BEFORE THE MAHARASHTRA REAL ESTATE REGULATORY AUTHORITY, MUMBAI

Complaint No. CC006000000057664

Krian Habitat LLP

..... Complainant

Versus

Pyramid Developers Satra Buildcon Pvt. Ltd. & Ors. Project Registration No. P51800010171

...... Respondents

Coram: Hon'ble Dr. Vijay Satbir Singh, Member – 1/MahaRERA

Adv. Anwar Landge appeared for the complainant.

Adv. Nobonita Kejriwal appeared for the respondent.

ORDER

(6th August, 2019)

- 1. The complainant has filed this complaint seeking directions from MahaRERA to the respondents to pay interest for the delayed possession as provided under the provision of section-18 of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred to as "the RERA Act, 2016") in respect of booking of a flat No 1502, admeasuring 4116 sq. ft. carpet area, in the respondents' project known as "81 Aureate" bearing MahaRERA registration No. P51800010171 at Andheri, Mumbai.
- 2. This matter was heard on several occasions and the same was finally heard today. During the hearings, the complainant argued that it had booked the said flat in the respondents' project for a total consideration value of Rs. 11,00,00,000/-. The registered agreement for sale was also executed on 19/12/2014. According to the said agreement, the respondents were liable to handover the possession of the said flat to the complainant on or before December 2017. However, till date the respondents have not given possession of the said flat to the complainant. Hence, the complainant requested for interest for delayed period of possession as provided under Section-18 of the RERA Act. The respondent No. 2 Satra Buildcon Pvt. Ltd. appeared and filed reply on record of MahaRERA. The respondent further

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argued that this is a re-development project under regulation-33 (10) of DCR 1991. The respondent No. 2 is pursuing the project since 2003. The complainant has executed registered agreement for sale with respondent No.1 who is joint a developer. Letter of intent for the said project was obtained in the year 2003 from concerned planning authority, which was revised subsequently on 14/11/2007 and 07/05/2010. The respondent has taken positive steps to obtain permission from concerned planning authorities. Further the respondent carried out development work on site. However, due to stop work notice dated 20/12/14 was issued by MoEF by which the construction work was stopped. The respondent pursued the matter very diligently and eventually got the order from MoEF on 13/2/15, vacating the said stop work notice.

- 3. During the period June 2014 till February 2015, the work was completely stuck. Thereafter, on 7/4/2018, the SRA issued a stop work notice for nonpayment of certain dues without hearing the respondent, which was subsequently withdrawn by SRA on 12/7/2018. The respondent further argued that due to financial hardship, the project got delayed. Further, there is a dispute between the respondent and a commercial suit was also filed and the same is going on. Therefore, the construction work could not be carried out effectively at site. The respondent clarified that the project is substantially completed on site as per the architect's certificate dated 14/01/2019 and it has already applied for part occupancy certificate up to 25th floor on 01/04/2019, which covers the complainant's flat. The respondent also stated that the project got delayed due to reasons beyond its control and still the respondent is willing to give possession of the flat to the complainant, subject to the complainant can pay the balance sum towards the purchase price on the date of possession and not as per the milestone set out in the agreement for sale.
- 4. The MahaRERA has examined the arguments advanced by both the parties as well as records. The complainant has booked the flat in the respondents' project and registered agreement for sale has also been

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executed. According to the agreement, the respondent was liable to hand over possession of the flat to the complainant by December 2017. But, till date the possession is not given to the complainant. Hence, the complainant is seeking interest for the delayed period of possession, which is denied by the respondent on the ground that reasons for delay were beyond his control.

- 5. In the present case, the reasons cited by the respondent about the stop work notice issued by the MoEF & SRA could not be acceptable. It was the responsibility of the respondent to obtain all the required permissions/NOC from the concerned authorities from time to time before he starts the construction activities at site. A registered agreement for sale was executed with the complainant on 23/12/14 and stop work notice was issued on 26/06/14 i.e. prior to the execution of the said agreement and therefore, the contention of the respondent that due to stop work notice issued by the MoEF, the project got delayed cannot be considered.
- 6. The reason cited by the respondent cannot be accepted at this stage and the respondents cannot blame the government authorities for incomplete work at site. The reasons cited by the respondents are not covered under the force majeure clause. There is no fault on the part of the complainant, who has put his hard earned money for booking of the said flat in the respondents' project. The respondents have not given any plausible reasons for the alleged delay.
- 7. Even all the factors pointed out by the respondents, due to which the project got delayed are taken into consideration, there was enough time for the respondents to complete the project before the relevant provisions of Real Estate (Regulation & Development) Act, 2016 came into force on 1st May, 2017. The respondent is, therefore, liable to pay interest to the complainant for delay in accordance with the provision of section-18 of the RERA Act, 2016.



- 8. In the light of these facts, the MahaRERA directs the respondent to pay interest for the delayed period of possession from January 2018 till the date of obtaining the occupancy certificate at the rate prescribed by the MahaRERA i.e. MCLR + 2% on the amount paid by the complainant to the respondents. The respondents are also directed to obtain the occupancy certificate and handover the possession of the said flat to the complainant. Since the project is nearing completion, the MahaRERA directs that the actual amount payable to the complainant towards the interest shall be adjusted with the balance amount payable by the complainant, if any, and the same shall be paid at the time of possession.
- 9. With the above directions, the complaint stands disposed of.

