



## South City Group Housing Apartment Owners' Association

Registered under KAOA: No BNG(U)-JPN/82/2009-10, 1<sup>st</sup> Floor, Club House, South City, Off Bannerghatta Road, Bangalore 560076

22<sup>nd</sup> May 2026

Ref No.: SUGRUHA/President/2026-27/FAQs/002

Subject: FAQs and answers as per SUGRUHA's understanding of the interim Order dated 30<sup>th</sup> April 2026 in RFA No. 412/2026 of Honourable High Court of Karnataka.

Dear Apartment Owners of South City,

Namaskar.

Please find a list of Frequently Asked Questions (FAQs) and answers as per our understanding:

Q1) Does the interim order by the Honourable High Court of Karnataka (Hon. HC) order all apartment owners of South City to join SUGRUHA?

A1) Yes. Here is the verbatim order, point (1): *"The receiver appointed by this Court in MFA No.3209/2013 on 31.05.2013 shall fix a date within which time, the owners who have not joined the appellant association shall join the association."* The receiver in this case is South City Maintenance Committee (SCMC).

In his interim-order the Hon. Judge clearly says that:

- a) The receiver (SCMC) appointed by this court shall fix a date...
- b) The owners who have not joined the appellant association (SUGRUHA) shall join the association, within the date fixed by the Receiver (SCMC).

The Hon. Judge uses the word "shall" twice in his interim-order to SCMC (italicized text above). The interpretation of the word shall in both the above instances cannot be different, they are the same. Therefore the Hon. Judge is ordering the Receiver (SCMC) to fix a date within which time the owners who have not joined the appellant association shall join the association. This therefore implies that all apartment owners have to join the appellant association (SUGRUHA) within the time prescribed by the Receiver (SCMC).

We can only interpret the stated intention of the Hon. Judge. It would be wrong to try and interpret the unstated intention of the Hon. Judge – which is for us to speculate a "what-if scenario" such as – what action the Hon. Judge may take if some owners DO NOT join the appellant association within the prescribed time.

The interim order encourages wider participation and asks for all owners to join the appellant Association (SUGRUHA) for purposes of the electoral process.



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Q2) But in his order, the Hon. Judge in point (3) also states: *"It is made clear that if those owners who have not joined the appellant association and do not wish to join the appellant association, within the prescribed time, the receiver shall proceed to conduct elections to the appellant association."* What then does this order of the Hon. HC mean?

A2) By this order the Honourable Judge is ordering that the Receiver (SCMC) shall proceed to conduct the elections regardless of any owners who do not join the appellant association (SUGRUHA) – **within the prescribed time**. Therefore it is an order to SCMC to hold the elections regardless.

This order to SCMC to hold the elections regardless cannot to be construed as a choice being offered by the Hon. Judge to the apartment owners. This can be inferred from the observation made by the Hon. Judge in his order: *"Now that a Receiver is appointed to conduct elections to the association, it would be in the best interests of all concerned to direct those apartment owners who have not yet joined the association to do so by submitting appropriate applications for membership. Upon being admitted as members, such owners shall be entitled to participate in the electoral process of the association."*

Q3) If I do not become a member of SUGRUHA can I still participate in the election process? What is the election for?

A3) The electoral process is for the for the Board and Office bearer positions of the appellant association (SUGRUHA). Hence it has to be necessarily linked to membership of SUGRUHA and therefore compliance with the applicable election-related requirements being implemented under the supervision of the Receiver (SCMC). Accordingly, owners who wish to vote or contest elections are expected to complete the applicable membership/election-related formalities.

Q4) Can you explain, why must all apartment owners pay SUGRUHA's annual subscription fee of ₹1000 (for FY2026-27) to be eligible for participating in the elections to SUGRUHA Board and Office bearers – even though the order of the Hon. HC does not specifically mention that all apartment owners have to pay the annual subscription fee of ₹1000 to SUGRUHA (for FY2026-27) to be eligible to participate in the election process?

A4) The Hon. Judge in his interim order, as mentioned in A1) above, orders the Receiver (SCMC) to conduct elections to the appellant association (SUGRUHA). Explicit in this order is the recognition that:

- a) An appellant association (SUGRUHA) already exists in South City.
- b) The Receiver (SCMC) is ordered to fix a date within which time the owners who have not joined the appellant association shall join the association.



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Implicit in this order is the recognition that:

- a) Every association registered under KAOA-1972 functions as per its registered Bye-Laws (SUGRUHA has been functioning since 2009).
- b) To join an Apartment Owners Association a process has to be followed. This process has to be as per the duly registered Bye-Laws of the AOA (in our case, the AOA is SUGRUHA and the process to join is prescribed in its Bye-Laws).

SUGRUHA is duly registered under KAOA-1972. It's Bye-Law 3 (d) specifically allows it: *"To collect monies in the form of subscription, contribution for Association towards expenditure for purposes of the Association..."* The annual subscription fee of ₹1000 is a nominal amount that was passed by the Board of SUGRUHA in 2009 and has not been changed since. Accordingly, the existing membership and subscription related requirements which are presently operating within the Association structure are being followed.

Q5) Why do we have to pay the annual subscription of ₹1000 to SUGRUHA when we are already paying a monthly maintenance fee to SCMC?

A5) The annual subscription fee for SUGRUHA is independent of the monthly maintenance charged by SCMC. In normal circumstances an AOA would recover the annual subscription to the association as a part of the monthly maintenance charge. However, due to the legal complexities created by L&T, the court appointed Receiver (SCMC) has been given the responsibility to collect maintenance charges till the legal situation is resolved. We must remember that SCMC was appointed by the court after consulting with L&T and SUGRUHA and getting their respective acceptance.

SUGRUHA works for the needs of the South City community through volunteer Working Groups called WGs. These WGs work in close coordination with the Court appointed Receiver (SCMC). Typically the Annual subscription fees are used for the following purposes: Office and general administration expenses (salary of office assistant etc.); Maintaining the Mango Park for our community and the Landscaping (trees, flowers, shrubs, gardens etc.) of South City – by the Landscaping WG; Cultural activities in Clubhouse and CA-2 site – by the Cultural WG; Legal support for protecting owners property rights and allied matters – by the Legal WG etc. Any surplus at the end of the Financial Year is saved in Fixed Deposits for future use for community welfare.

Every year the accounts of SUGRUHA are duly audited and published to members prior to the Annual General Meeting. These audited accounts are also available in the office, for perusal by members.



- Q6) Can an NRI owner participate in the election?
- A6) If an NRI is an apartment owner/member and otherwise satisfies the applicable Bye-law requirements, mere NRI status by itself does not disqualify participation. Voting through proxy is also allowed under the Bye-laws. Proxy voting provisions are particularly relevant for:
- Absentee owners;
  - NRI owners;
  - Senior citizens; and
  - Owners unable to attend physically.
- Q7) Why is the Receiver (SCMC) conducting elections through the existing SUGRUHA framework if there are disputes?
- A7) The Hon. HC was aware of ongoing disputes and litigation history of L&T. Despite this, the Hon. HC consciously directed elections to be conducted for the appellant Association (SUGRUHA) under the supervision of the Receiver (SCMC). The Hon. Judge reserved certain larger issues for later consideration.
- Q8) Is the Receiver forcing owners to join the Association?
- A8) No. The Receiver is implementing the process directed by the Hon. HC. The interim-court order intends to:
- Widen the participation in the appellant Association (SUGRUHA), by ordering all owners to join and participate in elections for the Board and Executive Officers of SUGRUHA.
  - Interest of justice would be met in permitting all the owners who have not joined the association to join the appellant association (SUGRUHA) so that elections could be conducted for the betterment of all the owners.
  - At the same time, the Hon. HC also clarified that elections must not be stalled even if some owners chose not to join within the time prescribed by the Receiver (SCMC).
- Q9) Should owners rely on unofficial messages being circulated?
- A9) Owners are advised to:
- Rely upon official communications issued by Receiver (SCMC);
  - Rely upon official communications issued by appellant Association (SUGRUHA);
  - Consider the complete context of the interim order; and
  - Avoid drawing conclusions based only on unofficial circulating messages. Many of these messages attempt to create confusion amongst apartment owners with an aim to obstruct the implementation (by the Receiver) of the interim order of the



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Hon. HC – ordering owners to join the appellant Association and thus be able to participate in the election process.

Q10) How can an apartment owner become eligible to participate in the election to be conducted for the SUGRUHA Board and Office bearers?

A10) To be eligible to participate in the court ordered election, every apartment owner of South City will need to first become a member of the appellant Association (SUGRUHA). There are three categories of apartment owners, and as a one-time Court ordered interim election-related arrangement, all three categories of members will become eligible to participate in the election process as follows:

- a) **Apartment owners who are presently not members of SUGRUHA:** Such owners need to become members of SUGRUHA by paying a onetime charge (₹2400) and also pay the Annual subscription fee of ₹1000 for FY2026-27; a onetime charge has the following components: Entrance fee; Share certificate issuance and registration expenses (Stamp paper, Registrar's office fees, lawyer's fees etc.).
- b) **Apartment owners who have purchased apartments from owners who were members of SUGRUHA:** Such owners need to pay a onetime charge (₹1100) to transfer the membership of SUGRUHA to their name and also pay the Annual subscription fee of ₹1000 for FY2026-27; a onetime charge has the following components: Entrance fee; Share certificate transfer charges.
- c) **Apartment owners who are already members of SUGRUHA:** Such members may participate in the election process upon payment of the annual subscription fee of ₹1000 for FY2026-27, without prejudice to SUGRUHA's right to recover past dues, arrears and other charges in accordance extant laws and the Bye-laws.

Q11) What are the Board and Office bearer positions open for elections?

A11) For compliance with the aforesaid interim directions of the Hon. HC and to facilitate the Court Appointed Receiver (SCMC) in undertaking the process contemplated therein – ALL Board and Office bearer positions have been made available for elections. The present Board of SUGRUHA passed this resolution unanimously. The current Board and Office bearers will continue till the next AGM of SUGRUHA as per its Bye-Laws scheduled for August 2026. Based on the outcome of the elections and the final decision of the Hon. Judge, the outgoing Board and Office bearers will welcome the new Board and Office bearers.



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SUGRUHA is fully seized of your concerns and your property rights. We also know how precious your time is and therefore it is our endeavor to do the heavy lifting on your behalf. Your trust and support and our unity is our strength.

We once again invite all apartment owners to join SUGRUHA. We should give our full cooperation to the Court-appointed Receiver (SCMC) so that the election process may be completed in a fair, transparent, and orderly manner, with full participation from our South City community of apartment owners.

With my regards and pranams, I remain,

Yours very sincerely,

(Shrikrishna G. Kulkarni)