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WP No.13561 of 2022



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 13-03-2026

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THE HONOURABLE MR JUSTICE KRISHNAN RAMASAMY

WP No. 13561 of 2022

AND

WMP NO. 12759 OF 2022, WMP NO. 12760 OF 2022,

WMP NO. 12761 OF 2022

Delphina Consultants LLP,
Represented by its designated partner
Mr. Y. Meera Reddy
Having office at No. 4
Jayalakshmipuram First Street,
Nungambakkam, Chennai 34.

Petitioner(s)

Vs

1.The Tamil Nadu Real Estate Regulatory
Authority,
No. 1A, 1st Floor,
Gandhi Irwin Bridge Road,
Egmore, Chennai 08.

2.The Member Secretary,
Chennai Metropolitan Development
Authority No. 1, Gandhi Irwin Road,
Egmore, Chennai 08.

3.The Sub Registrar,
Alandur Sub Registrar Office,
No. 12, 1st Main Road,
Nanganallur, Chennai 61.

Respondent(s)



PRAYER:- Writ Petition filed under Article 226 of the Constitution of India, praying for an issuance of Writ of Certiorari, calling for the records relating to the 1st respondent vide his proceedings in File No. TNRERA / 8389 / 2022 dated 17.05.2022 and signed on 18.05.2022 granting registration certificate of the petitioner's Project situated at Shed No. (s) B-16 and B-17 SIDCO Thiru - Vi - Ka Industrial Estate, Chennai 600 032, in Survey. No. 41 parts and 45 part Block No. construction Shed No.B-16 & B-17 SIDCO Thiru – Vi-Ka Industrial Estate, Chennai – 600 032 T.S.No.41 Part & 45 Part Block No.6, Alandur Village within the limits of Greater Chennai Corporation and quash the conditions imposed by the Respondent in the registered certificate letter dated 17.05.2022 in clause 2 (i) to 2 (iv) and forbearing the Respondents 1 to 3 from imposing or insisting the said conditions.

For Petitioner(s): Mr.S.Sundaresan

For Respondent(s): Mr.T.K.Saravanan
Additional Government Pleader
For R1 & R3
Mrs.P.Veena Suresh, Sc For R2

ORDER

Challenge has been made against the impugned order of the 1st respondent dated 17.05.2022, whereby the petitioner was restrained from registering the lease deed citing the reason that the real estate project of the petitioner was not registered with the Tamil Nadu Real Estate Regulatory Authority.



2.Learned counsel for the petitioner would submit that the petitioner is the Limited Liability firm, formed in the year 2018. The petitioner developed the land in Survey No.41 Part & 45 Part Block No.6, Alandur Village for the purpose of leasing it to the IT Park on a monthly rent basis for a period of five years. After completing the project, when the petitioner approached the 3rd respondent for registering the lease agreement, the 3rd respondent denied to register the same stating that the property is not registered under Tamil Nadu Real Estate Regulatory Authority.

3.He would further submit that as per the provisions of the Real Estate (Regulation and Development) Act, registration with the 1st respondent is not mandated when the petitioner's intention is solely to lease the property on a monthly basis. Such registration is required only if the petitioner intends to sell the property. The petitioner has clearly stated that the petitioner is not selling the building and is utilizing the same for its use by letting the premises out for rent alone. Without considering this aspect, the 3rd respondent refused to register the rental agreement citing the impugned order passed by the 1st respondent. Hence, the present writ petition has been filed.

4.Learned Additional Government Pleader appearing for the respondents 1 and 3 would submit that as like all other real estate projects, the petitioner's projects attracted the provisions of Section 3(1) (2) (a) of the Real Estate



(Regulation and Development) Act, 2016 and it is required to be registered with the 1st respondent. Further, since the 1st respondent sent a communication stating that the petitioner is not registered with the 1st respondent as per the provisions of Tamil Nadu Real Estate Regulatory Authority, the 3rd respondent refused to register the petitioner's rental agreement.

5.Learned counsel appearing for the 2nd respondent would submit that their job is to approve the building plan and to ensure the compliance with the building regulations. The impugned order has been issued by the 1st respondent to the 3rd respondent and the 2nd respondent has no role in the present issue.

6.Heard the learned counsel for the petitioner; learned Additional Government Pleader appearing for the respondents 1 and 3 and the learned counsel for the 2nd respondent.

7.Considering the submissions made by either parties, this Court is of the view that the following issues have to be decided in the present case:-

(i) Whether the petitioner's project falls under the definition of Real Estate Project as defined under the Real Estate (Regulation and Development) Act, 2016?

(ii) Whether the lessee of the petitioner falls within the purview of the definition of allottee?



(iii) Whether the petitioner's project is liable to be registered with the 1st respondent?

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7.1.As far as the first issue is concerned, it would be appropriate to extract Section 2(zn) of the Real Estate (Regulation and Development) Act, which defines the term “real estate project” as follows:

“(zn) “real estate project” means the development of a building or a building consisting of apartments, or converting an existing building or a part thereof into apartments, or the development of land into plots or apartments, as the case may be, for the purpose of selling all or some of the said apartments or plots or building, as the case may be, and includes the common areas, the development works, all improvements and structures thereon, and all easement, rights and appurtenances belonging thereto;

A reading of the above would show that if any building is constructed with an intention to sell the same to the 3rd parties, it falls under the definition of real estate project. In the present case, the petitioner constructed the IT Park with the intention to lease out the same on the monthly rent basis. Therefore the petitioner's project would not fall under the category of the real estate project so as to register under the provision of Section 3 or 4 of the Real Estate (Regulation and Development) Act, 2016.



7.2.As regards the second issue is concerned, it would appropriate to extract the Section 2 (d) of the Real Estate (Regulation and Development) Act, which defines the term “allottee” as follows:

"allottee" in relation to a real estate project, means the person to whom a plot, apartment or building, as the case may be, has been allotted, sold (whether as freehold or leasehold) or otherwise transferred by the promoter, and includes the person who subsequently acquires the said allotment through sale, transfer or otherwise but does not include a person to whom such plot, apartment or building, as the case may be, is given on rent;

A reading of the above makes it clear that, allottee means,

- (a) the person to whom a plot, apartment or building has been allotted, by the promoter;
- (b) the person to whom plot, apartment or building is sold by way of freehold or leasehold;
- (c) the person to whom the plot , apartment or building or otherwise transferred by the promoter;
- (d) the person who is not an original allottee but acquired the allotment subsequently through sale, transfer or otherwise;
- (e) but does not include, a person to whom such plot, apartment, or building is given on rent.



The question of sale of lease hold property arises only if the person has acquired the property under a perpetual lease, otherwise it would be considered as normal lease hold property or rental property. In such case the lessee shall not be considered as “allottee” under section 2(d) of the Real Estate (Regulation and Development) Act. Therefore, if the leasing out of building is on monthly rental basis the question of sale does not arise at all. In the present case, a perusal of the lease deed executed by the petitioner reveals beyond any doubt that the property is leased out by the petitioner to the lessee on a monthly rent basis for a period of five years. The petitioner remains the absolute owner of the property and has merely parted with possession on a temporary and terminable basis in consideration of monthly rent. Therefore the lessee of the petitioner will not fall under the category of allottee since the petitioner is going to lease out the building on the monthly rental basis.

7.3.As far as the third issue is concerned, by merely reading the definitions of “Real Estate Project” and “allottee”, it is clear that as the petitioner has only constructed the IT park and leased out the same on the monthly rent basis, the answer to the first issue is that the petitioner’s project would not fall under the category of real estate project and the petitioner’s lessee also does not falls under the definition of allottee. Such being the case, the petitioner is not required to register with the 1st respondent and thus the impugned order is not sustainable under law and the same is liable to be set aside.



8. In view of the above, the impugned order dated 17.05.2022, is hereby set aside and the 3rd respondent is directed to register the lease deed of the petitioner.

9. With the aforesaid direction, this writ petition is disposed of. No costs. Consequently, connected miscellaneous petitions are closed.

13-03-2026

rst

Index: Yes/No
Speaking/Non-speaking order
Internet: Yes
Neutral Citation: Yes/No

To

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No. 1A, 1st Floor, Gandhi Irwin Bridge
Road Egmore, Chennai 08.

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Chennai Metropolitan Development
Authority No. 1, Gandhi Irwin Road
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