

BEFORE THE  
TAMIL NADU REAL ESTATE REGULATORY AUTHORITY,  
CHENNAI

**Quorum : Hon'ble Mr. G. Saravanan, M.A., B.L., Adjudicating Officer,**  
**CCP No. 335 of 2019**

1. Sunanda vinod  
2. Vinod Kumar panavally ..... Complainants

**Vs.**

M/s. Vasavi Meppur Constructions Private Ltd.,  
Rep.by Krishnaprasad Badrinath, The Managing Director, ..... Respondent  
**(PROJECT NOT REGISTERED)**

Complainants : In person  
Respondent : Remained absent

**Heard on** : 16.07.2020  
**Delivered on** : 31.07.2020

**ORDER**

The above complainants filed the complaint claiming the refund of the amounts paid to the respondent towards the purchase and construction of the flat booked with the respondent together with interest, compensation and costs under section 31 read with Section 71 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as RERA Act).

2. **Averments of the complaint in brief as follows:**

(a) On 20.09.2013, the complainants booked a flat with the respondent in their project at "VASAVI INGAI" and paid advance amount and further amounts towards part payment and in total Rs.10,01,880 /-. In September 2015, agreement for sale and construction was entered between the complainants and respondent. The respondent undertook to register the UDS of land and to complete the construction and handover the flat before the end of August 2017. The respondent promised to start the project soon.

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31.07.2020

But the project has not been started and no sale deed for UDS of land was executed and the money paid was also not returned. Hence the complaint.

(b) In spite of the steps for service of notice, the respondent remained absent.

3. In evidence to prove their claim, the first complainant filed the proof affidavit with documents.

4. On the basis of the contentions of the complainants, the following points arise for determination.

i. Whether the complainants are entitled to refund of the amount paid to the respondent with interest, compensation on the ground of failure on the part of the respondent to make any construction of the flats in the project in pursuant to the promise made by them?

ii. Whether the complainant is entitled for all the reliefs as prayed for?

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

(a) The complainants submitted that they booked flat and paid amounts to the respondent and the respondent also proposed to start and complete the project and handover the flat before the end of August 2017 and the project was not at all commenced and therefore the complainant is entitled for refund of the amount with interest, compensation and cost.

(b) As per Ex.A-3 series of receipts and Ex.A-4 bank passbooks, the complainants paid to the respondent a sum of Rs.10,01,880 /- towards the purchase of the flat. In Ex.A5 letter, the respondent admitted the reasons, which are beyond their control for delay for completion of the project. On

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the basis of the complaint of the complainants, TNRERA issued Ex.A-8, notice to the MD of the respondent company calling for explanation. EX.A-7 is the reply of the respondent through an advocate assured solution to the grievances of the complainants and to start the work from 01.01.2019. The documents and the proof affidavit of the complainant prove that there was no progress of the project as promised by the respondent. Therefore, it is held that the complainant is entitled for return of the amount with interest, compensation and cost. Thus, the point is answered accordingly.

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

- a) In view of the answer for Point No.(i), the complainants are entitled for refund of the amount paid i.e., a sum of Rs. 10,01,880/- with interest, compensation and cost. As per Rule 18 of TNRERA Rules, rate of interest shall be at the highest marginal cost of lending rate of SBI plus 2%. Hence, the complainants are entitled for the interest at the rate of 8.05% per annum which is currently the highest marginal cost of lending rate of interest of SBI plus 2% per annum i.e., 10.05% per annum for the amounts paid from the date of respective payment till repayment by the respondent.
- b) The complainant is entitled for compensation of Rs.1,00,000/- towards mental agony and inconvenience to her and a sum of Rs.20,000/- towards litigation expenses. The complainant is entitled for reliefs as detailed above. Thus, the point is answered accordingly.

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**In the result, the respondent is directed as follows:-**

1. The respondent shall pay the amounts at the interest rate, compensation and litigation cost as per the findings in answer for Point No.(ii), Para No.6 of this order within 30 days of issue of this order.
2. The charge of the aforesaid amount as encumbrance shall be on the flat booked by the complainant till repayment of the claim as per this order.

**G. SARAVANAN  
ADJUDICATING OFFICER  
TNRERA, CHENNAI**

**LIST OF WITNESSES****CW-1 --- SUNDARA VINOD****LIST OF DOCUMENTS FILED BY THE COMPLAINANT**

<b>Ex.Nos</b>	<b>Date</b>	<b>Documents Name</b>
Ex.A1	September2015	Construction Agreement
Ex.A2	--	Agreement for sale
Ex.A3	--	Payment Receipts
Ex.A4	--	Statement of Account Pass Books
Ex.A5	23.03.2015	Revised schedule Intimation letter
Ex.A6	20.09.2013	Allotment letter
Ex.A7	11.12.2018	Respondent's Advocate letter to TNRERA
Ex.A8	02.11.2017	Notice issued by TNRERA to Respondent

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**G. SARAVANAN  
ADJUDICATING OFFICER  
TNRERA, CHENNAI**

(For) **ADMINISTRATIVE OFFICER**  
**TN REAL ESTATE REGULATORY AUTHORITY**  
31.07.2020