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

Complaint No. 571 of 2025
Dated: 23rd July, 2026

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

Between

1. **Mrs Nitika Saraf**
2. **Mr Vishal Saraf**
Both R/o. F2, Park View Residency,
Satyam Heights, Rejeev Gandhi Nagar,
Bachupally, Hyderabad – 500090. ***…Complainant(s)***

And

M/s. Pacifica Constructions Pvt Ltd,
represented by Mr. Ashish Handa / Ms Beejal Patel,
C/o. M/s. Nebula Infraspace LLP,
Nebula Aavass Hyderabad, Bollaram Road,
Coco- Cola Junction,
Miyapur, Hyderabad- 500049. ***…Respondent***

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

1. The present Complaint has been filed by the Complainant 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

1. It is submitted by the complainant that Mrs. Nitika Saraf and Mr. Vishal Saraf are the allottees of Flat No. DW5-312 in the project "AAVAS HYDERABAD" situated at Survey Nos.

311(P), 312(P), 313(P), 316(P) and 317(P), Bachupally, Medchal-Malkajgiri District, Hyderabad. During the year 2017, when the complainants visited the office of the promoter, Pacifica Construction, the sales team informed them that a customer intended to cancel the purchase of a flat and that no other flats were available directly from the builder. The complainants were informed that the only available option was to purchase the flat from an existing customer who was unable to make the initial payment required by the builder. Based on these representations, the complainants proceeded with the transaction. The builder accepted the transfer, and the complainants paid the booking amount of Rs. 50,000/- and a total sum of Rs. 5,20,000/- as down payment. Thereafter, the flat was allotted to the complainants on 11.10.2017 under a four-EMI payment plan. Subsequently, an Agreement for Sale was executed on 15.04.2019, pursuant to which the complainants paid 20% of the total sale consideration amounting to Rs. 26,76,500/- inclusive of parking charges.

2. It is submitted by the complainant that an Agreement for Sale was executed between Pacifica (India) Projects Private Limited and the complainants. As per the terms of the Agreement for Sale, possession of the residential flat was to be handed over within sixty months from the date of execution of the agreement, i.e., by April 2024. However, despite the expiry of the stipulated period, the promoter has failed to hand over possession of the allotted flat.

3. It is further submitted by the complainant that the Agreement for Sale provides that in the event of delay in completion of the project and handing over possession, the promoter is liable to pay interest at the rate of the State Bank of India's highest Marginal Cost of Lending Rate (MCLR) plus 2% per annum on all amounts paid by the allottee until possession is delivered. However, the flat is still not fit for occupation as the Occupancy Certificate has not been obtained and essential amenities such as water supply, gas connection and other basic facilities are not available, resulting in substantial delay in possession.

4. It is submitted by the complainant that the promoter has been repeatedly insisting upon registration of the flat despite the absence of basic amenities including water, electricity and gas connection, and despite major construction work remaining incomplete. Such conduct is contrary to the provisions of the Real Estate (Regulation and Development) Act, 2016 and amounts to deficiency in service and unfair trade practice.

5. It is submitted by the complainant that despite several attempts to seek updates and resolution from the promoter, no satisfactory response has been received, compelling the complainants to approach this Hon'ble Authority for appropriate relief and compensation.

6. It is submitted by the complainant that during a recent visit to the allotted flat, serious deficiencies in construction quality were observed. The walls and ceiling have not been properly constructed, and the doors installed are of inferior quality. The overall condition of the flat raises serious concerns regarding safety and habitability. The complainants apprehend risk to the safety and well-being of themselves and their family members if they are compelled to occupy the flat in its present condition.

7. It is therefore submitted by the complainant that a direction may kindly be issued to the promoter permitting a third-party quality inspection of the flat prior to registration so as to verify compliance with construction standards and safety norms.

8. It is submitted by the complainant that at no stage during the booking process, execution of documents, or subsequent communications from the promoter was any information provided regarding any outstanding penalty charges or dues allegedly attributable to the previous allottee. The complainants were never informed of any such liabilities.

9. It is submitted by the complainant that to their surprise, a demand has now been raised towards penalty charges allegedly arising from defaults or delays attributable to the previous buyer. These charges were never disclosed at the time of transfer or allotment and were not made a condition for transfer or registration. When clarification was sought from the promoter regarding the basis of such penalties, no justification was provided. Moreover, for the past seven years, the complainants were never informed about these alleged dues through any written communication, telephone call or formal notice.

10. It is submitted by the complainant that at the time of booking, the sales team of the promoter specifically offered free club membership as part of the promotional package. The said benefit was expressly incorporated in the Agreement for Sale, which recorded that club membership would be provided without any additional charges. However, the promoter is now seeking to levy club membership charges upon the complainants, which is contrary to the contractual terms and amounts to breach of contract and misrepresentation.

11. It is submitted by the complainant that as per the approved layout plan, the promoter had agreed to provide Basement Building Parking (BBP). However, the promoter is now

compelling allottees to accept hydraulic parking arrangements. The complainants submit that hydraulic parking was intended only for visitors and not for owners. The promoter is therefore deviating from the approved layout and the representations made to the purchasers. The complainants request appropriate directions to ensure compliance with the approved plan.

12. It is submitted by the complainant that the promoter had assured uninterrupted 24x7 water supply and electricity to the residents of the project. The complainants therefore seek directions to the promoter to ensure uninterrupted provision of these essential services, which are indispensable for habitation of the premises.

13. It is further submitted by the complainant that a transparent and reasonable mechanism should be established regarding usage and payment for additional amenities such as the clubhouse and common services. Residents should be charged only for services actually utilized and in accordance with the terms of the Agreement for Sale.

14. It is submitted by the complainant that whenever compensation for delay is sought, the promoter seeks to justify the delay by citing the COVID-19 pandemic. The complainants respectfully request this Hon'ble Authority to examine whether construction activities continued during the relevant period. If construction activities were carried out during the COVID period, the promoter cannot rely upon the pandemic as a blanket excuse for delay. Conversely, if construction activities were suspended, the complainants seek an explanation as to why demand notices continued to be issued to allottees during such period. The complainants therefore seek an appropriate interim direction and inquiry into the actual status of construction during the relevant period.

15. It is submitted by the complainant that under the Agreement for Sale, corpus fund charges of Rs. 30,000/- and maintenance charges calculated at Rs. 1.25 per square foot were stipulated. However, the maintenance charges have now been increased to Rs. 3.50 per square foot without any communication or justification from the promoter. The complainants seek an explanation for such unilateral enhancement

16. It is further submitted by the complainant that residents of another project developed by the same management, namely Hill Crest Premium Apartments, have allegedly faced difficulties in recovering corpus funds collected by the promoter. The complainants apprehend similar difficulties in the present project and therefore seek appropriate safeguards and transparency regarding corpus fund management.

17. It is submitted by the complainant that the promoter has already collected legal/documentation charges of Rs. 7,500/- under the Agreement for Sale. However, the promoter is additionally demanding a further amount of Rs. 10,000/- from each allottee at the time of registration without any explanation. The complainants seek clarification regarding this apparent double collection towards documentation expenses.

18. It is submitted by the complainant that due to the delay in handing over possession, the complainants have suffered severe financial hardship, inconvenience and mental agony. The complainants have been compelled to continue residing in rented accommodation and incur rental expenditure from April 2024 till date. In addition, they are bearing maintenance and related expenses and are also servicing housing loan EMIs obtained for purchase of the subject flat. The prolonged delay and uncertainty have caused immense stress and hardship to the complainants and their family.

19. It is submitted by the complainant that they are entitled to reimbursement of rent and maintenance expenses incurred from April 2024 until actual possession is handed over. The complainants also seek compensation for mental agony and hardship suffered due to the prolonged delay and request this Hon'ble Authority to ensure timely delivery of possession without any further delay.

20. It is submitted by the complainant that they have concerns regarding the Goods and Services Tax (GST) amounts collected by the promoter. The complainants seek verification as to whether the GST amounts collected from them have been duly deposited with the Government. In the event the GST has been duly remitted, the promoter may be directed to furnish documentary proof evidencing such payment.

21. It is submitted by the complainant that they have been allotted a residential flat admeasuring approximately 861 square feet in the project "AAVAS HYDERABAD" for a total sale consideration of Rs. 26,00,000/-. The complainants have paid a total sum of Rs. 25,58,738/- inclusive of taxes towards the purchase of the said flat.

22. In view of the aforesaid facts and circumstances, the complainants respectfully seek intervention of this Hon'ble Authority and appropriate reliefs against the promoter for the violations, deficiencies and unfair practices detailed hereinabove.

B. Relief(s) Sought

23. The Complainants accordingly sought the following reliefs:

a) To direct the promoter to register and hand over the possession of our flat immediately with an occupancy certificate.

b) To direct the promoter to waive off all of the late fee charges imposed in the cost sheet prior to the official flat allocation.

c) To direct the promoter to compensate for the financial loss due to delay in the project as mentioned in AFS and for the mental agony which is tolerated for 7 years as per RERA agreed terms or Builder Agreed terms.

d) To direct the promoter to bind the agreement of sale, with respect to the maintenance charges mentioned.

e) To ensure that all aspects of the case are adequately addressed and that the authority is provided with accurate information. To avoid further delay and to facilitate an expeditious resolution, direct interaction with the company's principal decision-maker will be invaluable.

f) To take immediate steps to ensure that the entire society is made liveable. To intervene and ensure the builder's compliance with these essential aspects to guarantee that both individual flats and the society as a whole are suitable for habitation.

C. Counter filed by the Respondent

24. It is submitted by the Respondent that at the outset the present complaint is not maintainable either in facts or in law and is only a vexatious and frivolous litigation intended to harass the Respondent herein.

25. It is submitted by the Respondent that prior to adverting to the contents of the complaint it is necessary to bring on record a crucial aspect, namely that Flat No. DW5-312 which was allotted to the Complainant has already been transferred in the name of the Complainant. The Sale Deed in favour of the Complainant was executed on 03.12.2025 and therefore the Complainant is already the registered owner of the said apartment.

26. It is submitted by the Respondent that after the registration of the Sale Deed in favour of the Complainant the present complaint is not maintainable either in facts or in law. The Complainant has accepted the apartment allotted to him without reserving any liberty to claim any compensation or damages and in view of the same the present complaint seeking compensation under Section 18 is not maintainable.

27. It is submitted by the Respondent that the present complaint has been filed seeking inter alia directions to register and handover possession of the flat, to waive late payment charges, to grant compensation for delay, to bind the Agreement of Sale and maintenance charges, to direct personal presence of the management and to ensure that the entire society is made liveable.

28. It is submitted by the Respondent that in relation to the prayer seeking registration and handover of possession of the flat, the same does not survive for consideration as Flat No. DW5-312 has already been transferred in favour of the Complainant and the Sale Deed has been executed on 03.12.2025.

29. It is submitted by the Respondent that in so far as the prayer seeking waiver of late payment charges is concerned, the Complainant cannot now seek waiver of such charges. The Complainant had paid the down payment and thereafter every subsequent payment was delayed. In this regard reliance is placed on the order passed by the Ld. Karnataka Real Estate Regulatory Authority in Complaint No. CMP/201230/0007353 vide Order dated 02.01.2023 wherein the Agreement for Sale entered into between the Complainant and the Promoter was cancelled on account of the allottee not making payments as per the agreed schedule. This Hon'ble Authority has held that such orders address the issue of allottees not adhering to the payment schedule agreed under the Agreement for Sale. A copy of the Agreement of Sale and the schedule showing the demand raised and the payments made are produced along with the order passed by this Hon'ble Authority.

30. It is submitted by the Respondent that the prayer seeking compensation for delay is also misconceived. The Agreement of Sale was executed on 15.04.2019 wherein the Complainant had agreed that possession of the apartment would be handed over within a period of 60 months from the date of execution of the Agreement with a grace period of 6 months. It is further submitted that in view of the COVID-19 pandemic this Hon'ble Authority had extended the timeline for completion of projects by 18 months through orders dated 13.05.2020, 29.09.2020 and 01.06.2021. The Respondent had registered the project "Aavas Hyderabad" under Project Registration No. P02200000223 and the registration including the grace period was valid up to 15.10.2024. With the inclusion of the 18 months extension granted by this Hon'ble Authority the timeline stands extended up to 15.04.2026. Therefore, the question of delay does not arise much less payment of compensation. It is further submitted that the Occupancy Certificate was

issued on 12.09.2025 and thereafter the Sale Deed was executed in favour of the Complainant on 03.12.2025.

31. It is submitted by the Respondent that the prayer relating to maintenance charges is also untenable. While the Agreement of Sale mentions maintenance charges of Rs. 1.25 per sq. ft., the said rate was agreed in the year 2019 based on the estimated costs prevailing earlier. The Agreement specifically provides that maintenance charges are fixed on an estimated basis and the actual costs incurred could subsequently be collected. Since the costs have increased substantially the Respondent is charging maintenance at the rate of Rs. 3.6 per sq. ft. and therefore there is no illegality in the same.

32. It is submitted by the Respondent that the prayers seeking personal presence of the management and directions to make the entire society liveable are not maintainable. The Complainant has no authority to seek personal presence of the management when counsel is representing the Respondent before this Hon'ble Authority. Such prayers are beyond the scope of the present proceedings. The prayer relating to making the society liveable is vague and the term "liveable" is not precise. If the Complainant has any specific grievance the same ought to be raised by issuing notice under Section 14(3).

33. It is submitted by the Respondent that the complaint has been filed by an individual allottee and not by an Association of Allottees. Therefore, the Complainant cannot seek reliefs on behalf of the entire society.

34. It is submitted by the Respondent that the contents of the complaint are admitted only to the limited extent that the Complainant had booked Flat No. DW5-312 in the project "Aavas Hyderabad". The allocation was made on 11.10.2017 and the Agreement of Sale was executed on 15.04.2019 whereby the Complainant agreed to take delivery of the apartment within 60 months with a grace period of 6 months. The Agreement of Sale supersedes any prior understanding between the parties. The Sale Deed has been executed in favour of the Complainant for a consideration of Rs. 28,60,100/-.

35. It is submitted by the Respondent that after registration of the Sale Deed in favour of the Complainant the present complaint seeking compensation under Section 18 is not maintainable as the Complainant has accepted the apartment without reserving any liberty to claim compensation or damages.

D. Point(s) for Consideration

36. Upon a careful examination of the pleadings, documents, and submissions placed on record by both parties, this Authority records the following undisputed facts before proceeding to the Points for Consideration below.

i) *Whether the Respondent has violated the provisions of the RE(R&D) Act, 2016?*

ii) *Whether the Complainant is entitled to the relief sought? If so, to what extent?*

E. Observations of the Authority

Point I

37. The Scheduled property is Flat No. DW5-312, third floor, Block D and Wing W5, having carpet area admeasuring about 49.36 Sq. Mts. (equivalent to 531.37 Sq. Fts.) and balcony area admeasuring about 2.53 Sq. Mts., together with Undivided Share in common area admeasuring about 28.10 Sq. Mts., in the project "Aavas Hyderabad" situated at Sy. Nos. 311 to 313, 317, 312(Now 312/A/J), 313 (Now 313/A), 317/Part, 316, 311, 312/A-1 and 317, Village Gram Panchayat & Mandal Bachupally, Medchal-Malkajgiri District, Telangana.

38. It is an admitted fact that the project "Aavas Hyderabad" of the promoter M/s. Pacifica Constructions Pvt. Ltd. is registered under TG RERA vide Registration No. P02200000223 for the period from 21.01.2019 to 31.12.2024, and that the promoter has since obtained an extension of the said registration up to 30.06.2026.

39. It is further recorded that the Allotment Letter dated 11.10.2017 in respect of the Scheduled property was issued by the Respondent in favour of the Complainants. As per the Agreement for Sale dated 15.04.2019, the Complainants agreed to pay a total sale consideration of Rs. 26,76,500/- (Rupees Twenty-Six Lakh Seventy-Six Thousand Five Hundred only) excluding applicable taxes, with the committed date for delivery of the Scheduled property being sixty (60) months from the date of the Agreement, and in addition a grace period of six (6) months. Upon perusal of the registered Sale Deed dated 03.12.2025, it is recorded that the Complainants have paid a total sale consideration of Rs. 28,60,100/- (Rupees Twenty-Eight Lakh Sixty Thousand One Hundred only), which has been duly acknowledged by the Respondent.

40. It has been noted that the TG RERA registration for the project "Aavas Hyderabad" was obtained with effect from 21.01.2019 valid up to 31.12.2024 and that an extension was granted to the Respondent valid up to 30.06.2025. The Allotment Letter dated 11.10.2017,

however, was issued by the Respondent in favour of the Complainants nearly two years prior to the grant of such registration. Section 3 of the RE(R&D) Act, 2016 provides as under:

> *"(1) No promoter shall advertise, market, book, sell or offer for sale, or invite persons to purchase in any manner any plot, apartment or building, as the case may be, in any real estate project or part of it, in any planning area, without registering the real estate project with the Real Estate Regulatory Authority established under this Act.*
>
> *Provided that projects that are ongoing on the date of commencement of this Act and for which the completion certificate has not been issued, the promoter shall make an application to the Authority for registration of the said project within a period of three months from the date of commencement of this Act:*
>
> *Provided further that if the Authority thinks necessary, in the interest of allottees, for projects which are developed beyond the planning area but with the requisite permission of the local authority, it may, by order, direct the promoter of such project to register with the Authority, and the provisions of this Act or the rules and regulations made thereunder, shall apply to such projects from that stage of registration.*
>
> *(2) Notwithstanding anything contained in sub-section (1), no registration of the real estate project shall be required—*
>
> *(a) where the area of land proposed to be developed does not exceed five hundred square meters or the number of apartments proposed to be developed does not exceed eight inclusive of all phases:*
>
> *Provided that, if the appropriate Government considers it necessary, it may, reduce the threshold below five hundred square meters or eight apartments, as the case may be, inclusive of all phases, for exemption from registration under this Act;*
>
> *(b) where the promoter has received completion certificate for a real estate project prior to commencement of this Act;*
>
> *(c) for the purpose of renovation or repair or re-development which does not involve marketing, advertising selling or new allotment of any apartment, plot or building, as the case may be, under the real estate project.*
>
> *Explanation.—For the purpose of this section, where the real estate project is to be developed in phases, every such phase shall be considered a stand alone real estate project, and the promoter shall obtain registration under this Act for each phase separately."*

41. The execution of the Allotment Letter dated 11.10.2017 unmistakably establishes that the Respondent had undertaken booking of the apartment prior to obtaining registration of the project from this Authority. Under Section 3 of the Real Estate (Regulation and Development) Act, 2016, no promoter shall advertise, market, book, sell, offer for sale or invite persons to

purchase any apartment, plot or building in a real estate project without first obtaining registration of such project with the Real Estate Regulatory Authority. The prohibition contained in Section 3 of RE(R&D) Act, 2016 is mandatory in nature and forms the very foundation of the regulatory framework established under the Act, ensuring that prospective purchasers deal only with projects that have been subjected to statutory scrutiny and are registered with the Authority.

42. In the present case, the Respondent admittedly issued an Allotment Letter dated 11.10.2017 with prospective purchasers nearly two years prior to obtaining registration of the project. Such conduct is a direct violation of the statutory mandate contained in Section 3 of the RE(R&D) Act, 2016 and cannot be condoned merely because the project was subsequently registered. Registration obtained at a later point of time does not cure or regularise transactions undertaken in contravention of the RE(R&D) Act, 2016 prior to such registration. The contravention stood complete on the date the Respondent advertised, booked and issued such Allotment Letter in respect of the Scheduled property without obtaining prior registration.

43. Accordingly, this Authority is satisfied that the Respondent has contravened the provisions of Section 3 of the Real Estate (Regulation and Development) Act, 2016 and is, therefore, liable to be proceeded against under Section 59 of the RE(R&D) Act,2016, in accordance with law.

44. The Secretary, TG RERA, is hereby directed to initiate steps for imposition of penalty under Section 59 of the Real Estate (Regulation and Development) Act, 2016 against the Respondent for contravention of the provisions of Section 3 of the RE(R&D) Act. This finding is addressed further under the Directions of the Authority below.

Point II

45. This Authority now proceeds to examine the reliefs sought by the Complainants.

Relief (a)

46. It is pertinent to note that Section 17 of the RE(R&D) Act, 2016 mandates that the promoter shall execute a registered conveyance deed in favour of the allottee and hand over physical possession within three months of the issue of the occupancy certificate, in the absence of any local law providing otherwise.

47. Section 17 of the Real Estate (Regulation and Development) Act, 2016 mandates that the promoter shall execute a registered conveyance deed in favour of the allottee and hand over possession. It is reproduced here for reference:

"17. Transfer of title.—(1) The promoter shall execute a registered conveyance deed in favour of the allottee along with the undivided proportionate title in the common areas to the association of the allottees or the competent authority, as the case may be, and hand over the physical possession of the plot, apartment of building, as the case may be, to the allottees and the common areas to the association of the allottees or the competent authority, as the case may be, in a real estate project, and the other title documents pertaining thereto within specified period as per sanctioned plans as provided under the local laws: Provided that, in the absence of any local law, conveyance deed in favour of the allottee or the association of the allottees or the competent authority, as the case may be, under this section shall be carried out by the promoter within three months from date of issue of occupancy certificate.

(2) After obtaining the occupancy certificate and handing over physical possession to the allottees in terms of sub-section (1), it shall be the responsibility of the promoter to handover the necessary documents and plans, including common areas, to the association of the allottees or the competent authority, as the case may be, as per the local laws: Provided that, in the absence of any local law, the promoter shall handover the necessary documents and plans, including common areas, to the association of the allottees or the competent authority, as the case may be, within thirty days after obtaining the completion certificate."

48. In the present case, the Occupancy Certificate dated 12.09.2025 has been issued by HMDA declaring that the building conforms to the requirements of the building regulations and is fit for occupation. The Occupancy Certificate was issued on 12.09.2025 and, thereafter, the Respondent executed a registered Sale Deed dated 03.12.2025 in favour of the Complainants. The Complainants have neither challenged the execution of the Sale Deed nor placed any material on record to show that physical possession was withheld notwithstanding the execution of the conveyance. This Authority is therefore satisfied that the relief seeking registration and handing over of possession no longer survives for consideration.

49. It is also pertinent to note that although the Complainants have alleged that the project lacked essential amenities and was not in a liveable condition, no material has been placed on

record subsequent to the issuance of the Occupancy Certificate dated 12.09.2025 to demonstrate that the building continued to remain unfit for occupation or that any statutory authority had found the project to be non-compliant with the conditions subject to which the Occupancy Certificate was granted. In the absence of any such evidence, and having regard to the issuance of the Occupancy Certificate by the competent authority coupled with the subsequent execution of the registered Sale Deed, this Authority finds no material to conclude that the Scheduled property was not capable of being occupied at the time possession was delivered.

Relief (b)

50. The Complainants have contended that a demand has been raised against them for penalty charges allegedly attributable to a previous allottee, of which they were never informed at the time of transfer, at the time of execution of the Agreement for Sale, or at any point during the subsequent seven years since the execution of the Agreement of Sale.

51. Upon careful examination of the record, this Authority finds that the Respondent has failed to place on record any documentary material whatsoever no allotment letter, agreement of sale, payment schedule, or statement of account to substantiate its contention that the Scheduled property was previously allotted to another allottee, or that the Complainants stepped into the shoes of such an allottee. Neither the Agreement for Sale nor the Sale Deed discloses any reference to a prior allotment, nor does either instrument contain any clause obliging the Complainants to discharge dues attributable to an earlier allottee.

52. Liability for late payment charges must necessarily flow either from a contractual obligation expressly undertaken by an allottee or from defaults attributable to that allottee's own conduct. Once the Respondent issued the Allotment Letter dated 11.10.2017 in favour of the Complainants, any earlier contractual relationship with a previous allottee, if any, stood superseded qua the Scheduled property, and the Complainants became allottees afresh under new terms. The imposition of charges referable to a prior allottee is accordingly arbitrary, unsupported by the contractual documents, and violative of the principles of fairness and transparency embodied in the RE(R&D) Act, 2016 consistent with the view taken by this Authority on an identical question in Complaint Nos. 298/2025/TGRERA & 299/2025/TGRERA (Order dated 18.02.2026), involving the same Respondent and the same project.

53. Accordingly, this Authority holds that the Respondent is not entitled to levy or recover from the present Complainants any late payment charges, penalty charges or other dues attributable to any alleged previous allottee, the same being unsupported by the contractual documents and contrary to the provisions of the RE(R&D) Act, 2016.

Relief (c)

54. As far as the relief sought for by the Complainant is concerned regarding claim for compensation for the alleged financial loss and mental agony suffered by them due to the delay in completion and delivery of the flat, this Authority finds it necessary to clarify the statutory scheme governing adjudication of such claims under the Real Estate (Regulation and Development) Act, 2016. Under the framework of the RE (R&D) Act, 2016, a clear distinction is drawn between the jurisdiction of the Regulatory Authority and that of the Adjudicating Officer. While this Authority is empowered to regulate, enforce obligations of promoters, and issue directions under Sections 37 and 38 of the RE (R&D) Act, 2016, claims relating to compensation or monetary damages fall exclusively within the domain of the Adjudicating Officer appointed under Section 71 of the RE (R&D) Act, 2016. Therefore, the Complainants are directed to claim the same under "Form N".

Relief (d)

55. The Agreement for Sale was executed in the year 2019, and more than seven years have since elapsed. During this period there has been a substantial increase in the cost of goods, services, manpower and utilities required for the upkeep of a residential apartment complex, and a rigid insistence on the rate stipulated in 2019 without regard to actual operational cost would be impractical.

56. This Authority is accordingly of the view that the Respondent is justified in revising the maintenance charge, subject to the rate applied being no higher than that actually demanded of the Complainants.

57. At the same time, the determination of maintenance charges must eventually reflect the collective will of the allottees and the actual cost incurred for maintaining common areas and facilities, and the promoter cannot unilaterally continue to revise such charges indefinitely. In light of the same, the Association of the Allottees may convene a General Meeting of the Association of Allottees in this project, for the purpose of placing before the allottees the maintenance requirements, and arriving at a consensus on the charges to be levied henceforth.

Upon such determination, maintenance charges shall be governed in accordance with the decision of the Association.

58. This Authority further reiterates that the RERA Registration of the project “Aavas Hyderabad” under TG RERA with a registration certificate no.: P02200000223 validity from 21.01.2019 till 31.12.2024 and has been extended till 30.06.2026. However, the Allotment letter issued to the Complainant is dated dt: 11.10.2017. Therefore, the Respondent shall be held liable for having advertised, marketed, booked, and sold plots in the project without prior registration of the project with this Authority, in violation of Sections 3 of the RE(R&D) Act, 2016. Accordingly, the Respondent is liable for imposition of penalty under Section 59 of the RE(R&D) Act, 2016 and shall be proceeded against in accordance with law.

F. Directions of the Authority

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

i) This Authority holds that Respondent being the promoter, and who advertised, marketed, booked, and sold plots in the project “Aavas Hyderabad” before obtaining appropriate RERA Registration, have acted in violation of Section 3 of the Real Estate (Regulation and Development) Act, 2016.

ii) This Authority directs the TG RERA Secretary to initiate steps for imposition of penalty against the Respondent for violation of Section 3 of the RE (R&D) Act, 2016.

60. Accordingly, the Complaint stands disposed of. No order as to costs.

Sd/-	**Sd/-**
Sri K. Srinivasa Rao,	**Sri Laxmi Narayana Jannu,**
Hon’ble Member,	**Hon’ble Member,**
TG RERA	**TG RERA**