

Sub:- Important decision to be quoted in our replies/arguments.

In a recent judgment, Hon'ble Supreme Court in the case titled as Bangalore Development Authority Vs. Syndicate Bank (2007) 6 SCC 711 has held as under:-

10. (c) "Where an alternative site is offered or delivered (at the agreed price) in view of its inability to deliver the earlier allotted plot/flat/house, or where the delay in delivering possession of the allotted plot/flat/house is for justifiable reasons, ordinarily the allottee will not be entitled to any interest or compensation. This is because the buyer has the benefit of appreciation in value".

It has been seen that many Consumer Courts award interest compensation to the allottees for non-handing over the possession in time.

Since we have already taken a decision to make the allotment of alternative sites at original rate, this judgment should be quoted during submission of our replies/arguments to resist the award of interest compensation in future..

(T.C. GUPTA)
C.A., HUDA
16.06.2008

LC