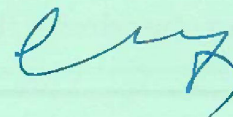
Karnataka Real Estate Regulatory Authority,

1/14, 2nd Floor, Silver Jubilee Block, Unity Building Backside, CSI Compound,
3rd Cross, Mission Road, Bengaluru-560027

Brief facts of the complaint are as under:-

2. The complainant had booked a 2 BHK flat measuring 1131 sq. ft. bearing No.3052 on the 5th floor, in the project 'Frontier Heights' of the respondent. The complainant and the respondent have entered into an agreement of sale and construction agreement both dated 17/11/2020 for a total sale consideration of Rs.60,87,076/- (Sixty Lakhs Eighty Seven Thousand and Seventy Six only) and the complainant had paid the substantial sale consideration of Rs.54,82,199/- (Fifty Four Lakhs Eighty Two Thousand and One Hundred and Ninety Nine only) to the respondent on the various dates. The respondent had promised to handover the possession of the said flat on or before May 2021. Though more than five years have been lapsed, the respondent had failed to complete the project as agreed and to handover the possession of the said flat to the complainant. Despite the commitment to deliver possession by May 2021, the respondent has failed to complete the construction and handover the flat. The delay has now extended to almost 3 years and 6 months beyond the agreed possession date, causing severe inconvenience and financial loss to the complainant. The complainant has repeatedly communicated with the respondent regarding the delay and sought clarity on the revised possession date. However, the respondent has failed to provide a concrete timeline and has made multiple false promises about the new possession date and still not given the possession of the said flat. Hence, this complaint.

3. After registration of the complaint, in pursuance of the notice, the respondent has appeared before the Authority through their counsel and filed statement of objections as under:



ಕರ್ನಾಟಕರಿಯಲ್ 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

4. The respondents deny the entire allegations made against them by the complainant as false. The respondents have agreed that they had executed an agreement of sale with the complainant for construction of residential multi-stored apartment in the said schedule property and they have failed to handover the possession as agreement to the complainant as a result of a delay of RERA in issuing the appropriate sanction letters for the said projects to complete the same. The respondents have submitted that they had filed an application for extension on 19/09/2020 before this Hon'ble Authority. On that time the Covid-19 pandemic which was causing huge disruptions and made it challenging for them to complete the construction within the time frame given to them. The respondent made an application for extension of registration to RERA with the consent of 66% of home buyers but the Respondent was not issued any project extension approval despite the application that was submitted on 19/09/2020. The previous RERA registration was valid till November 2019. After the follow up, on 25/01/2023, the RERA issued a certificate granting extension of registration of a project after an undue delay of 28 months and 6 days when the respondent had sought for the said extension for the year 2020. It is pertinent to note that the extension of the plan by 12 months was effective till 30-11-2020, however, the same was granted on 25/01/2023, thereby rendering the extension redundant. This backdated extension did not serve the purpose for the Respondent as it was not valid on the date when the extension was granted. As the RERA registration was rendered redundant, the project financing also became an issue with some banks refusing to grant loans for the project. These are all beyond the control of the respondent.

5. The nephew of the Managing Director of the respondent company, that is the brother's son filed a suit bearing O.S No.26300/2021 pending in the

ಕರ್ನಾಟಕರಿಯಲ್ 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

Hon'ble Court of LXXIII Additional City Civil and Sessions Judge, Mayo Hall unit, Bengaluru (CCH-74) seeking partition and allotting and delivering physical possession of Suit Schedule Properties, permanent injunction restraining the respondent and anyone claiming through or under them from alienating, encumbering or creating charge over the schedule properties in any manner whatsoever and also to declare the agreements executed by the respondent with few of the complainant. That on 18/11/2021, the Hon'ble Court passed an order granting ex-parte temporary injunction and also the respondent and their agents were directed and restrained from alienating, encumbering the suit schedule properties. Thereafter, the respondent preferred an appeal on the said ex-parte order in the matter of M.F.A No.8736/2022 on the file of Hon'ble High Court of Karnataka and an order was passed on 11/08/2023 in allowing the appeal in part and modifying the order of the Hon'ble Trial Court with regard to the suit schedule properties.

6. The respondent had submitted that the delay has not been due to the fault of the builder/respondent and therefore no deficiency in service can be foisted on respondent. That the delay has been due to the wrongful extension by RERA, delay in according of permission by BBMP, the stay order operating against the respondent which has been modified by the Hon'ble High Court of Karnataka. The respondent submits that major portion of the work has been completed by them. The respondents have stated that they are ready to willing to complete the project and handover the possession to the complainant once the remaining payments by the complainant are made and also the RERA extension is granted. Hence, they prayed to dismiss the complaint.

7. In support of his claim, the complainant has produced/uploaded the documents such as copies of allotment letter, agreement of sale, construction

With

by

ಕರ್ನಾಟಕರಿಯಲ್ 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

agreement both dated 19/11/2020, payment receipts and email communication.

8. In support of his defense, the respondent had produced copies of board resolution of the respondent dated 05-09-2023, extension certificate of RERA dated 25-01-2025, Temporary Injunction order dated 03-12-2022 of Civil Court and order passed by the Hon'ble High Court of Karnataka in M.F.A No.8736/2022 dated 11-08-2023.

9. This matter was heard on 13-04-2026, 28-04-2026 and 30-04-2026.

10. Heard arguments of both sides.

11. **On the above averments, the following points would arise for our consideration:-**

1. Whether the complainant is entitled for the reliefs claimed?
2. What order?

12. **Findings on the above points are as under:-**

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

REASONS

13. **Our Findings on Point No.1:-** The complainant has approached this forum seeking relief of direction to the respondent to complete all the pending work, handover the possession and to pay interest on delay period on the grounds that the respondent has failed to complete the project and to handover possession of flat to the complainant as agreed and there is inordinate delay in completion of the project.

14. Same is resisted by the respondent on the grounds that there was a delay in approval and extension for completion of the project by the RERA Authority and due to Covid-19 pandemic there is delay in completion of the project and there is no fault on his part.

Wish

[Signature]

ಕರ್ನಾಟಕರಿಯಲ್ 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

15. The agreement of sale is a key instrument which binds the parties in a contractual relation so as to be properly enforced in accordance with law, and hence, it is necessary that it shall be free from any ambiguity and vagueness. Herein, this case, the respondent has failed to complete the project in all aspects, not provided possession of flat to the complainant and there is a delay in handover of possession.

16. During the course of proceedings in CMP no. 809/2023, as per direction of the Authority, the RERA team has conducted spot inspection on 13-02-2026 pertaining to same project and submitted the report as under:

"The complainant has raised the following main issues in his complaint:-

"Delay compensation, Pre-EMI Interest and other compensation for financial loss and injury"

The project consists of five towers, namely A, B, C, D, and E, which are approved for one basement, ground floor, and 15 upper floors. Tower A comprises 45 units, Tower B comprises 45 units, Tower C comprises 60 units, Tower D comprises 60 units, and Tower E comprises 56 units, making a total of 266 units in the project. As per the builder's representative, approximately 195 units have been sold.

After discussing the issues with the complainants, a physical inspection of each issue at the site was carried out, and the report along with photographs is submitted for your kind information and necessary action.

The complainant, Mr. Pawan, owns Flat No. 3154, located on the 14th floor of Tower C. During the inspection of the flat, it was observed that, toilet fixtures need to be installed, false ceiling work in the toilet is pending, wooden flooring in one bedroom is yet to be completed, and the kitchen platform work along with one final coat of painting is pending.

Wbth

Long

ಕರ್ನಾಟಕರಿಯಲ್ 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

Another complainant, Mr. PranabSureka, owns Flat No. 5102, located on the 10th floor of Tower E. During the inspection, it was observed that the balcony glass railing needs to be installed, wooden flooring in one bedroom is pending, bathroom fixtures and false ceiling work are yet to be completed, and the final coat of painting is pending.

Tower A:

- i) Flooring work is completed up to approximately 80%.
- ii) Staircase flooring for the entire block is pending.
- iii) Doors and windows in all flats are yet to be fixed.
- iv) Toilet flooring and fixtures are pending installation.
- v) Works relating to the utility area, kitchen area, and balcony large window installation are pending.
- vi) Staircase railing has been fixed only up to the 10th floor.
- vii) Lifts have not been installed.

Overall, the majority of the works in Tower A are still pending.

Towers B, C, D, and E:

- i) One final coat of painting is pending.
- ii) Toilet fixtures and false ceiling works are pending.
- iii) Wooden flooring in one bedroom is pending.
- iv) Kitchen platform works are pending.
- v) Firefighting works are pending.
- vi) Window fixing works are pending.

Overall, approximately 80% of the internal flat works appear to be completed.

External/Common Area Works (Outside the Flats):

- i) Electrical works are pending.
- ii) Firefighting works are pending.
- iii) Out of 10 lifts, five lifts are installed but not commissioned, and the remaining five lifts are yet to be installed.
- iv) Lift lobby works are pending.
- v) Shaft and duct doors are yet to be fixed and are presently left open, posing a safety concern.

ಕರ್ನಾಟಕರಿಯಲ್ 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

- vi) Safety grills at certain locations are yet to be installed.
- vii) Terrace area painting is pending.
- viii) Motors and pumps for firefighting tanks at the terrace are yet to be installed.
- ix) External painting of the building is pending.
- x) Staircase windows in all blocks are yet to be fixed.
- xi) Basement painting is pending.
- xii) Basement car parking works are pending.
- xiii) Firefighting works in the basement are pending.

Amenities:

All amenities promised by the builder, including the clubhouse, swimming pool, badminton court, garden, jogging/walking track, children's play area, fountain, etc., have not been provided. Only the structural work of the clubhouse has been completed, and the builder is required to complete all remaining amenities works. Currently, no functional amenities have been provided by the builder.

There is also no permanent electrical power supply infrastructure, such as a transformer, established by the builder.

Pump Room:

Only the structural work of the pump room has been completed. Pumps and motors are yet to be installed and commissioned, and at present, the pump room is not operational.

STP (Sewage Treatment Plant):

The STP room has been constructed, and the machinery has been installed and commissioned.

Overall, the external works are still pending. Although approximately 80% of the internal flat works have been completed, possession cannot be handed over and the Occupancy Certificate (OC) cannot be issued by the Authority without completion of essential facilities such as electrical works, water supply works, fire safety systems, external development works, and amenities. Therefore, the builder is required to complete all these works immediately without further delay.

ಕರ್ನಾಟಕರಿಯಲ್ 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

Brief Details:

SL. NO.	DESCRIPTION	REMARKS
1	Registration Number	PRM/KA/RERA/1251/446/PR/171214/001250
2	Name of the promoter	FRONTIER SHELTERS PVT LTD
3	Name of the project	FRONTIER HEIGHTS
4	Project Type	Residential/Group Housing
5	Project Start Date and Proposed Project Completion Date	01-03-2017- 30-11-2019
6	Section 6 Extension Date	30-11-2019 - 30-11-2020
7	Total No. Units	266
8	Quarterly Update	Quarter PM (2020) Details (Submitted on 24/07/2021) & Percentage of completion of project: 65%
9	Completion details	Not Applied for Completion
10	Plan Approved by	Bruhath Bengaluru Mahanagar Palike, Bengaluru, vide LP No.0469/14-15, Dated: 09/08/2016.

Final inference:

- 1) The project, originally scheduled for completion in 2019 and subsequently extended up to 2020 under Section 6, remains incomplete, and no further extension has been obtained from the Authority.
- 2) Major construction works, particularly external development, common area works, safety systems, and amenities, are still pending despite significant delay beyond the revised completion timeline.

ಕರ್ನಾಟಕರಿಯಲ್ 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

- 3) While approximately 80% of internal flat works in Towers B, C, D, and E appear completed, several essential finishing works remain pending in individual flats. Tower A, however, has substantial incomplete works.
- 4) Critical infrastructure such as electrical works, fire fighting systems, water supply arrangements, lift installation/commissioning, and external development works are incomplete, which are essential for habitability and statutory approvals.
- 5) Promised amenities including clubhouse facilities, swimming pool, sports and recreational areas, and landscaping, have not been completed, with only partial structural work observed in some cases.
- 6) Permanent electrical infrastructure (transformer installation), operational pump systems, and certain safety installations remain incomplete, raising concerns regarding readiness for occupancy.
- 7) Due to the pending essential infrastructure, safety systems, external works, and amenities, possession of flats cannot be considered fit for handover, and issuance of the Occupancy Certificate (OC) by the competent authority is presently not feasible.
- 8) The promoter/builder should immediately obtain the required statutory extension approvals and expedite completion of all pending works on priority to ensure compliance with regulatory requirements and safeguard the interests of allottees."

16. In view of the said report, it is crystal clear that the said project is incomplete in many aspects till date and the respondents have not provided all the amenities/facilities as agreed.

17. As per section 14 of the Act, the promoters shall develop and complete the project in accordance with the sanctioned plans, layout plans and specifications as approved by the competent authorities. Here in this case, though the respondent had executed agreement of sale and construction agreement both dated 19-11-2020 of the said flat in favour of the complainant in the year 2020

White

[Signature]

ಕರ್ನಾಟಕರಿಯಲ್ 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

itself, he had not completed the project and not handover the possession of the said flat till date.

18. At this juncture, our attention is drawn towards the decision of the Hon'ble Supreme Court of India in Appeal No.6750-57/2021 M/s. New tech 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 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'.

19. The said principle laid down in the above decision is aptly applicable to the present case on hand.

20. As per sec.18 of RERA Act, the respondent is liable to pay interest on delay period. Considering the entire materials available on record, the delay in handing over possession being apparent, this Authority see no legal impediment in allowing the complaint as prayed. Complainant till 31/05/2021 had paid Rs.54,82,199/- (Fifty Four Lakhs Eighty Two Thousand and One Hundred and Ninety Nine only) to the respondent towards sale consideration.

21. The complainant had claimed Rs.21,63,005/-(Rupees Twenty One Lakhs Sixty Three Thousand and Five only) as interest on delay period vide his memo of calculation as on 27/03/2025 calculated from 31/05/2021 to 27/03/2025. Despite opportunities being given to all respondent, he had not filed his memo of calculation.

ಕರ್ನಾಟಕರಿಯಲ್ 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

22. A thorough verification of the documentary evidence submitted by the complainant reveals that her claim is genuine. Having regard to all these aspects, this Authority concludes that the complainant is entitled for interest on delay period as submitted vide his memo of calculation as on 27/03/2025.

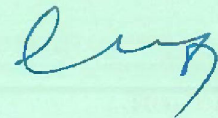
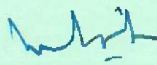
23. Therefore, it is incumbent upon the respondent to pay the interest on delay period which is determined as under –

S.NO	TYPE	AMOUNT	DATE
1	Total Payment Till Possession As Per Agreement	54,82,199	31-05-2021
2	Total Delayed Interest As On 27-03-2025	21,63,005	

24. Considering all these facts and circumstances of the case herein, we are of the considered view that it is just and proper to direct the respondent to execute the sale deed of the said flat in favour of complainant, handover possession of the same after completion of the project in all aspects as agreed and to pay interest on delay period. Accordingly, the point raised above is answered in the Affirmative.

25. 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.

26. **Findings on point No.2 :-**In view of the above discussion, this complaint deserves to be allowed. Accordingly, we proceed to pass the following:



ಕರ್ನಾಟಕರಿಯಲ್‌ಎಸ್ಟೇಟ್ 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

ORDER

In exercise of the powers conferred under Section 31 of the Real Estate (Regulation and Development) Act, 2016, the complaint bearing **No.01208/2024** is hereby allowed as under: -

1. The respondent is hereby directed to complete the project "Frontier Heights" situated at Sy.No.49 1 2, Haralur Village, Varthur Hobli, Bengaluru East, Bengaluru Urban, by providing all the amenities as promised within 60 days from the date of this order.
2. Further, the respondent is hereby directed to pay interest on delay period on the sum of Rs. 21,63,005/- (Rupees Twenty One Lakhs Sixty Three Thousand and Five only) calculated at SBI MCLR+2% from 31/03/2021 to 27/03/2025 to the complainant within 60 days from the date of this order.
3. The interest due from 28-03-2025 up to the date of final payment will be calculated as per MCLR + 2% and paid to the complainant.
4. Further, the respondent is directed to execute the sale deed of the flat bearing no. 3052 in the aforesaid project in favour of complainant after receipt of balance sale consideration if any and to handover possession of the same within 60 days from the date of this order.
5. The complainant is liberty to enforce this order in accordance with law, if the respondent fails to comply with the same.

No order as to cost.

(G.R. Reddy)

Member
K-RERA

(Rakesh Singh)

Chairman
K-RERA

