



South City Group Housing Apartment Owners' Association

Registered under KAOA: No BNG(U)-JPN/82/2009-10

1st Floor, Club House, South City, Off Bannerghatta Road, Bangalore 560076

Disclaimer: This message is shared only to help apartment owners understand the possible implications of implementing the Hon'ble court's decree, from an owners' perspective, and is not intended to comment on the merits of the judgment, which is subject to appellate review in accordance with law.

27th January 2026

Ref No.: SUGRUHA/President/2025-26/OS-401/0008

Dear Apartment Owners of South City,

Namaskar!

This is our fifth communication since 3rd Nov 2024. The aim of this communication is to use the factual positions shared over the last four communications to conceptualize and express in simple language – why the recent decree (passed in OS-401 of 2012, by the Hon'ble Court) has the potential to seriously damage the interests of every flat owner in South City. **The issue at hand is no longer about Apartment Owners Association A vs. Apartment Owners Association B.**

Why the implementation of the decree as it presently stands, may have grave consequences for our property title, maintenance costs, and future re-sale value.

What all of us – apartment owners must comprehend is that our ownership is not just our apartments. It also includes:

- A share in the land (defined as UDS – Un-Divided Share)
- A share in common areas/assets – roads, elevators, parks, clubhouse, gym, basements, Sewage Treatment Plant (STP), DG sets etc.

- 1) **Your property title can come under a cloud of risk and uncertainty:** Upon implementing the decree without appellate review, the following risks may become apparent:
 - a) The implementation of the decree may result in an interpretation that leads towards block-wise associations. To implement the decree all apartment owners in South City will need to seriously consider forming 18 Apartment Owners Associations (AoA) with an Apex body.
 - i) Such a structure raises serious concerns regarding long-term legal sustainability under existing laws.
 - b) The UDS structure intended as per property sold to us and defined in “Schedule 1 property”, will stand altered. Due to this:
 - i) Banks can question our title on ownership.
 - ii) Future buyers may hesitate because lawyers may flag – “title risk.”
 - iii) Uncertain title → lower re-sale value + higher legal uncertainty.
 - iv) Once the present UDS structure is altered, restoring the original structure may become extremely difficult.

- 2) **Disproportionate UDS – a serious hidden risk:**
 - a) As per KAOA 1972 (Karnataka Apartment Owners Act, 1972) – every apartment owner must own a proportionate share of the total land sold by the Seller (in our case L&T for Group Housing).
 - i) Monthly maintenance charges, voting rights and common expenses should be shared among all apartment owners in this proportion.
 - b) What happens if South City has block-wise AoAs?
 - i) Different Blocks have different sizes; different number of apartments; different built-up areas – therefore necessarily different facility usages.
 - ii) South City was developed as a Group Housing project. If each Block is treated separately, the UDS becomes disproportionate and this will result in some owners paying more than their fair share of the Monthly Maintenance Charges while some will be paying less than their fair share. This may conflict with the basic principles underlying KAOA-1972.
 - c) If in the future the FAR (Floor Area Ratio) for South City is increased and the property is to be redeveloped, the lack of proportion (inequity) in the UDS will immediately result in owners or their inheritors fighting each other for fair allocation.

- 3) **Why Block-wise AoAs in South City – is an impossibility:** South City was designed and built as one integrated Group Housing project and not as independent housing Blocks.
 - a) Each of us, as a Purchaser, signed an Agreement to Sell (ATS) and Sale Deeds (SD) with the Seller (L&T). The ATS and the SD do not allocate separate land for each separate block.
 - b) The ATS and SD do not identify separate common areas per block.
 - c) The ATS and SD do not identify separate infrastructure and assets (STP, DG set, roads, parks, security etc.) for each separate block.
 - d) Over the six phases of the South City project, L&T (Seller) qualitatively changed the ATS and SD. Due to this it is now impossible to create a separate Deed of Declaration (DoD) for each separate Block without adversely impacting some or many apartment owners.
 - e) Why this matters under KAOA-1972:

- i) To form an AoA the first thing that needs to be filed with competent authority is a Deed of Declaration (DoD). A DoD defines the total land, common areas, common assets, percentage of ownership, voting rights etc.
 - ii) All apartment Blocks in South City by design share the same piece of land (defined as Schedule 1 property in our Sale Deeds).
 - iii) Carving the common land into block-wise portions raises serious legal and practical concerns and may adversely affect one or more apartment owners. In the present scenario, trying to force block-wise associations is akin to dividing a single house into independent houses without dividing the land.
 - f) If even one apartment owner in any of the 18 Blocks refuses to accept the UDS being allocated to him (which is different from the UDS allocated to him in his Sale Deed) for drafting the new DoD for a Block-wise AoA, then that will put a STOP on forming all 18 Block-wise AoAs under KAOA-1972.
- 4) Chaos in allocation of maintenance expenses: Upon implementation of the decree in its present form, significant confusion may arise in the allocation of maintenance expenses. Here are a sample of questions that are difficult to answer:
- a) How do we allocate expenses for the roads used by all the Blocks?
 - b) How do we allocate expenses for the STP used by all the Blocks?
 - c) How do we allocate expenses for the sports facilities? Club House?
 - d) How do we allocate expenses for the security, boundary walls, gates?
 - e) How do we share borewell water? Solar rooftop power?
 - f) If new community initiatives require incurring Capital Expenditure – how will we decide the proportions in which this will be shared?
 - g) How will we address the issue of arrears and defaulters (individual apartment owners)?
 - h) There is a strong possibility of apartment owners, putting forth arguments such as:
 - i) We do not use this, therefore why should we pay for this?
 - i) Resulting in:
 - i) Endless disputes.
 - ii) Payment defaults.
 - iii) Administrative nightmare and paralysis.
 - iv) Inefficient administration – resulting in higher maintenance charges.
 - v) There is also an extremely high likelihood of litigation between Blocks as also between apartment owners.
- 5) **What if there is NO separate DoD for each block:** Under KAOA-1972, to form an AoA – a DoD is the foundation document.
- a) Creating multiple block-wise AoAs without proper DoDs will not be able to stand scrutiny by: Courts; Banks; Future Buyers; other Statutory authorities etc.
- 6) **What does this mean for us Owners:** On implementing the decree of the Hon'ble court, we can expect any one or some or all of the following outcomes:
- a) Clarity on your title to your apartment ownership will suffer.
 - b) Your apartment re-sale value may drop.
 - c) Your monthly maintenance charges may increase due to inefficient administrative structure.
 - d) Your Blocks AoA will not be able to stand scrutiny and therefore will not be stable.

- e) Our community harmony will be adversely affected.
- f) We may face years of fresh litigations (primarily – amongst each other or against the Seller).
- g) We may end up forever forfeiting our ability to legally defend our property rights with the seller (L&T).
- h) All the above will severely impact:
 - i) All apartment owners including – Senior citizens; NRIs; Investors etc.

7) What is the best path (as of now) for all Owners: Study the matter fully. Ask relevant questions. Satisfy yourself. Then and only then decide your action. Till then allowing for STATUS-QUO is the best path. In this scenario, SCMC is the court appointed receiver for providing Maintenance Services to South City. SUGRUHA is your Apartment Owners Association which is duly registered under KAOA-1972.

- a) The DoD filed by SUGRUHA lists:
 - i) The land, as per Schedule 1 property, listed in our Sale Deeds (this is common for all Blocks) = 34 acres.
 - ii) The UDS used in the DoD for every apartment is as per the Sale Deed of that apartment. This is either 0.325 sq ft (per sq ft of Super Built Up Area) OR 0.25 sq ft (per sq ft of Super Built Up Area).
 - Aligning the UDS for all apartments to 0.325 sq ft (per sq ft of Super Built Up Area) is one approach that may help avoid adverse impact on apartment owners.
- b) The monthly maintenance charge is based on the sq ft of Super Built Up Area as per the Sale Deed. This ensures that all common areas, common assets and the per sq ft expenses thereof are shared fairly.
- c) The present system is working and there are no title disputes or any structural and administrative chaos.
- d) There has been no emergency and hence we should not be reckless in our desire to restructure.
- e) We must remember that for any solution to be considered:
 - i) It must adhere to the principles enshrined in KAOA-1972.
 - ii) It must be legally sound.
 - iii) The solution must be fair and equitable to all Apartment Owners.
 - iv) The proposed solution must be practically workable.
 - v) The solution must be sustainable in the long-term.

8) It is important for apartment owners to appreciate the following implications:

- a) This is not a small administrative matter for apartment owners. Upon implementing this decree all apartment owners in South City will face serious ramifications.
- b) If implemented without adequate safeguards, it has the potential to cause long-term adverse impact on the property rights of apartment owners in South City – 1998 apartments.
- c) Once the UDS structure, definition of common areas and governance framework are disturbed, reversing the consequences may become extremely difficult.
- d) If an incorrect strategy is adopted today – resulting in dilution or displacement of existing structures such as SUGRUHA and the creation of alternative arrangements to address UDS-related concerns – it may lead apartment owners towards governance structures that are inherently unstable and difficult to sustain in an integrated township like South City.

VERY IMPORTANT MESSAGE TO ALL APARTMENT OWNERS: Our efforts have NEVER been to resist change, they have ALWAYS BEEN TO PROTECT the VALUE (short, mid-term and long-term value) of our properties and our property rights.

We hope this communication along with the previous four have helped you to better understand the situation vis-à-vis your property in “South City,” and your Apartment Owners Association – SUGRUHA.

Be assured that SUGRUHA is Bonafide, duly registered and is on the side of TRUTH.

Please feel free to contact us for clarifications.

With my regards and pranams, I remain,

Yours very sincerely,



(Shrikrishna G. Kulkarni)