

**BEFORE THE
TAMIL NADU REAL ESTATE REGULATORY AUTHORITY,
CHENNAI**

**Quorum : Hon'ble Tmt. N. Uma Maheswari, M.A., M.L.,
Adjudicating Officer**

CCP No.54 of 2024

1. Logeshwaran Janardhanan
2. Kokilavani Balachandran

.... **Complainants**

Vs.

M/s. Casagrand Millenia Pvt. Ltd.
Rep. by its Authorised Signatory, Aravind R.

.... **Respondent**

(Regn. No.TN/29/Building/0411/2020)

Complainants : Rep. by Mr. N. Zahid Ahmed, Advocate

Respondent : Rep. by M/s. Ganesh and Ganesh, Advocates

Heard on : 07.01.2026

Delivered on : 10.02.2026

ORDER

The complainants have filed this complaint *u/s 31 r/w Section 71 of the Real Estate (Regulation and Development) Act, 2016* (hereinafter referred to as RERA Act) praying this Forum to direct the respondent to pay a sum of Rs.20,00,000/- as compensation for the mental agony, distress and suffering and cost of Rs.2,00,000/- for legal expenses.

The complaint averments in short:

The respondent promoted and advertised about its project "**Casagrand Millenia**". It promised to complete and handover the units of the project by June 2023. The complainants booked the subject apartment on 10.07.2022 on a payment of booking advance of Rs.1,00,000/-. The total consideration for the booked unit B403 was fixed as Rs.2,11,18,354/- inclusive of GST and corpus fund. On 13.09.2022, the complainants paid Rs.8,00,000/- even before relevant

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agreements. Thereafter, they executed a sale agreement and a construction agreement on 17.09.2022. In addition, a Tripartite Agreement was also made by the complainants, the respondent and the concerned bank. But contra to the promise of the respondent to handover the unit by June 2023, the completion and delivery of the apartment was extended to 31.03.2024 instead of 31.12.2023. But till now, the completion and handing over did not happen. In the meanwhile, the complainants have paid Rs.1,92,98,837/- leaving a balance of Rs.17,69,517/- to be paid by the bank. Thus, the respondent had received almost 91% of the sale value of the subject unit.

Contra to Section 4(d) of the Act, the respondent designated its project account to its sister concern IRIS Development LLP. This diversion of funds is a violation of the provisions of the Act. The registration of agreements were also postponed from time to time by the respondent side. Though the complainants paid the so called balance of Rs.77,871/-, the agreements were not registered. The respondent has reported the TNRERA that the subject project is 100% completed as on 25.06.2024. But it remains far from completion and not yet in a habitable condition.

On 31.07.2023, the respondent issued a Termination Notice stating that the allotment was cancelled due to overdue payments and it would retain 20% of the booking amount and would refund the balance to the complainants. The complainants had to face a lot of mental agony and distress due to the failure on the part of the respondent by delaying the completion, handing over and registration of relevant documents. Hence this complaint.

The counter filed by the respondent:

The complaint is not tenable in terms of law and not maintainable on facts. After an interaction with the representatives of the respondent, and after necessary inquiries, the complainants on a total satisfaction, booked the flat B403 in its project "*Casagrاند Millenia*". The said project was properly developed after securing statutory approvals and legal compliances as applicable for the development. The construction agreement was entered into on 17.12.2022 with a sale agreement for the UDS also. The construction agreement clearly states that the apartment would be delivered by 31.12.2023 with grace period which was acknowledged and signed by the complainants.

The complainants continuously defaulted in making the schedule of payments. Still there is a balance of Rs.32,11,519/- payable by the complainants. The construction of the flat is progressing and nearing completion as per the agreed time lines. Despite multiple reminders from the respondent, the complainants remained defaulted. The Completion Certificate was obtained on 01.09.2023 after a full completion of the project. The complainants alone did not come forward to register the agreements by paying the balance. The cancellation of the unit by the respondent was consistent with the terms of the calculation clause in the booking form. As the complainants are the defaulters ever, the complaint is to be dismissed.

To support the averments of the complaint and the counter, the proof affidavits of CW1 and RW1 are recorded. Exhibits A1 to A14 are marked by the complainant side and Exhibits B1 to B4 are marked by the respondent side.

Heard both sides arguments.

The following points are to be answered for adjudicating this complaint:

- (i) Is the complainant entitled for compensation as prayed for in the complaint?
- (ii) Any other reliefs?

Answer for the Point No.(i):

The complainants state that they booked the Unit No.B403 in the Respondent's Project "*Casagrand Millenia*" through Ex.A1 on 16.09.2022. Even for this booking on 13.07.2022 itself, they paid Rs.1,00,000/- as booking advance as per Ex.A5(Series), particularly as per Page 49 of the complainants side typed set of documents. Subsequently, Exhibits A2 & A3 were entered into on 17.09.2022 for sale of the UDS and for constructing the booked apartment. In Ex.A3, the respondent had undertaken to complete the construction of the apartment by December 2023 + 3 months grace period. So, the undertaken period would expire by March 2024 and the respondent is bound to complete the construction and deliver the possession of the apartment to the complainants. For purchasing this unit, the complainants, the respondent and Aditya Birla Housing Finance Ltd. altogether entered into a Tripartite Agreement on 17.09.2022 itself. Ex.A5 is the series of the Receipts for the Payments

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made by the complainants from 15.09.2022 onwards. These payments are accepted and due receipts were issued by the respondent with regard to the booked apartment only. However, the respondent did not either complete or handover the unit to the complainants before March 2024.

In this juncture, the Completion Certificate for the subject project has been issued by the CMDA on 01.09.2023 itself. On the basis of this Ex.B1, the respondent claims that as on the date of Ex.B1 i.e. 01.09.2023 itself, the project was completed; but due to default by the complainants in payments, the respondent was not able to handover the possession to them.

The respondent produces Ex.B3, The Registered Sale Deed in favour of the complainants for the UDS. It was executed on 12.01.2024. The respondent claims that the complainants have an outstanding balance of Rs.32,11,519/- and due to non-payment of that balance it did not handover the completed unit to the complainants. The construction agreement clearly mandates that on full payment of the construction cost, the possession would be given to the allottees. The complainants have marked Ex.A13 which is dated 16.06.2025 only by the respondent promising to attend the grievance of the complainants.

The learned counsel for the complainants clarified that in Ex.B4(Series), the last three payments were paid even before filing of the counter statement of the respondent side. It shows that even before 12.03.2025, the date of filing of the counter statement, the complainants have been prompt in making the payments which is not disclosed by the respondent. At the same time, the email communication sent by the respondent mentioned in Page No.91 of the complainants' side typed set of papers, the respondent had assured to deliver the unit by April 2023 + 3 months grace period. Again it had sent another email to the complainants on 05.02.2025 to inform that the complainants' unit would be delivered by February 2025 + 3 months. Even in this mail as per Ex.A14, the respondent did not mention about any such pending payment.

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In the meanwhile on 31.07.2023, the respondent had issued a Termination Notice to the complainants. The respondent kept quiet against its delay in handing over the booked unit to the complainants but has raised a Termination Notice alone as against the complainants. Both the parties are bound to follow the terms and conditions of the construction agreement. The respondent had deliberately failed to handover the unit as promised and had taken its own time in registering the sale deed.

The total cost of the subject unit is Rs.2,10,68,354/- and the complainants had already paid Rs.1,92,98,837/- even by 28.08.2023 upon availing a home loan only for the purpose of purchasing the apartment. Thus, they have paid more than 91% of the cost of the apartment. When the complainants had progressed in their payments, the respondent is also equally bound to handover the completed unit on demand of outstanding balance payable by the complainants. Absolutely there is no document produced to show that the respondent issued continuous reminders to the complainants about the said balance. It is not fair and just to retain a major portion of the construction cost from 2022 to 2023 and suddenly issuing a Termination Notice by the respondent side. Likewise, the averment of the complainant that the respondent had deposited amounts into its sister concern, which is admitted by the respondent, but not rightly described the reason amounts to violation of the RERA Rules.

There is no use of executing the sale deed alone in favour of the complainants without handing over the booked unit to them. Ex.A3 – The Construction Agreement is silent about the stagewise payments. In these circumstances, the delay caused by the respondent is not acceptable and thereby the complainants are entitled for a compensation of Rs.3,00,000/- towards the mental agony they have sustained due to the delay.

Answer for the Point No.(ii):

The complainants are entitled for Rs.50,000/- for legal expenses.

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In the result, it is ordered that the respondent should pay a compensation of Rs.3,00,000/- to the complainants for mental agony, distress and suffering and also Rs.50,000/- for legal expenses.

These amounts should be paid within 90 days from the date of this order.

Dictated by me to the Stenographer directly and typed by her in the computer, corrected and pronounced by me in the open court on this 10th Day of February 2026.

Sd/- 10.02.2026
N. UMA MAHESWARI
ADJUDICATING OFFICER

C.C.P.No.54/2024
LIST OF WITNESSES

CW-1 --- Logeshwaran Janardhanan
RW-1 --- Mohamed Faizal

LIST OF DOCUMENTS FILED BY THE COMPLAINANTS

Ex.Nos.	Date	Documents Name
Ex.A1	16.09.2022	Allotment Letter
Ex.A2	17.09.2022	Sale Agreement
Ex.A3	17.09.2022	Construction Agreement
Ex.A4	17.09.2022	Tripartite Agreement
Ex.A5(Series)	...	Payment Receipts/Tax Invoice
Ex.A6	31.07.2023	Legal Notice by Respondent
Ex.A7	24.09.2022 - 25.08.2023	Loan Sanction Letter
Ex.A8	--	Email Communications
Ex.A9	07.09.2023 & 23.08.2024	Acknowledgement by Registration Department
Ex.A10	22.07.2024	Legal Notice by Complainant
Ex.A11(Series)	...	Photographs of the Project
Ex.A12	...	Statement of Account
Ex.A13(Series)	...	Email Communications
Ex.A14	05.02.2025	Letter by Respondent

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LIST OF DOCUMENTS FILED BY THE RESPONDENT

Ex.Nos.	Date	Documents Name
Ex.B1	01.09.2023	Completion Certificate
Ex.B2	31.07.2023	Legal Notice to Complainant
Ex.B3	12.01.2024	Registered Sale Deed
Ex.B4	...	Copy of Calculation Cost Sheet

Sd/- 10.02.2026
N. UMA MAHESWARI
ADJUDICATING OFFICER
TNRERA, CHENNAI

