



**BEFORE THE TAMIL NADU REAL ESTATE
REGULATORY AUTHORITY (TNRERA)
(Tamil Nadu, Andaman & Nicobar Islands)
at Anna Nagar, Chennai – 600 102
[Under the Real Estate (Regulation and Development) Act, 2016]**

C.No.106 of 2023

16th day of December, 2025

Coram : Thiru. Shiv Das Meena, I.A.S.(Retd.),Chairperson
Dr. L.Subramanian, I.A.S.(Retd.),Hon'ble Member
Adv. M. Krishnamoorthy, Hon'ble Member

Nalam Home Owners Association (NHOA)]
Represented by its Secretary,] Complainant
Thiru.Gokul Thiruvengadam]

Versus

M/s. Mahindra Lifespace Developers Ltd ... Respondent

The above Complaint came up for final hearing before this Authority in the presence of M/s. Trinity Legal - Counsel for the Complainant M/s. Khaitan & Co - Counsel for the Respondent and upon hearing both the parties this Authority passes the following order.

FINAL ORDER

AVERMENTS OF THE COMPLAINANTS:

The Complainant is the Association formed and registered under the Tamil Nadu Societies Registration Act, 1975 in the name of "Nalam Home Owners Association". The members of the Complainant Association purchased their respective flats in 'C' Block of the Project

"Mahindra Happinest Avadi", developed by the Respondent promoter, situated at Paruthipattu Village, Poonamalle Taluk, Thiruvallur District.

2) The Complainant avers that Sewage Treatment Plant (STP) provided in 'C' Block is not in proper condition, and that the outflow from the STP spreads over the roads and driveway, thereby posing a risk of infection to the allottees. Furthermore, the water supplied to the flats for domestic use is not treated properly due to the malfunctioning of the Water Treatment Plant (WTP). The untreated water has caused damage to the flat owners' essential appliances such as water purifiers, washing machines, and water heaters due to sludge deposition.

3) The Complainant further avers that the driveway has been constructed using paver blocks instead of concrete, and the surface is uneven. The paver blocks, which are generally intended for walkways, have been used for the driveway, which may cause damage to vehicles and pose a risk of people falling due to the uneven surface.

4) The Complainant states that the Respondent has failed to provide the CCTV surveillance cameras as promised in sales brochure. Furthermore, the parking space in 'C' Block was allotted to allottees from other blocks by the Respondent, M/s Mahindra Lifespace Developers Ltd (MLDL) without any proper supporting evidence.

5) The Complainant further avers that certain defects are required to be rectified by the Respondent, such as water leakage through the windows during rainy season and low water pressure on the 3rd and 4th floors. The Food Waste Treatment Plant and the DG set are also not in operation.

6) The Complainant avers that the boundary wall separating the corporation road and the Complainant's 'C' Block has been made of a green fence, however the Respondent has failed to construct a concrete boundary walls with gates as promised in the construction agreement. Hence, the Complainant prays for the following relief:

RELIEFS SOUGHT FOR:

- (i) To fix STP and ensure supply as promised
- (ii) To fix WTP and ensure supply as promised
- (iii) To fix Food waste treatment plant and ensure it is operational
- (iv) To fix surveillance camera as promised at the time of sale and as mentioned in the brochure
- (v) To fix vehicle driveway by replacing the pavement with concrete floor as in other blocks
- (vi) To fix DG supply to ensure uninterrupted electricity supply in common areas
- (vii) To fix WTP water pressure in 3rd and 4th floors to ensure uninterrupted water supply
- (viii) To clear non-C Block vehicle allocation made by MLDL post RERA as C Block comes under the purview of RERA
- (ix) To build concrete compound wall at the outer extent of the property as conveyed in the construction agreement

AVERMENTS OF THE RESPONDENT:

7) The Respondent avers that the Complainant Association, which was formed only in the year of 2023, does not have the locus standi to file the present complaint. The "Happiest Avadi Home Owners

Association" (HAHOA), formed by the Respondent for the maintenance and upkeep of the project in the year 2017 in compliance with the Agreement for sale and the Construction Agreement, is the valid association for the project.

8) The Respondent further avers that the operations and maintenance of the project was handed over to HAHOA as early as in the year of 2019. Hence, the Complainant should address all disputes only to the legally formed association with respect to project amenities and related matters. Therefore, the present complaint is not maintainable due to lack of jurisdiction before this Authority.

9) The Respondent avers that the project was developed in the name of "Happiest Avadi" situated at Paruthipattu village, Thiruvallur District during the year 2012. The project was developed in 5 phases, having 12 blocks (Block A to L) and obtained the completion certificate on 12.04.2022, from the Chennai Metropolitan Development Authority for all the blocks in the project.

10) The Respondent avers that the Block Nos. A,B,C,D,F and G has been registered with TNRERA from time to time separately as real estate project under the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as the 'RERA Act'). However, the other blocks are not governed by the RERA Act.

11) The Respondent avers that the members of the Complainant Association separately entered into construction agreement and sale agreement with the Respondent and the units were handed over to the respective buyers on timely basis. The Respondent, further avers that as

per the definition Clause 7 of the construction agreement, amenities in the project include facilities such as Sewage Treatment Plant (STP), Power Back-up etc., which are included in the common areas to be enjoyed by all the purchasers in the project collectively.

12) The Respondent further avers that the common amenities proposed to be provided by the Respondent are common to all the phases of the project, as mentioned in Clause 20 (d) of the construction agreement, which states: *"The common amenities proposed to be provided by the Developer shall be for the overall project as contemplated by the Developer in all the phases of the Schedule B land as contemplated in this Agreement"*. Hence, the Respondent in compliance with Clause 21 of the construction agreement has provided two STPs as a common facility for all the purchasers in the project. Therefore the same cannot be segregated between the blocks.

13) The Respondent avers that, after the formation of the Association, 'HAHOA' in the year 2017, Memorandum of Understandings (MoU) were entered into between the Respondent and HAHOA. As on 11.11.2022, HAHOA comprises members from all the blocks including Block 'C'. According to the MoUs, all the common facilities and equipment such as the STP, WTP, lifts, DG sets, and the entire lawn area were handed to HAHOA. Moreover, the MoUs dated 23.08.2019 and 26.02.2021 clearly state as follows:

"7. HAHOA association shall maintain the common areas of Phase 1 and Phase 2 including sewage treatment plants 1 & 2, Water treatment plant, MEP, housekeeping and security services effective from 01 May 2019".

14) As a result of the MoUs signed, the obligation to maintain the common amenities, including STP, WTP, security system, housekeeping in common areas, is vested with HAHOA. The maintenance charges are also collected by HAHOA in accordance with the MoUs. Hence, the Respondent avers that the Complainant should address their grievances before HAHOA. Moreover, as per Clause 15.1 of the sale agreement entered into between the individual owners and the Respondent, the Respondent's obligation to maintain the common areas and amenities is limited only till the formation of owner's association.

15) The Respondent avers that with respect to STP, the common amenities including STP have been handed over to HAHOA in the year 2018. Accordingly, the formal handover letter was issued to HAHOA by the Respondent on 30.06.2018. Therefore, as per the MoUs signed and the above said formal handover letter the common amenities are maintained by HAHOA. Moreover, the Tamil Nadu Pollution Control Board issued consent to operate in favour of the HAHOA on 17.10.2020 for Blocks D to L comprising of 932 residential units and the same is valid until 31.03.2025.

16) The Respondent states that HAHOA was not maintaining the STPs properly, and the issue was brought to the Respondent's attention. Consequently, the Respondent conducted a meeting with HAHOA and paid an amount of Rs.3,00,000/- to HAHOA for rectification of the defects in the STPs, which was duly acknowledged by the association through a declaration letter. Despite this, due to HAHOA's continued failure to maintain the STPs, the Respondent sent emails dated

17.07.2021, 10.08.2021 and 18.08.2021 drawing attention to the need of rectification of the defects in the STPs at the earliest.

17) The Respondent avers that, due to the inaction of HAHOA and the continuous inconvenience faced by the residents of the project, the Respondent as a goodwill gesture undertook the refurbishment of the STPs. Accordingly, the Respondent spent approximately Rs.1,50,00,000/- towards the refurbishment of the STPs. After completion of the refurbishment work, the Respondent approached HAHOA to obtain its approval for the commencement of the flush water line through the STPs for the entire project. Initially, HAHOA granted its consent, however it subsequently withdrew the same.

18) The Respondent avers that the STP is in full working condition as of 08.07.2023 and monthly efficacy test reports have been provided to the residents of the project. The Respondent further avers that the amenities such as lifts, DG, WTP in common areas were handed over to HAHOA in the year 2018. The Respondent avers that there is no commitment to provide the surveillance cameras in the project.

19) The Respondent avers that the vehicle driveway in Block 'C' is provided with paver blocks prior to handing over the project to HAHOA. During the meeting held between the Respondent and HAHOA, the members of HAHOA had sought for the paver blocks to be relayed as the same were damaged due to normal wear and tear. However, as per Clause 31 of the Construction Agreement, the Respondent shall not be responsible for any defects caused due to normal wear and tear.

20) The Respondent avers that as per Clause 18 of the Construction Agreement the allocation of parking spaces to the purchasers is done by the association, hence the association is liable to allocate the parking spaces to the members of the association. The Respondent has further, stated that allocation of parking in the project is open for everyone in the project and is assigned to each purchaser by the association.

21) The Respondent further avers that as per the Construction Agreement, the construction was carried out by the Respondent and the said agreement does not provide for construction of a concrete compound wall at the outer side of the project. The Respondent has constructed a permanent fencing of 4 feet height, designed with proper outer framework, with poles grouted in concrete and the same was provided for the entire project. All the construction and the development on the project are as per approved plans and the completion certificate was also issued by the Chennai Metropolitan Development Authority (CMDA) according to that.

Rejoinder of the Complainant:

22) The Complainant denied the fact that HAHOA was formed and in existence in 2021 and stated that the Respondent had never informed the owners of the 'C' Block about the Executive Committee (EC) members of HAHOA. The Complainant further stated that, on their own initiative, they attempted to contact HAHOA, and discovered that it had not been in existence since 2020 and that no members had been elected since then.

23) The Complainant further stated that HAHOA had not made any efforts to address the issues related to water, electricity, maintenance that affected 152 houses in the 'C' Block. Consequently, the owners of the 'C' Block passed a resolution to form a separate association under the name "Nalam Home Owners Association" to cater to the basic needs of all residents of the 'C' Block. Furthermore, prior to the formation of the Complainant's Association, there were other associations in existence within the Respondent's project apart from HAHOA.

24) The Complainant stated that, at the time of handing over the apartments in the 'C' Block, HAHOA was not in existence in 2021 and no MoU was signed regarding the operation and maintenance of the 'C' Block with HAHOA. The MoUs signed with the other blocks did not take future blocks into consideration, which resulted in the failure of existing assets and a shortage of water and other basic amenities.

25) The Complainant stated that, at the time of purchasing the apartments the Respondent had promised to provide surveillance cameras as clearly indicated in the sale brochure issued by the Respondent. With respect to the internal roads, the Complainant further stated that while other blocks were constructed with concrete roads in the vehicle driveways, the 'C' Block was provided with paver blocks instead.

During the course of the proceedings, the Authority nominated Er. M. Krishnamoorthy, Executive Engineer (Retd.), PWD to inspect the 'C' Block of the project "Mahindra Happinest Avadi" and the inspection report was submitted before the Authority on 19.11.2024.

26) This Authority has examined the complaint, counter affidavit, rejoinder, inspection report and arguments and written submission of arguments filed by both sides carefully. The following points arise for determination:

- i. Whether the HAHOA association is maintaining all the Blocks in the Respondent's project?
- ii. Whether the Respondent is liable to rectify the defects in the 'C' Block of the "Mahindra Happinest Avadi" project?

Answer for Point Nos.(i) & (ii):

27) The Complainant Association consists of 18 members at 'C' Block under the name of "Nalam Home Owners Association" in the Respondent's project "Happinest Avadi" developed in 5 phases, having 12 Blocks (Block A to Block L). The completion certificate was obtained on 12.04.2022 from CMDA for all Blocks in the project. However, the Block Nos. A,B,C,D,F and G alone were registered with TNRERA bearing separate registration numbers. The Complainant's Block, 'C' Block was also registered with TNRERA vide Reg.No.TN/02/Building/0284/2018.

28) The Respondent stated that one association named HAHOA was formed in the year 2017, which consists of all the allottees in all Blocks including 'C' Block. According to Respondent, three MoUs were signed between the Respondent and HAHOA regarding handover and maintenance of all the common facilities and equipments such as STP, WTP, lifts and DG sets etc to HAHOA. In the above mentioned MoUs, it has been clearly stated in the description of property as Phase-1 (Blocks E,H,I,J,K and L), Phase-2&3 (Block D and Block F) and Phase-4 (Block G) to be handed over to HAHOA.

29) According to the aforesaid MoUs, the maintenance of the 'C' Block was not handed over to HAHOA and thus it is vested with the Respondent. The Respondent has not signed MoUs with any other association with respect to 'C' Block. Therefore, the Respondent's statement that HAHOA is obligated to maintain the common services in the said project is not maintainable. Hence, till the maintenance is handed over to the association, the Respondent has an obligation to maintain the overall building complex including the common amenities in Block 'C' which have not been handed over to HAHOA or Complainant's association or any other association.

30) Clause 12 of the Construction Agreement stated that *"(a) The Developer shall be responsible for maintaining the overall project being developed by them on the Schedule 'B' land until such maintenance is handed over to the Association consisting of all the Purchasers of the Schedule 'B' land.*

(e) It is agreed and accepted between the parties herein that it shall be the sole responsibility of the Developer to maintain the overall building complex until completion of all phases and formation of Association of Purchasers from and out of the maintenance charges collected by the Developer from the Purchasers as contemplated above."

From the above it is clear that the maintenance of 'C' Block in the Respondent's project is not yet handed over to any of the association.

31) Furthermore, as per the Inspection Report submitted by the Independent Engineer, dated 19.11.2024, there are 2 Nos. of STPs provided for the entire project of which one STP is not working and WTP, food waste treatment plant is also not working and the DG supply

in common areas is not provided. Hence, it is obligatory on the part of the Respondent to rectify the same.

32) Regarding the issues of paver blocks in vehicle driveway in 'C' Block and construction of concrete compound wall at the outer extent of the property as per the Inspection Report, it is observed that while the vehicle driveways in other blocks were provided with a concrete floor the same has not been provided in the vehicle driveway of 'C' Block. There is no specific mention about the compound wall and driveway. However, in the brochures issued by the Respondent, RCC roads and street lights have been promised by the Respondent. The Respondent has already provided concrete roads in respect of other blocks. Therefore, the Respondent should have provided concrete driveways in Block 'C' also.

33) Regarding the issue of allotment of car parking as per the Clause 18 of the Construction Agreement the right to allocate the parking space shall vest with the Association alone. Hence, the car parking spaces should be allocated only by the legally formed association for the said project. The allocation of car parking spaces in 'C' Block to the non-members of the 'C' Block is said to be illegal.

Thus, the point nos.(i) & (ii) are answered accordingly.

From the above findings, it is evident that the Respondent has violated the provisions of the Act, constituting a clear breach of law. The Respondent promoter is liable to rectify the defects and hand over the common amenities and equipments such as Sewage Treatment Plant/ Water Treatment Plant, Food-Waste Treatment Plant and DG sets to the legally formed association.

Hence this Authority,

- i. directs the Respondent to rectify the defects and hand over the common amenities and equipments such as STP/WTP, Food waste treatment plant and DG sets on or before 28.02.2026.
- ii. directs the Respondent to ensure that the driveway in 'C' Block is provided with concrete pavement as promised in the project brochures.

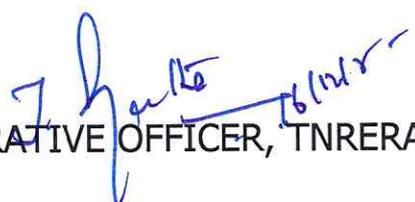
With the above directions, the complaint is disposed off.

Sd/-...16.12.2025
MEMBER (K), TNRERA

Sd/-...16.12.2025
MEMBER (LS), TNRERA

Sd/-...16.12..2025
CHAIRPERSON, TNRERA

/TRUE COPY/


ADMINISTRATIVE OFFICER, TNRERA