

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

**Quorum : Hon'ble Mr. G. Saravanan, M.A.,B.L., Adjudicating Officer,  
CCP No. 152 of 2022**

R. Ranikamala

.... COMPLAINANT

**Vs.**

M/s. VGN Developers Pvt. Ltd.  
Rep. by its Authorised Signatories  
S. Balaji and T.K. Balaji  
(Regn. No.TN/29/Building/0280/2020)

.... RESPONDENT

Complainant : Rep. by Mr. Saurabh Mishra, Advocate  
Respondent : Remained absent.

Heard on : 07.06.2023  
Delivered on : 28.06.2023

**ORDER**

The complaint by the above complainant claiming compensation for the delay in delivery of apartment by the respondent is filed under Section 31 read with Section 71 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as RERA Act) read with Rule 38(1) of TNRERA Rules 2017.

**2. Averments of the complainant, in brief, as follows:**

(a). On 13.01.2016, the complainant entered into agreements for sale and construction with the respondent towards purchase of an apartment in their project, namely, "VGN FAIRMONT", at Alandur, Chennai. The total sale consideration of the apartment was Rs.51,02,306/-.

(b). The complainant secured home loan from the HDFC Bank and paid in total a sum of Rs.47,22,488/- to the respondent. The respondent undertook to complete construction and to deliver the apartment on or before January 2019 with

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six months grace period. The respondent executed the sale deed for the UDS in favor of the complainant on 25.02.2021. The construction was not completed and the apartment was not handed over to the complainant as on date.

(c). The respondent did not adhere the conditions stipulated in the agreements. The complainant is put to suffering, irreparable hardship and loss. Hence the complainant is entitled for compensation and other reliefs.

3. The complainant filed her evidence on affidavit with documents.

4. On the basis of submissions made by the complainant, the following points arise for determination:

- i. Whether the complainant is entitled for damages for mental agony and legal cost on the ground of failure on the part of the respondent to complete the construction and deliver the apartment as per the terms of the agreement?
- ii. What are the reliefs, the complainant is entitled to?

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

(a). The complainant submitted that on 13.01.2016, she entered into agreements for sale for the UDS and also for construction of apartment with the respondent in their project, namely, "VGN FAIRMONT" at Guindy, Chennai and the respondent undertook to complete the construction and to handover the apartment on or before January 2019 with six months grace period and the respondent failed to complete the construction and deliver the apartment till date and the complainant is entitled for compensation and other reliefs.

(b). On perusal of the records, it is seen that the complainant and the respondent entered into an agreement for sale of UDS land and also an agreement for construction on 13.01.2016 and the respondent undertook to complete the construction of apartment within a period of 36 months plus additional grace period six months from the date of the agreement. As the construction agreement was entered between the complainant and respondent on 13.01.2016, the period of thirty six months was over by January 2019. By the evidence of the complainant, it is proved that the respondent has not completed construction of the apartment and has not fulfilled their obligations of the

apartment and handed over the same to the complainant. Therefore, the complainant is entitled for compensation and other reliefs. Thus, the point is answered accordingly.

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

(a). Under the relief sought, the complainant has claimed a sum of Rs.16,86,000/- towards damages for mental agony and further a sum of Rs.50,000/- as legal cost. As per proviso to section 18 of the RERA Act, the complainant is entitled for interest for the amount paid till the handing over possession of the constructed apartment by the respondent. As per Rule 18 of TNRERA Rules, the rate of interest shall be at the highest marginal cost of lending rate of SBI plus 2%. Hence, the complainant is entitled for the interest at the rate of 7.80% per annum which was currently the highest marginal cost of lending rate of interest of SBI, at the time of filing of the complaint, plus 2% per annum i.e., 9.80% per annum for the amounts paid from January 2019 till the delivery of the constructed apartment by the respondent.

(b). Apart from the above, considering the facts and circumstances of the case, a sum of Rs.50,000/- towards compensation for mental agony and inconvenience and a sum of Rs.25,000/- towards legal expenses is fixed. The complainant is entitled for the reliefs as detailed above. Thus, the point is answered accordingly.

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

The respondent shall pay the complainant the amounts of compensation and cost as per the findings in Answer for Point No.(ii), Para 6 of this order within 30 days from the date of issue of this order.

Sd/- 28.06.2023  
G. SARAVANAN  
ADJUDICATING OFFICER

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**LIST OF WITNESS**

**CW-1 --- Ranikamala**

**LIST OF DOCUMENTS FILED BY THE COMPLAINANT**

<b>Ex.No.</b>	<b>Date</b>	<b>Documents Name</b>
Ex.A1	13.01.2016	Agreement for Sale
Ex.A2	13.01.2016	Construction Agreement
Ex.A3 (Series)	....	Email Correspondence
Ex.A4	11.06.2020	Letter from Complainant to
Ex.A5	25.02.2021	Sale Deed

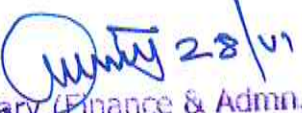
**Sd/- 28.06.2023**

**G.SARAVANAN**

**ADJUDICATING OFFICER**

**TNRERA, CHENNAI.**

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Secretary (Finance & Admn.)  
TNRERA, Chennai - 8.