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C.M.S.A.No.95 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 18.12.2025

CORAM

**THE HONOURABLE MR.JUSTICE R.SURESH KUMAR
and
THE HONOURABLE MR.JUSTICE SHAMIM AHMED**

C.M.S.A.No.95 of 2025

and

C.M.P.No.30899 of 2025

North Town Estates Private Limited,
Represented by its Director,
Having registered office at
No.3, Ganapathy Colony,
3rd Street, off. Cenothaph Road,
Teynampet,
Chennai – 600 018.

... Appellant

(Cause title accepted vide Court order dated 14.10.2025 made in
C.M.P.No.24029 of 2025 in C.M.S.A.SR.No.149420 of 2025 by
RSKJ & HCJ)

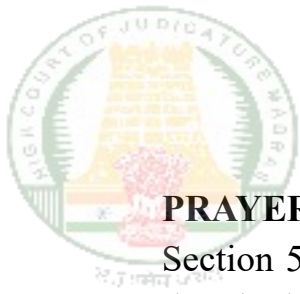
-Vs-

1. Hariharan Ekambaram

2. Anuradha Hariharan

3. PVP Ventures Limited,
Represented by its Director,
Having registered office at
KKM Centre, 9th Floor, No.2, Harrington Road,
Chetpet,
Chennai – 600 031.

... Respondents



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PRAYER : Appeal filed under Section 100 of Civil Procedure Code, 1908 & Section 58 of the Real Estate (Regulation and Development) Act, 2016 against the Final Order dated 26.03.2025 passed by the Hon'ble Tamil Nadu Real Estate Appellate Tribunal (TNREAT) in A.No.17 of 2025 (impugned order) confirming the order dated 01.10.2024 passed by the Adjudicating Officer, Tamil Nadu Real Estate Regulatory Authority (TNRERA) in C.C.P.No.77 of 2023 (RERA Order).

For Appellant : Mr.M.S.Murali
for M/s.R and P Partners

For Respondents : Mr.R.Ramasubramaniam Raja
for R1 & R2

J U D G M E N T

(Judgment of the Court was delivered by **R.SURESH KUMAR, J.**)

This civil miscellaneous second appeal has been directed against the order passed by the Tamil Nadu Real Estate Appellate Tribunal dated 26.03.2025 in Appeal No.17 of 2015.

2. The appellant, namely, North Town Estate Private Limited is the promoter. It has developed a Real Estate Project namely, Chaitanya Phase-III, at Perambur, Chennai. The third respondent was the owner of the land. The respondents 1 & 2 are the allottees as they booked the flat, there has been an agreement entered into between them on 07.11.2011 by which within a period of three years with a grace period of six months, the flat should be constructed and handed over to the respondents 1 & 2.



3. However, within the said three years period, it was not over and again, an additional agreement has been made in the year 2013, i.e., on 12.07.2013, by virtue of that, the period has been extended to hand over the flat upto 12.01.2017.

4. However, the fact remains that, even according to the appellant only in March 2019, the flat was made ready and it was handed over only on 07.09.2019. However, the car parking was given or handed over to the respondents 1 & 2 only on 16.09.2022.

5. In view of the huge delay caused in handing over the flat as well as car parking, the respondents 1 & 2 approached The Tamil Nadu Real Estate Regulatory Authority (hereinafter referred to as 'TNRERA') and filed a complaint in C.C.P.No.77 of 2023 that was ordered by TNRERA by order dated 01.10.2024 where the present appellant was the first respondent directed to pay a compensation of Rs.5,00,000/- to the complainants for the mental agony and hardship and Rs.50,000/- towards litigation expenses and this amount should be paid within ninety days.

6. Aggrieved over the said order, the appellant preferred an appeal in Appeal No.17 of 2025 before the Tamil Nadu Real Estate Appellate Tribunal



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(hereinafter referred to as 'TNREAT') where also the Tribunal having considered the factual matrix found the issue in favour of the respondents 1 & 2 and therefore, was inclined to reject the appeal by passing the impugned order dated 26.03.2025.

7. Assailing the order, Mr.M.S.Murali, learned counsel appearing for the appellant would contend that, admittedly there has been a delay in handing over the flat to the respondents 1 & 2 but the delay is not five years or more as has been found out or held by TNRERA Authority as upheld by TNREAT. He would also submit that, as per the additional agreement dated 12.07.2013, the handing over date was extended to 12.01.2017 and there has been a delay upto March 2019 where the flat was completely ready to be handed over and the communication also to that effect in March 2019 has been made to the respondents 1 & 2 and they only came forward to take the flat and get the sale deed executed only on 12.09.2019, therefore, it cannot be stated that there has been a delay of five years and based on which, such a compensation of Rs.5,00,000/- ought not have been ordered by TNRERA as confirmed by TNREAT, is the submission made by the learned counsel appearing for the appellant.



8. He would also made additional submissions that for the said delay caused allegedly by the builder, the allottees, i.e., the complainants / respondents 1 & 2 have also initiated yet another proceedings seeking for interest for money that they have deposited and such proceedings even though is pending before the concerned authority, i.e., TNRERA, there may be every possibility that, in that proceedings, TNRERA may follow the earlier view taken in the present case where it found, of course erroneously, the delay was merely about five years and based on which, if interest is calculated and directed to be paid for five years that will greatly prejudice the interest of the appellant is the additional submission made in this regard.

9. We have also heard Mr.R.Ramasubramaniam Raja, learned counsel appearing for the respondents 1 & 2 who would submit that, the original agreement was dated 07.11.2011, as per which, within three years period, the project was not at all completed and insofar as the second agreement dated 12.07.2013, it was entered upon by getting the signature of the allottees, i.e., respondents 1 & 2 under coercion and threat and at that time, since the entire construction cost of Rs.83 Lakhs already been paid by the respondents 1 & 2, they have no other option except to go and fall prey with the pressure inserted by the appellant Builder, that is the reason why in the second agreement dated 12.07.2013, the respondents 1 & 2 have signed, even as per the said agreement



on or before 12.01.2017, they ought to have completed the project and handed over the same to the respondents 1 & 2, but they have admittedly handed over only in September 2019 and admittedly they handed over the car parking only in September 2022, therefore there is clear delay of five years between 12.01.2017 and 16.09.2022, hence nothing wrong in making the claim of delay of five years for which the interest has been calculated and sought for by the respondents 1 & 2 is fully justifiable, he contended.

10. We have considered the said rival submissions made by the learned counsel appearing for the parties and have perused the materials placed before this Court.

11. The only issue to be decided is whether Rs.5,00,000/- compensation with Rs.50,000/- cost of the ligation ordered by TNRERA as confirmed by TNREAT is to be accepted or not.

12. In this context, admittedly even according to the second agreement, flat must have been completed and handed over on or before 12.01.2017 but it has been handed over only on 07.09.2019. Even though a defence has been taken by the appellant that the flat was made ready in March 2019, even then there has been a delay of more than two years. That apart, only the flat was



made ready in 2019, but the car parking admittedly was ready and handed over only in September 2022. The car parking also is part of the construction of the flat for which also the money has been paid in advance by the allottees i.e., respondents 1 & 2, the entirety of the construction should have been completed and handed over on or before 12.01.2017, but part of the construction was over and handed over in September, 2019 and remaining part was completed and handed over only in September 2022, therefore there is clear delay of five years.

13. All these aspects even though can be gone into exactly in the subsequent proceedings which is pending between the parties before the TNRERA, we do not want to express the view on the claim and counter claim made in this regard as to whether it is the delay of five years or less than five years.

14. Be that as it may, as far as the present case is concerned, there has been a delay of more than two years, even for more than two years delay, certainly the respondents 1 & 2 are entitled to get compensation which has been quantified by TNRERA to the extent of Rs.5,00,000/- with the litigation expenses of Rs.50,000/- which in our considered view is a very reasonable quantification made by TNRERA as confirmed by TNREAT. Therefore, we do not find any reason to interfere with the order passed by the Tribunal which is



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impugned herein, as a result of which, this Civil Miscellaneous Second Appeal fails and hence, it is liable to be dismissed, accordingly, it is dismissed.

However, there shall be no order as to costs. Consequently, connected miscellaneous petition is closed.

(R.S.K., J.) (S.S.A., J.)
18.12.2025

NCC : Yes / No
Index : Yes / No
Speaking Order : Yes / No

vji



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To

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PVP Ventures Limited,
Having registered office at
KKM Centre, 9th Floor, No.2, Harrington Road,
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