



**BEFORE THE TAMIL NADU REAL ESTATE  
REGULATORY AUTHORITY (TNRERA)  
(Tamil Nadu, Andaman & Nicobar Islands)  
at Egmore, Chennai – 600 008**

**[Under the Real Estate (Regulation and Development) Act, 2016]**

**C.Nos.309/2019**

**19<sup>th</sup> day of September 2019**

**Coram : Thiru K. Gnanadesikan, I.A.S. (Retired), Chairperson  
Er. S. Manohar, Member  
Adv. V. Jeyakumar, Member**

1.K.S. Prateep Kumar	]	Complainants
2. Srividhya	]	

Versus

1.S.Elayaraja, Proprietor	]	Respondents
Proprietor of M/s.Grand Style Constructions	]	
2.Sivaraj, Manager	]	
M/s.Grand Style Constructions	]	

**FINAL ORDER**

The Complainants have submitted that the Complaint filed falls within the jurisdiction of the Regulatory Authority. They have submitted that the flat booked by them is in a block of flats developed on about 3010 sq.ft. of land named as 'Grand Melody'. There are several blocks developed by the same construction company. The overall extent of land being developed is

about 12000 sq.ft. in the same location consisting of 6 blocks and 26 units and the developed flat area measures 23,158 sq.ft. and it is group development coming under the scope and purview of Real Estate (Regulation and Development) Act, 2016 and hence the developer is liable to register before this Authority.

2. They have further submitted that the above large extent of land being developed by the Respondent having one compound wall and the blocks have not been separated by distinct compound wall and the project is not yet completed and it is a ongoing project. Hence, the complaint before this Authority is maintainable.

3. The Complainants have stated that they have purchased the plot measuring 936 sq.ft. along with undivided share of 468 sq.ft. over the property at 'Grand Melody' Flat No.5 F3. First Floor, Kumarankudi Annexure, 6<sup>th</sup> Street, Okkiam Thoraipakkam, Chennai-97 from the First Respondent, S.Elayaraj, Proprietor M/s.Grand Style Constructions. The Construction Agreement for 936 sq.ft. was registered on 20.09.2018 vide document No.6538 of 2018 and Sale Deed for undivided share over the property measuring 468 sq.ft. was registered on the same day vide document No.6539 of 2018.

4. The Complainants have submitted that the cost of construction of the flat is Rs.30,59,320/- and the Sale deed valued for undivided share over

the property is Rs.9.40,680/- together Rs.40,00,000/- which is inclusive of Registration, GST and other charges.

5. According to the Complainants, they have so far paid Rs.41,00,000/- lakhs to the First Respondent.

6. The Complainants have stated that they have paid Rs.1.00 lakh excess money for Memorandum of Deposit of Title Deeds, EB and other Miscellaneous charges in addition to overall consideration of Rs.40,00,000/-

7. The Complainants have also referred to the issue of two un-dated cheques of value of Rs.3,00,000/- and Rs.5,00,000/- each as Security. Subsequently they had also sent e-mail to the First Respondent to make sure that the flat possession is handed over by December, 2018. After reminder , they got e-mail communication from the First Respondent on 12.01.2019 stating that the flat is ready for possession on 25.01.2019 and further payment of Rs.5,00,000/- was pending towards flat construction and Rs.8,00,000/- pending for GST, Registration, Memorandum of Deposit of Title Deeds. The Complainants were shocked to receive such communication from the First Respondent charging them in excess. The Complainants have also alleged that certain materials purchased by them and delivered in their flat premises were found missing and they found them illegally taken away by the First Respondent and his employees. The Complainants have also stated that they have issued stop payment instruction to their banks, since

there were illegal claims from the Respondent demanding Rs.5,00,000/- for shifting of Transformer, Rs.3,00,000/- for Registration and Rs.4,00,000/- for additional works.

8. The Complainants have sought the following reliefs:

- i. The project shall be registered with the Authority as this project is group development, ongoing project developed on a land of about 12,000 sq.ft. consisting of 6 Blocks and 26 units altogether the overall developed flat area measured 23,518 sq.ft. and all the blocks are within the same common compound wall.
- ii. To direct the Respondent to restore all the materials purchased by the Complainants and kept in the flat premises and to direct the Respondent to fix the same and complete the flat in all respects within the fixed time frame as may be fixed by the Authority.
- iii. To direct the Respondent to complete and hand over possession of the flats with all amenities within the time frame as may be fixed by the Authority.

9. The First Respondent has filed Counter Affidavit and has sought leave of the Authority to file the same Counter Affidavit on behalf of the second Respondent also since the second Respondent is a staff in the same Company and the grievances are one and the same.

10. the Respondents have denied the allegations made by the complainants and submitted that the complaint does not come under the jurisdiction of this Authority since the project "Grand Melody" does not qualify for registration with TNRERA as per the requirement of Section-3(2)(a) of Real Estate (Regulation and Development) Act, 2016. They have also submitted that this project was approved for construction of 6 flats only at plot size of 3010 sq.ft. by the Competent Authority viz. Executive Engineer, Town Planning Dept., Zone-XIV, Greater Chennai Corporation vide Plan approval dated 13.4.2018 and Building approval dated 13.4.2018.

11. The Respondent has admitted that the complainant have paid Rs.39,00,000/- only. He has also denied the other allegations regarding removal of materials. Further, the Respondent has stated that criminal proceedings has been initiated by the Complainants regarding dishonoring of cheques under Section-138 of Negotiable Instrument Act in case No.151/2019 and in case No.152/2019 on the file of Judicial Magistrate, FTC, Alandur, Chennai and are ongoing.

12. The Authority heard the arguments of the Complainants and the Respondents and reserved orders on the maintainability of the Complaint.



13. As the Respondents have challenged the maintainability of the complaint, the Authority without going into the merits of the complaint pass orders on the maintainability of the complaint as below.

The Complainant in his written arguments has stated that the total number of dwelling units is 26 and the plot area is 11,759 sq.ft. (approximately 1092 sq.m.). However, in the type set of papers attached with Form 'M', a copy of the Agreement of Sale between the Complainant and the Respondent is furnished. In this document, it is mentioned as the lands bearing Plot No.A measuring an extent of 3010 sq.ft. out of 11,759 sq.ft. comprised in S.No.404/1B as per CMDA Planning Permit No.1670/2005 in Letter No.8895/2005, dated 22.11.2005. It is evident that the project site has undergone subdivision with approval of Planning Permission and Plot No.A is having an extent of 3010 sq.ft. i.e. 279.63 sq.m. Further in the sketch of the approved plan forming part of Sheet No.11 of Sale Deed registered as Document No.6539/2018, the Greater Chennai Corporation has approved Stilt + 2 floors building in the plot extent of 277.58 sq.m. in respect of Plot No.A. Further, in the sketch attached, the earlier sanction sub-division plan vide PP No.1670/2005, dated 22.11.2005 is mentioned. Therefore, it is evident that the Block "Grand Melody" is an independent development consisting of sub-division approval for plot with less than 500 sq.m. extent and planning permission for construction with number of dwelling units less than 8.

14. The ruling of this Authority in Brindhavanam Flat Owners Association Vs. M/s. Lakshmi Builders in its order dated 16.04.2019 cited by the Complainants during arguments will not apply to this case since 'Grand Melody' is a standalone project as explained supra. The Respondents have also argued that the plan and the Building approval are for constructing 6 flats on a plot of 3010 sq.ft. only which is reflected in Schedule-A of this property (total property) and Schedule-B of this property (UDS conveyed to the complainants) establishing that complainants' share of UDS is conveyed from the land size of 3010 sq.ft. only.

Therefore, the project under reference does not come under the purview of the Real Estate (Regulation and Development) Act, 2016 and the complaint is dismissed as not maintainable and is ordered accordingly.

Sd/-...19.09.2019  
MEMBER (M), TNRERA

Sd/-...19.09.2019  
MEMBER (J), TNRERA

Sd/-...19.09.2019  
CHAIRPERSON, TNRERA

/TRUE COPY/FORWARDED/BY ORDER

  
ADMINISTRATIVE OFFICER

  
19.9.19