

Appeal No.40 of 2026

BEFORE THE TAMIL NADU REAL ESTATE APPELLATE TRIBUNAL
(TNREAT)

(Tamil Nadu, Puducherry, Andaman & Nicobar Islands)

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

Reserved on: 05.08.2026

Delivered on: 12.08.2026

Coram : Hon'ble Mr.Justice M.Duraiswamy, Chairperson
Mr.K.Babu, Judicial Member

Appeal No.40 of 2026

1. G.Magesh
2. Sujatha Magesh

... Appellants

Vs.

M/s.Urbanrise Constructions Pvt. Ltd.,
rep. by its Authorized Signatory, K.M. Raju

... Respondent

Appeal has been filed under Section 44 of the Real Estate (Regulation and Development) Act, 2016 a) to allow the appeal and set aside the order dated 04.03.2026 in C.C.P.No.43 of 2025 on the file of the learned Adjudicating Officer, TNRERA, Chennai and to direct the respondent; b) to pay a compensation of Rs.10,00,000/- for the mental agony, irreparable loss and hardship caused to the applicant; c) to pay a compensation of Rs.20,000/- per month from January, 2024 for the rental loss caused to the applicant for not handing over the apartment within time period fixed in the Construction Agreement i.e. December, 2023; d) costs of Rs.70,000/- + Rs.70,000/- as litigation expenses for the complaint and appeal.

For Appellants : Mr.S.Anand

For Respondent : Mr.O.L.V.Ganesan

ORDER

Challenging the order passed in C.C.P.No.43 of 2025 dated 04.03.2026 on the file of the learned Adjudicating Officer, TNRERA, the complainants have filed the above appeal.

2. The brief facts that are relevant for the disposal of the above appeal are as follows:

The appellants/complainants booked a Flat in Block E-916 in the 9th floor of the respondent's project "REVOLUTION ONE" in Padur Village. On the date of booking itself, they paid Rs.1,00,000/- to the respondent/promoter. The appellants/complainants have paid Rs.26,00,000/- on various dates between 19.04.2021 and 15.07.2021. The respondent/promoter has received an amount more than 10% of the cost of the Flat. The Construction Agreement was entered on 18.11.2021 for a value of Rs.32,42,015/- and the Sale Agreement was also entered on the same day. The value of the Sale Agreement for the UDS of 155.57 sq. ft. was Rs.2,64,469/- . As per the Construction and Sale Agreements, the total cost of the Flat comes to about Rs.35,06,484/-. The appellants/complainants have also paid a further amount of Rs.6,34,348/- on various dates between 18.12.2021 and 07.07.2023. In all, the appellants/complainants have paid a total sum of Rs.32,34,348/-. The Construction and Sale Agreements were entered on 18.11.2021 and inspite of the appellants/complainants making their payment of more than 90%, the

respondent/promoter had not handed over the possession, even after sending multiple e-mails. The respondent/promoter sent no reply for handing over the Flat to the appellants/complainants. The appellants/complainants received an e-mail on 06.08.2024 from Customer Relationship Manager wherein they have claimed an additional amount of Rs.8,94,676/- from the appellants/complainants. In the said e-mail, the respondent/promoter had stated that the appellants/complainants are not entitled for discount of Rs.850/- per sq.ft. for the reason that they did not pay the entire amount on the date of execution of the Agreements. The possession was not handed over to them as promised. The appellants/complainants incurred a loss of Rs.20,000/- per month towards rental payment. Hence, the appellants/complainants having no other option filed the complaint in C.C.P.No.43 of 2025 claiming compensation of Rs.10,00,000/- and also to pay compensation of Rs.20,000/- per month from January 2024 towards rental loss by not handing over the Apartment within the time period fixed in the Construction Agreement (i.e.) December 2023 and also costs of Rs.70,000/- towards litigation expenses.

3. The averments in the counter are as follows:

The subject Flat was booked during the second wave of Covid and the respondent/promoter was running a special marketing scheme to pull in more buyers by giving offer to interested purchasers. As per the scheme, the appellants/complainants gave an offer of upfront discount in the cost provided. The

customer has to pay 100% payment on the date of signing the Agreement. As per this offer, on the date of Agreement (i.e.) on 18.11.2021, the appellants/complainants should have paid Rs.35,06,484/-, but they had paid only Rs.26,00,000/- on 18.11.2021. At the time of preparation of checklist for handing over possession, the respondent/promoter noticed that the appellants/complainants are not entitled for the discount of Rs.850/- per sq. ft. for the reason that they did not pay the entire Sale Consideration at the time of execution of the Agreements. It was duly informed to the appellants/complainants through e-mail dated 15.02.2025. The appellants/complainants are well aware of the discount offer and now coming with the false allegations to extract money from the respondent/promoter. The booking form produced by the appellants/complainants is manipulated one. The appellants/complainants are defaulters in making payments and failed to adhere to the terms of Agreement and hence, the appellants/complainants are not entitled for any compensation as claimed in the complaint.

4. Before the Adjudicating Officer, on the side of the appellants, the 1st appellant was examined as C.W.1 and 8 documents, Exs.A1 to A8 (Ex.A2 series) were marked. On the side of the respondent, R.W.1 was examined and 8 documents, Exs.B1 to B8 (Ex.B8 series) were marked.

5. The Adjudicating Officer, taking into consideration the case of both parties, dismissed the complaint. Aggrieved over the same, the complainants have filed the above appeal.

6. Heard Mr.S.Anand, learned counsel appearing for the appellants and Mr.O.L.V.Ganesan, learned counsel appearing for the respondent.

7. According to the learned counsel appearing for the appellants/complainants, the appellants/complainants booked the Flat in E-916 in the 9th floor of the respondent/promoter's project "REVOLUTION ONE" in Padur Village. The appellants/complainants, at the time of booking, paid an amount of Rs.1,00,000/- and subsequently, the appellants/complainants paid an amount to the tune of Rs.26,00,000/-. The Construction Agreement and the Sale Agreement were also entered on 18.11.2021. Inspite of making payment of more than 90%, the respondent/promoter failed to hand over the possession. The respondent/promoter sent e-mails on 06.08.2024 and 15.02.2025 falsely stating that the appellants/complainants had to pay Rs.8,94,676/- towards the Flat and the discount offer of Rs.850/- per sq. ft. was no longer applicable since the payment has not been made as per the agreed terms and the balance amount has to be paid to proceed with the hand over of the Flat. Aggrieved by the said act of the respondent/promoter that inspite of making payment of more than 90%, the respondent/promoter failed to hand over the possession and due to the act of delay in handing over the possession, the

appellants/complainants suffered mental agony and a rental loss to the tune of Rs.20,000/-, hence, the appellants filed the complaint before the Adjudicating Officer and the learned Adjudicating Officer without considering the same, dismissed the complaint, which is not in accordance with law. Hence, the appeal is to be allowed.

8. On the other hand, the learned counsel appearing for the respondent/promoter contended that the claim of the appellants/complainants is not sustainable. The appellants/complainants ought to have made the entire payment of Rs.35,06,484/- on the date of execution of the Agreements. The Construction and Sale Agreements were executed on 18.11.2021. But, the appellants/complainants have paid only Rs.26,00,000/- on 18.11.2021. Hence, the appellants/complainants are not entitled to claim the discount of Rs.850/- per sq. ft. and the same was duly informed to the appellants/complainants through an e-mail dated 15.02.2025. In spite of the said fact, the appellants/complainants filed the complaint claiming compensation for mental agony and also claimed compensation for rental loss, which is not sustainable and the Adjudicating Officer, after considering all the relevant materials, rightly dismissed the complaint, hence, there is no merit in this appeal and the appeal is liable to be dismissed.

9. The Sale and Construction Agreements dated 18.11.2021 and the registered Construction Agreement dated 05.09.2023 were marked as Ex.A3, Ex.A4 and Ex.A6. In

the Construction Agreements, Ex.A4 and Ex.A6, the value of the Flat has been shown as Rs.32,42,015/- and in the said Construction Agreement, there is no mention about the discount of Rs.850/- per sq. ft. The discount said to be made by the respondent/promoter has not been mentioned in Ex.A4 or Ex.A6. The booking forms marked as Ex.A1 and Ex.B1 do not have any legal sanctity, especially, when in the Construction and Sale Agreements, the offer of Rs.850/- per sq. ft. has not been mentioned. Further, on a perusal of the Sale Agreement, (Ex.A3) the value of 155.57 sq. ft. UDS has been fixed as Rs.2,64,469/-. By adding the value of the Construction Agreement and the UDS (Rs.32,42,015/- + Rs.2,64,469/-) the total comes to Rs.35,06,484/- which amount is payable by the appellants/complainants. The said fact was intimated to the appellants/complainants through an e-mail dated 15.02.2025, which reads as follows:

“Subject : Payment Request letter for Unit No.E916, Revolution One

To: [gopalakrishnan magesh<magesh66@yahoo.com>]

From : Rone CRM <ronecrm@urbanrise.in>

Cc:[leena.d@urbanrise.in<leena.d@urbanrise.in>
narendran.v@urbanrise.in <narendran.v@urbanrise.in>,
Balamurali Baskar<bala.b@urbanrise.in]

Date : Sat, 15 Feb 2025 at 11:25

Dear Mr.Magesh and Mrs.Sujatha Magesh,

Greetings!

We would like to bring to your attention that at the time of booking of Flat No.E916, in the project “Revolution One” Rs.850/- per sq. ft was given as discount on condition, which was agreed upon through verbal discussion, that the entire cost of the Flat of Rs.35,06,484/- should be paid on or before 30 days from the date of booking (i.e.20.03.2021).

However, we regret to inform you that the payment has not been made as per the above agreed terms, and as a result, the discount of Rs.850/- is no longer applicable as mentioned in previous mail dated 6/8/2024. Therefore, the total amount due for the flat is now Rs.894676/- (Including GST).

We once again bring to your attention that before 20.4.2021, Rs.4,00,000/- was only paid and the remaining payment of Rs.31,06,484/- was made after the due date on several instances.

We kindly request you to make the full payment to proceed with the handover of the flat as per the demand attached herewith.

Thanks and regards,

Leena Deogam I Heard CRM & Funding - Revolution One
Plot A No.36/1, Gandhi Mandapam Road,
Kotturpuram, Chennai - 600 085.
Tel: +91 44 4354 6999
www.urbanrise.in

Moreover, in the letter sent by the appellants/complainants to the respondent/promoter dated 27.01.2025 it has been stated as follows:

“...

In fact considering that I had remitted all the requisite agreed payment your company called me for registration and I proceeded to complete the registration of the sale deed and Construction Agreement in the month of September 2023, (Registered documents copy enclosed as Annexure 5) the reference to the consideration amount towards the UDS and the apartment was clarified and stated to have been received, even at the said time no information or caution was given to me regarding any outstanding payment. Since the registrations were completed, I was of the view that possession of the Apartment would be handed over to me upon remittance of final instalment and certain minimum charges towards corpus fund, piped gas line, amenities and etc.

That in fact your company kept up their word of assurance and proceeded to secure the completion certificate as early as in November 2023 (CC No.39/23 dated 09.11.2023) which was intimated to me by way

of a communication from your company on 20.11.2023 mentioning that they would commence the handing over possession of the apartments to the respective customers in a phased manner from 31.12.2023. (Annexure 6) That I relieved that the time lines were complied with by your Company as committed and was waiting for you to hand over of my apartment since then. But to my surprise I was not given any updates on the final settlement of all payments to my account to secure possession of my apartment, further I have been reaching out to your executives, CRM Department, City relationship managers an update on the handing over of the apartment to me, but my efforts were met with hostility and no proper response was provided by any of the concerned executives on handing over of flat. They completely ignored the emails from me and chose not to attend my phone calls since March 2024 till recently. (Annexure 7)

...”

10. The above circumstances would show that the appellants/complainants have been duly informed and the appellants/complainants are well aware of the discount offer. But, without making the payment within the stipulated time and not making the payment of the balance amount, the appellants/complainants cannot claim possession of the Flat. Though the appellants/complainants agreed to make the payment on the date of execution of the Construction and Sale Agreements and avail a discount of Rs.850/-per sq.ft., they have not paid the amount as stipulated. The cost of construction was Rs.32,42,015/- and the value of Un-Divided Share (UDS) of 155.57 sq.ft. was Rs.2,64,469/-. The appellants/ complainants did not pay the said amount at the time of execution of the Agreements for availing the discount of Rs.850/- per sq.ft. Since they have not paid the amount as stipulated for availing the discount of

Rs.850/- per sq.ft., the respondent/promoter claims a sum of Rs.8,94,676/- towards the balance amount payable by the appellants/complainants.

11. In the Clause 4(d) of the Construction Agreement dated 18.11.2021 it has been stated as follows:

“The promoter shall hand over possession of the Apartment to the Allottee as committed subject to receipt of the entire consideration including the other payments as per Schedule E. It is made abundantly clear that the obligation of the Promoter to handover the Apartment to the Allottee does not arise until the Promoter receives the entire payment/s as mentioned in Schedule E.”

As per the above Clause, the respondent/promoter is liable to hand over possession of the Apartment only after receiving the entire payment from the appellant/allottee.

12. Since the appellants/complainants failed to make the entire payment as mentioned in Clause 4(d) of the Construction Agreement, they are not entitled to claim compensation for delay in handing over possession of the Apartment.

13. With regard to the rental loss, the appellants/complainants have not produced any evidence to establish the said claim. That apart, the delay in handing over possession of the Apartment was only because of the appellants/complainants, who failed to make the entire payment to the respondent/promoter as mentioned in Clause 4(d) of the Construction Agreement. The Adjudicating Officer, after taking into consideration all these aspects, rightly dismissed the complaint.

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14. We do not find any reason to interfere with the order passed by the Adjudicating Officer, TNRERA. The appeal is liable to be dismissed. Accordingly, the same is dismissed.

Sd/- xxxx
JUSTICE M.DURAIWAMY
CHAIRPERSON
12.08.2026

Sd/- xxxx
K.BABU
JUDICIAL MEMBER
12.08.2026

Copy to

1. The Adjudicating Officer, TNRERA
2. M/s.Urbanrise Constructions Pvt. Ltd.,
rep. by its Authorized Signatory, K.M. Raju
Plot No.'A', No.36/1,
Gandhi Mandapam Road,
Kotturpuram,
Chennai - 600 085.

