

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY
[Under the Real Estate (Regulation and Development) Act, 2016]

Complaint No. 257 of 2025

Dated: 22nd June 2026

Quorum: **Sri Laxmi Narayana Jannu, Hon'ble Member**
Sri K. Srinivasa Rao, Hon'ble Member

Between

A Rama Naresh

*(HIG-145, Ushodaya Enclave,
BHEL Phase-2, Madeenaguda, Mythrinaragar,
Hyderabad, Telangana- 500049)*

...Complainant

Versus

Raja R.R

*(OAK Land Infra Pvt, 755, 4th Floor,
Above Chroma Store, Manhattan
Building, Road No:36, Jubilee Hills,
Hyderabad, Telangana- 500033)*

...Respondent

The present matter filed by the Complainants mentioned herein-above came up for hearing before this Authority in the presence of the Complainant, and the Respondent was absent. Upon hearing the submissions of all the parties, this Authority proceeds to pass the following **ORDER:**

2. The present Complaint has been filed by the Complainants under Section 31 of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred to as the "Act") read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the "Rules") seeking appropriate relief(s) against the Respondent.

A. Brief facts of the Case as per Form M filed by Complainant

3. The complainant has purchased a flat bearing No. 311 on the 3rd floor, with a 150-sq-ft one-car parking area, with an undivided share of land measuring 59.72. Sq. Yards, or equivalent to 62.9 Sq. Meters, out of 7566 44 Sq. Yards on Acrs 1.23Gts in Sv No. 74P. of Adibatla Village, Ibrahimpatnam Mandal, Adibatla Municipality, Ranga Reddy District.

4. The complainant entered into an agreement of sale with the respondents on 24.05.2023 for a sale consideration of Rs. 52,36,000/-, but the complainant paid Rs. 8,00,000/- as the down payment.

5. When the Respondent was unable to deliver the flat, the complainant requested the respondent to refund of the amount, so they paid Rs. 2,50,000/- in two years. The complainant were given cheques which were bounced and now the Respondent is refusing to refund the amount.

B. Relief(s) Sought:

6. In view of the above-mentioned facts and circumstances, the complainant has humbly prayed for the following reliefs:

- i. *Direct the Respondent to refund of the full amount rupees 5,50,000/- along with the Rate of Interest as per the RERA rules and regulations.*
- ii. *We request that, as we are in desperate need of finance, without fail and delay.*

C. Counter filed by Respondent

7. The Respondent has submitted a counter affidavit stating that M/s Oakland Infra Pvt. Ltd. entered into a Memorandum of Understanding dated 17.09.2022 with M/s JL Sathguru Developers and Constructions solely for marketing the project “AMOGHA WESTERN HEIGHTS”, situated at Sy. No. 74 (part), Adibhatla Village, Ibrahimpatnam Mandal, Ranga Reddy District. It is asserted that the said project was already duly registered with the Telangana Real Estate Regulatory Authority under Section 5 of the Real Estate (Regulation and Development) Act, 2016, bearing Registration No. P0240003100 dated 24.07.2021, and had obtained all requisite statutory and regulatory approvals. The Respondent contends that he merely acted on behalf of the promoter in terms of the MOU, implemented marketing strategies devised by the promoter, and did not independently undertake any activity in violation of Sections 9 or 10 of the RE(R&D) Act, 2016, as the project in question was a registered project.

8. It is further submitted that the Respondent invested a substantial sum of Rs. 2,31,07,218/- towards promotion and marketing of the project, brought in prospective purchasers, and remitted the amounts received to the promoter. However, due to the promoter's failure to complete construction and infrastructure as promised, disputes arose, resulting in purchasers backing out and the initiation of civil proceedings. The Respondent asserts that the promoter subsequently breached the MOU, engaged another marketing agency, and directly dealt with the leads generated by the Respondent, thereby causing him financial loss. The delay complained of is stated to be neither wilful nor intentional, but solely attributable to the defaults and fraudulent conduct of M/s JL Sathguru Developers and Constructions, and it is further alleged that the Complainant himself defaulted in timely payments, contributing to the issues raised in the present complaint.

D. Reply to Show Cause Notice dated 03.09.2024

9. The Respondent, Chairman & Managing Director of M/s Oakland Infra Pvt. Ltd., has submitted a reply stating that he entered into a Memorandum of Understanding dated 17.09.2022 with M/s JL Sathguru Developers and Constructions solely for marketing purposes in respect of the project “AMOGHA WESTERN HEIGHTS” situated at Adibhatla Village,

Ibrahimpattanam Mandal, Ranga Reddy District. It is specifically asserted that the said project was already duly registered with the Telangana Real Estate Regulatory Authority under Section 5 of the Real Estate (Regulation and Development) Act, 2016, bearing Registration No. P0240003100 dated 24.07.2021, and had obtained all requisite statutory approvals, including HMDA and building permissions. The Respondent contends that since the project was a registered project, there was no contravention of Sections 9 or 10 of the RE(R&D) Act, 2016, and that all marketing activities were carried out strictly within the framework of the said MOU and at the behest of the promoter.

10. It is further submitted that the Respondent invested a sum of Rs. 2,31,07,218/- towards promotion and marketing of the project, designed brochures and advertisements at his own cost, and facilitated the introduction of purchasers, with earnest money being directly paid to the promoter. However, due to failure on the part of M/s JL Sathguru Developers and Constructions to complete construction and infrastructure as promised, disputes arose, resulting in purchasers backing out and the initiation of civil proceedings. The Respondent asserts that the promoter breached its commitments, engaged another marketing agency, and directly dealt with the leads generated by the Respondent, causing him substantial financial loss. The delays complained of are stated to be neither wilful nor intentional, but entirely attributable to the defaults and actions of the promoter, and on these grounds, the Respondent submits that the Show Cause Notice is misconceived and liable to be dropped.

E. Points for Consideration

11. After considering the facts stated and submissions made by both parties, the following question arises before this Authority:

- i. *Whether the complainants are entitled to relief sought? If so, to what extent?*

F. Observations of Authority

12. This Authority has carefully considered the pleadings placed on record, the material documents filed by the parties, the submissions advanced during the course of hearing, and the provisions of the Real Estate (Regulation and Development) Act, 2016.

13. At the outset, it is not in dispute that the Complainant entered into an Agreement of Sale dated 24.05.2023 in respect of Flat No.311 in the project namely "AMOGHA WESTERN HEIGHTS" situated at Adibatla Village, Ibrahimpattanam Mandal, Ranga Reddy District. It is also not in dispute that the Complainant paid an amount of ₹8,00,000/- towards the sale consideration of the subject flat. The existence of the transaction and receipt of the said amount by the Respondent are therefore admitted facts requiring no further proof.

14. The grievance of the Complainant is that despite payment of the said amount, the promised flat was not delivered and, upon seeking withdrawal from the project, the amount paid was not refunded. The record reveals that out of the total amount of ₹8,00,000/- received from the Complainant, only a sum of ₹2,50,000/- was subsequently repaid, leaving a balance amount of ₹5,50,000/- outstanding.

15. Significantly, the Respondent does not dispute the receipt of the said amount nor the balance amount claimed by the Complainant. On the contrary, the Respondent admittedly issued cheques towards repayment of the amount due. The issuance of such cheques constitutes a clear acknowledgment of liability. The subsequent dishonour of the cheques and the failure to make good the payment despite repeated demands demonstrate that the liability towards the Complainant remains subsisting and unpaid.

16. The Respondent has sought to resist liability on the ground that M/s Oakland Infra Pvt. Ltd. acted merely as a marketing agent for the promoter, M/s JL Sathguru Developers and Constructions, pursuant to an MOU dated 17.09.2022, and that the delays and defaults are entirely attributable to the promoter.

17. This Authority is unable to accept the said contention. The defence sought to be raised by the Respondent is founded entirely on internal arrangements between the Respondent and the promoter. Such inter se arrangements cannot defeat or dilute the rights of an allottee who has parted with his money on the basis of representations made during the course of the transaction.

18. The material placed on record shows that the Respondent actively participated in the marketing and sale of units in the project and admittedly collected monies from intending purchasers. Having held itself out as an entity facilitating the transaction and having received consideration from the Complainant, the Respondent cannot subsequently avoid responsibility by shifting the entire burden upon the promoter. Infact repaying certain amount himself and now stating before authority that in no way he is concern to the said transactions and he was merely acting on behalf of the Promoter is untenable. Any dispute between the Respondent and the promoter regarding their respective obligations under the Memorandum of Understanding is a separate cause of action and cannot prejudice the rights of the Complainant.

19. The Authority further notes that the Respondent has repeatedly sought to attribute the delay to the alleged defaults and breaches committed by the promoter. Even assuming such contention to be correct, the same would not extinguish the Respondent's admitted obligation to return the amount received from the Complainant. The RE(R&D) Act is a beneficial legislation intended to protect the interests of allottees and the Authority cannot permit an

allottee to be left remediless on account of disputes between commercial entities involved in the project.

20. Having held that the liability to refund survives, the next question that arises for consideration is whether the Complainant is entitled to refund along with interest under the provisions of the Act.

21. Section 18(1) of the RE(R&D) Act, 2016 confers a statutory right upon an allottee to seek refund of the amount paid together with interest where the promoter fails to complete the project or fails to hand over possession in accordance with the terms of the agreement for sale. The provision is intended to restore the allottee to the position he would have occupied had the obligations under the agreement been duly performed.

"18. Return of amount and compensation.— (1) If the promoter fails to complete or is unable to give possession of an apartment, plot or building—

(a) in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or

(b) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason,

the promoter shall be liable on demand to the allottees, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act:

Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed.

(3) If the promoter fails to discharge any other obligations imposed on him under this Act or the rules or regulations made thereunder or in accordance with the terms and conditions of the agreement for sale, he shall be liable to pay such compensation to the allottees, in the manner as provided under this Act."

22. In the present case, the record clearly establishes that possession of the subject flat has not been delivered. The Complainant has unequivocally expressed his intention to withdraw from the project and has sought refund of the amount paid. Once the allottee elects to withdraw, the entitlement to refund under Section 18(1) becomes enforceable and the corresponding obligation to refund the amount received together with interest follows as a statutory consequence.

23. This Authority also takes note of the proceedings dated 02.04.2026 wherein the

Respondent personally appeared and voluntarily undertook before this Authority that the outstanding amount of ₹5,50,000/- would be paid to the Complainant by way of Demand Draft within a period of six months.

24. The undertaking recorded by this Authority assumes significance for two reasons. Firstly, it constitutes an unequivocal admission regarding the existence of the outstanding liability. Secondly, it dispels any ambiguity regarding the Respondent's obligation to refund the balance amount claimed by the Complainant. Therefore, even independent of the statutory mandate under Section 18 of the RE(R&D) Act, the Respondent remains bound by the undertaking furnished before this Authority.

25. In view of the foregoing discussion, this Authority is satisfied that the Complainant has successfully established his entitlement to refund of the outstanding amount of ₹5,50,000/- together with statutory interest. The Respondent has failed to place any material before this Authority warranting denial of the said relief.

26. Accordingly, this Authority holds that the Complainant is entitled to refund of the balance amount of ₹5,50,000/- along with interest at the rate prescribed under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, namely SBI MCLR plus 2%, which presently works out to 10.70% per annum, calculated from 24.05.2023 till the date of actual realization. The amount of ₹2,50,000/- already refunded shall be given due credit, and interest thereon shall be calculated only upto the respective dates of repayment.

G. Directions of Authority

27. In light of the discussions and findings made hereinabove, this Authority, vide its powers under Sections 37 and 38, issues the following directions to the Respondent:

- a) The Respondent is directed to honour the undertaking given before this Authority on 02.04.2026 and to refund the outstanding balance of ₹5,50,000/- (Rupees Five Lakhs Fifty Thousand Only) to the Complainant by way of a Demand Draft, on or before 31.10.2026, along with interest at the rate of 10.70% per annum (SBI MCLR of 8.70% + 2%) as prescribed under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, calculated from 24.05.2023 until the date of actual refund, in accordance with Section 18(1) of the RE(R&D) Act, 2016.
- b) It is made clear that the sum of ₹2,50,000/- already refunded shall stand credited towards partial discharge of the Respondent's total liability, and interest on the said amount shall stand computed from 24.05.2023 to the respective dates of such partial refund

28. The Secretary, Telangana RERA, is hereby directed to issue a Show Cause Notice and initiate appropriate proceedings against Respondents, M/s Oakland Infra Pvt. Ltd. and its Managing Director, for violation of Section 9 of the RE(R&D) Act, 2016, for having acted as a real estate agent in the project “AMOGHA WESTERN HEIGHTS”, without obtaining registration as a real estate agent with this Authority, in accordance with law.
29. Failing to comply with the above direction on or before 31.10.2026 shall attract action against the Respondent in accordance with Section 63 of the RE(R&D) Act, 2016
30. In view of the above, the present complaint is disposed of. No order as to costs.

Sd/-
Sri K. Srinivasa Rao,
Hon'ble Member,
TG RERA

Sd/-
Sri Laxmi Narayana Jannu,
Hon'ble Member,
TG RERA

