

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

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

**CCP No.62 of 2024**

Mugundhine

.... **COMPLAINANT**

**Vs.**

1. M/s. Cybercity Mangadu Project Pvt. Ltd.  
Rep. by its Authorised Signatory, R. Murugesan
2. M/s. Anugraha Real Value Services (Chennai) Pvt. Ltd.  
Rep. by its Power Agent M/s. Cybercity Mangadu  
Project Pvt. Ltd.
3. M/s. Shriram Properties Ltd.

.... **RESPONDENTS**

**(Regn. No.TN/01/Building/0056/2018)**

Complainant : Rep. by M/s. K. Thilageswaran, Advocates  
Respondents (R1) : Rep. by M/s. Ananda Gomathy, Advocates  
(R2) : Rep. by M/s. S. Namasivayam, Advocates  
(R3) : Rep. by M/s. Leela & Co., Advocates

**Heard on : 10.12.2025  
Delivered on : 10.02.2026**

**ORDER**

This complainant has 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 Respondents 1 to 3 to pay Rs.5,00,000/- as compensation towards mental agony and Rs.50,000/- towards litigation expenses.

**The averments of the complaint:**

On 17.02.2019, this complainant's father had purchased a flat in Perungalathur which was promoted and constructed by the 3<sup>rd</sup> Respondent.

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So the complainant and her father again approached the 3<sup>rd</sup> Respondent for purchase of a flat for them. The 3<sup>rd</sup> Respondent replied that their another project was in progress in Mangadu, Chennai. The complainant also paid Rs.1,00,000/- as booking advance. A sale agreement was executed by the complainant with the 2<sup>nd</sup> Respondent represented by its Power Agent – the 1<sup>st</sup> Respondent on 01.07.2019. An UDS of 178 sq.ft. at a rate of Rs.1,95,800/- was agreed. Deducting the booking advance amount, balance of Rs.95,800/- was agreed to be paid as per the sale agreement.

A construction agreement was registered by the complainant with the 1<sup>st</sup> Respondent on 01.07.2019 for the Unit No.806 in the 8<sup>th</sup> Floor of Tower-5A in the project Divine City Phase-I. The project was duly registered before the TNRERA and approval was given by the CMDA. The cost of construction was Rs.37,66,288/-. As the complainant had already paid Rs.3,59,023/-, she had to pay a balance of Rs.32,30,792/- only. However, as on 15.10.2022, she had paid a total amount of Rs.41,29,518/- equivalent to almost 90% of the agreed amount.

Originally, the Respondents 1 & 3 had to complete the apartment by 30.09.2021. But they postponed the date to 22.06.2022 and further to September 2023 and December 2023. Therefore, she issued a notice on 04.04.2023 to all the Respondents demanding cost and interest for the delay period as per the Act. She requested a completed handover to her in a habitable condition. There was no reply from the Respondents 1 & 2. The 3<sup>rd</sup> Respondent sent a reply dated 21.04.2023 stating that it is not a party to any agreement with the complainant. Till date the unit is not handed over to her. Hence this complaint.

**The counter of the 1<sup>st</sup> Respondent:**

The averments of the complaint are denied except those that are specifically admitted. The 1<sup>st</sup> Respondent and the complainant executed a sale agreement and a construction agreement on 01.07.2019 for an Apartment No.806 in Tower-5A having a carpet area of 554 sq.ft. and an UDS of 174 sq.ft. with a reserved car parking space in the project "Divine City". The total consideration for sale and construction was Rs.44,37,539/-. Till now, the complainant had paid Rs.41,22,457/- and there is a payable balance of

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Rs.3,15,082/- stands. Due to Covid'19 Pandemic, the apartment could not be completed and handed over by 30.09.2021 as promised. The RERA also granted extension of registered period. At the time of booking, the complainant interacted with the 3<sup>rd</sup> Respondent. Due to some lapses and deficiencies in communications by the 3<sup>rd</sup> Respondent, there were some confusions against several allottees including the complainant. Hence from April 2023, the 1<sup>st</sup> Respondent assumed full responsibility of customer relationship and management.

In the meanwhile without the knowledge and consent of the 1<sup>st</sup> Respondent, the Power of Attorney given by the 2<sup>nd</sup> Respondent was cancelled. A dispute arose; an O.A. was filed before the High Court of Madras; an Arbitrator was appointed and finally the Arbitral Award was registered on 05.11.2024. Always the 1<sup>st</sup> Respondent was keen to complete and handover the booked units to the allottees. Hence the complainant cannot claim any delay compensation.

**The counter of the 2<sup>nd</sup> Respondent:**

Since there was a dispute in between the Respondents 1 & 2 due to delay in respect of the agreed payments, an O.A. was filed before the High Court of Madras in which the sole Arbitrator was appointed; a Consent Award was passed on 10.07.2024 based on a Memorandum of Compromise dated 18.06.2024; and the award was registered duly. The complaint averments have no impact on the 2<sup>nd</sup> Respondent. The lack of action by the 1<sup>st</sup> Respondent cannot be attributed to this 2<sup>nd</sup> Respondent.

**The counter of the 3<sup>rd</sup> Respondent:**

The Construction Agreement and Sale Agreement were executed in between the complainant and the 1<sup>st</sup> Respondent only. There is no privity of contract in between the complainant and this respondent. There is no legal liability against the 3<sup>rd</sup> Respondent. The 3<sup>rd</sup> Respondent is merely a Development Manager of Phase-I in the "Divine City" project limited for marketing alone and outsourcing work of customer support with the Developer.

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It has no role in construction of the project. It is not a party to any complaints. The complaint against the 3<sup>rd</sup> Respondent is not maintainable.

Following the complaint and counter statements, the proof affidavits of CW1 and RWs 1 to 3 are recorded. Exhibits A1 to A8 on the complainant side and Exhibits B1 & B2 on the respondent side are marked and also a written argument was filed by the 1<sup>st</sup> Respondent.

Heard both sides arguments.

The counsels on record for both sides reiterated the contents of the complaint, counter statements, written argument and proof affidavits with reference to the Exhibits.

Now the following points are to be answered for adjudicating this complaint:

- (i) Is the complainant eligible to claim a compensation towards delay as stated?
- (ii) Are all the Respondents liable to pay any compensation or cost?
- (iii) Any other reliefs?

**Answer for the Point No.(i):**

It is the admitted fact that an Agreement for Sale – Ex.A1 and an Agreement for Construction – Ex.A2 were entered into by this complainant with the Respondents 2 & 1 respectively. The construction agreement was executed on 01.07.2019 – Ex.A2 speaks in Para 7 that the apartment would be completed by 30.09.2021. The complainant's grievance is that till date the unit is not either completed or handed over to her. In the counter of the 1<sup>st</sup> Respondent it affirmed that the delay occurred due to outbreak of Covid '19. In Para 13 of the counter of the 1<sup>st</sup> Respondent, it is stated that subject to the payment by the complainant of the outstanding sum of Rs.3,15,081/- along with corpus fund and maintenance charges along with GST and upon receiving the balance payment, the 1<sup>st</sup> Respondent would handover the possession to the complainant. So it comes up to light that the flat is not handed over by the 1<sup>st</sup> Respondent either as agreed or until filing of this counter on 22.04.2025.

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The original promised date of handover is 30.09.2021. In this regard, the receipts for the payment made by the complainant are marked as Ex.A3(Series) showing the payment commencing from 31.03.2019 to 02.12.2022 to a tune of Rs.41,29,518/-.

During arguments, the learned counsel for the complainant brought to notice of this Forum that she has totally paid Rs.41,22,458/- and there is a demand by the 1<sup>st</sup> Respondent for a sum of Rs.3,71,199/- inclusive of the corpus and maintenance charges inclusive of GST to a tune of Rs.3,71,199/-. Thus, the complainant had been prompt in making the payments nearly 95% of the cost as early as before 12.10.2022 which was retained by the 1<sup>st</sup> Respondent till date i.e. nearly for 3 years without progressing further in handing over the unit by collecting the balance amount in time. In Ex.A2, in Clause 7(d) it is specifically stated that the promoter shall handover possession of the apartment to the allottee as committed, subject to receipt of the entire consideration including the other payments as per the Schedule-D. In this complaint, it did not happen.

The 1<sup>st</sup> Respondent claims that there is a permissible Clause in Ex.A2 that the promoter can avail extension of time in case of force majeure condition. If the Covid'19 was a force majeure, the period to be exempted is from March 2020 to February 2022. It is envisaged by the TNRERA in its Circulars. But even after expiry of that intervening period, there has been a further delay of more than 4 to 5 years in the process of handing over the booked unit.

In these circumstances, it is answered that the complainant had been waiting from the assured date of handing over i.e. 30.09.2021 to till date. As she had made payments upto 15.10.2022, the contract in between herself and the 1<sup>st</sup> Respondent has been operative saving the limitation. Thereby she is entitled for her claim of compensation.

**Answer for the Point No.(ii):**

Here the 2<sup>nd</sup> Respondent was the owner of the subject land who has appointed the 1<sup>st</sup> Respondent as its Power of Attorney to enter into sale agreements with the booking allottees through Ex.A1. The sale agreement has been duly registered. Since there were some contractual disputes, an Arbitrator was appointed by the High Court of Madras; the Arbitral Award was

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10/10/2022

duly registered relieving the 2<sup>nd</sup> Respondent and all the rights with respect to the complaint schedule properties were vested with the 1<sup>st</sup> Respondent only. There is no other privity of contract in between this complainant and the 2<sup>nd</sup> Respondent. As it has relinquished its dealings with the 1<sup>st</sup> Respondent and as such no amount was deposited in the escrow account, the 2<sup>nd</sup> Respondent is not liable to pay any compensation or costs to the complainant.

Coming to the role of the 3<sup>rd</sup> Respondent, this Forum is able to find a number of emails issued by the 3<sup>rd</sup> Respondent. But on the other hand, it does not come under the definition of promoter as per Section 2(zk). It did not construct or convert or sell any of the building or apartments. Similarly it did not develop any land into a project for the purpose of selling to other persons. It had acted as a Marketing Person for the project of the 1<sup>st</sup> Respondent. Exhibits A1 & A2 do not expose this 3<sup>rd</sup> Respondent as a party to the agreements. There is no other privity of contract in between the complainant and the 3<sup>rd</sup> Respondent and so it is not liable to pay for any reliefs to the complainant.

**Answer for the Point No.(iii):**

The complainant is entitled for a cost of Rs.50,000/-.

**In the result, the 1<sup>st</sup> Respondent is directed to pay a sum of Rs.3,00,000/- to the complainant as compensation towards the delay and Rs.50,000/- for litigation expenses.**

**The complaint is dismissed as against the Respondents 2 & 3 without costs.**

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 10<sup>th</sup> Day of February 2026.

**Sd/- 10.02.2026  
N. UMA MAHESWARI  
ADJUDICATING OFFICER**

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**C.C.P.No.62/2024****LIST OF WITNESSES**

CW-1 --- Mugundhine  
 RW-2 --- R. Jayakumar  
 R1 & R3 --- No documents filed

**LIST OF DOCUMENTS FILED BY THE COMPLAINANT**

Ex.Nos.	Date	Documents Name
Ex.A1	01.07.2019	Sale Agreement
Ex.A2	01.07.2019	Construction Agreement
Ex.A3(Series)	....	Collection Receipts
Ex.A4	....	Email Communications
Ex.A5	....	Whatsapp Correspondences
Ex.A6	04.04.2023	Legal Notice to Respondents with Postal Receipts
Ex.A7	21.04.2023	Reply Legal Notice by 3 <sup>rd</sup> Respondent
Ex.A8	26.04.2023	Reply Notice by the Complainant to 3 <sup>rd</sup> Respondent

**LIST OF DOCUMENTS FILED BY THE RESPONDENT - R2**

Ex.Nos.	Date	Documents Name
Ex.B1	18.06.2024	Memorandum of Compromise
Ex.B2	05.11.2024	Common Consent Award passed u/s 31(3)(b) of the Arbitration & Conciliation Act 1996.

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

