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

Complaint No.08/2025

Dated: 29th November 2025

Quorum: **Dr. N. Satyanarayana, IAS (Retd.), Hon'ble Chairperson**
Sri K. Srinivasa Rao, Hon'ble Member
Sri Laxmi Narayana Jannu, Hon'ble Member

Between:

Smt. Kamal Jain
(R/o. Begum Bazar,
Near Kishore Chand Choradia Eye Centre,
Hyderabad, Telangana- 500012.)

…Complainant

AND

1. Mantri Developers Private Limited
(Represented by its Director,
Mantri House, #41, Vittal Mallaya Rd,
Shantala Nagar, Ashok Nagar,
Bengaluru, Karnataka – 560001.)

2. Jubilee Hills Landmark Projects Private Ltd.
(Sy. No. 16/3, Ward No. 9, Road No. 1,
Jubilee Hills, Hyderabad,
Telangana – 500033.)

…Respondents

The present matter filed by the Complainant herein came up for hearing before this Authority in the presence of Complainant Counsel Sri D. Suresh, and Counsels Ms. Shireen Sethna Baria for the Respondents, appeared in person, and after hearing the submission made by both the parties, this Authority passes the following **ORDER:**

2. 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 Respondents.

A. Brief Facts of the Case:

3. It is submitted by the Complainant that the she was allotted Unit No. being D-802 by the Respondents herein and a substantial advance amount of INR 50,00,000/- (Indian Rupees Fifty Lakhs Only) was paid by the Complainant towards the allotment of the said unit on 03.10.2018 to Respondent No.2 and an agreement for sale dated 13.09.2018 was entered into between the Complainant and Respondents agreeing to sell Unit No. D-802 to the Complainant.

4. It is submitted by the Complainant that, being the bona fide allotee of the Project, is well acquainted with the several complaints pending before this Hon'ble Authority filed by other allotees under the Project against the Respondents herein. For instance, Complaint No. 15 of 2024, pending before this Hon'ble Authority and Complaint No. 678 of 2022, which was disposed of by this Authority vide its order dated 29.08.2023. The Complainant is also aware of the proceedings vide Appeal No. 2 of 2024 pending against the said order dated 29.08.2023 before the Hon'ble Telangana RERA Appellate Authority.

5. It is submitted by the Complainant that she has been suffering in the hands of the Respondents due to the non- completion of the Project within the agreed timelines. Further, the Complainant has, through her sources, frequently followed up on the progress of the Project. In fact, in view of the inordinate delay in completing the Project, the Complainant has also expressed consent to the Proposal filed by the complainant in Complaint No. 15 of 2024 for carrying out the balance remaining works in the Project.

6. It is submitted that, on 18.12.2024, to the utter disbelief of the Complainant herein, an amount of INR 50,00,000/- (Indian Rupees Fifty Lakhs Only) was credited to the bank account of the Complainant from the bank account of Respondent No. 2, unilaterally and arbitrarily, without the knowledge or consent of the Complainant. A copy of the Bank Statement reflecting the credit for the said amount is annexed herewith as Annexure No. 3.

7. It is submitted that the abovementioned amount was credited to the bank account of the Complainant without any prior intimation or communication from the Respondents, much less any consent. There was neither correspondence between the Complainant and Respondents, nor any legal notice and/or letter was issued nor any email communication or otherwise was exchanged between the parties. Furthermore, there has been no interaction and communication with the Respondents herein in any manner whatsoever, and the said amount has been transferred by Respondent No. 2 without any request for such a transfer from the Complainant, which is not only illegal and arbitrary but also an unfettered act by Respondent No. 2.

8. The Complainant herein has been frequently following up the status of the above-mentioned cases and in fact, the Respondents herein filed a Proposal in Complaint No. 15 of

2024 setting out the details for reviving the Project and completing the balance remaining works in the Project. In the said Proposal filed by the Respondent No.2. a memo dated 27.08.2024 was filed, containing the list of Sold Receivables of Project and at serial no. 43, mentions the name of the Complainant herein as an allottee of unit D-802 for an advance amount of INR 50,00,000/- (Indian Rupees Fifty Lakhs Only). A copy of Annexure D of the said proposal for revival of the Project as filed by the Respondents herein in Complaint No. 15 of 2024. Therefore, even as on 27.08.2024, the Complainant was continued and recognized with the status of an 'allotee'.

9. In the said circumstances, it is submitted that the Complainant is ready and willing to return the entire amount of INR 50,00,000/-(Indian Rupees Fifty Lakhs Only) received by the Complainant to the source account of Respondent No. 2 or to any other account as this Hon'ble Authority may direct. On receiving such amount, the Complainant herein, a senior citizen underwent mental agony and trauma, who has been waiting under the hope of getting the unit delivered to her.

10. It is submitted that the said transfer of amount by Respondent No. 2 is unilateral and an arbitrary decision by the Respondents without the consent of the Complainant herein. It is evident that the Respondents herein, with a mala fide intent, are attempting to transfer the allotment of the Complainant to third parties without the consent of the Complainant and thereby dissolve the status of the Complainant as an allotee in the Project. Consequently, to falsely indicate the withdrawal of the Complainant from the Project, despite there being no consent or request from the Complainant.

11. It is submitted that in the event the Respondents herein succeed in transferring the allotment of the Complainant to third parties, the Complainant will suffer irreparable harm and injury and the right of the Complainant as an allottee in the Project would be severely affected. Further, it would also lead to multiplicity of litigation if the Respondents were not injuncted/ refrained from transferring the allotment of the Complainant.

12. The Complainant submits that this Hon'ble Authority may be pleased to declare the action of the Respondent as illegal and arbitrary and injunct the Respondents from terminating the Agreement for Sale dated 13.09.2018 or transferring the allotment of Unit No D-802 as allotted to the Complainant until disposal of the present Complaint and consequently, permit the Complainant to return the amount of INR 50,00,000/- (Indian Rupees Fifty Lakhs Only) received by the Complainant to the source account of Respondent No. 2 upon this Complaint being allowed or as per the directions of this Hon'ble Authority. It is further prayed that the Respondents be held liable to pay damages to the Complainant herein for causing severe distress and mental agony to the Complainant along with appropriate penalty be imposed on the Respondents for

their unilateral and arbitrary action affecting the rights of the Complaint herein as an allottee of the Project and pass such other order(s) as this Hon'ble Authority may deem fit and proper in the circumstances of the case and in the interest of justice.

B. Relief(s) Sought:

13. Accordingly, the Complainant sought for the following relief(s):

a) *To declare the actions of the Respondent of unilateral refunding the advance sale consideration and impose penalties.*
b) *To injunct the Respondents from terminating the Agreement for Sale dated 13.09.2018 and transferring or creating any third-party rights with respect to the allotment of Unit No. D-802 as allotted to the Complainant.*
c) *To award damages amounting of INR 10,00,000/- (ten lakhs) for causing severe distress and mental agony to the Complainant.*
d) *To impose appropriate penalty on the Respondents for acting against the right of the Complainant/Allotee.*
e) *To award costs fo the Complaint.*
f) *To pass any such order(s) as this Hon'ble Authority may deem fit and proper in the circumstances of the case and in the interest of justice.*

C. Counter filed by the Respondents:

14. It is submitted that the Complainant has sought to Authority as though the Agreement was terminated unilaterally by the Respondent No.2 without prior intimation and that a sum of Rs. 50 lakhs, which was paid by the Complainant towards allotment of Unit No. D-802 was returned to the Complainant without her knowledge. Such assertions are contrary to fact and record. It is submitted that the Agreement was terminated by the Respondent No.2 vide letter dated 21.06.2022 owing to the breach of the contractual terms by the Complainant. As per the said notice, the Complainant was duly intimated that in accordance with the terms of the Agreement, the amount paid by the Complainant would be duly refunded. The aforesaid notice was acknowledged by the Complainant in as much as the Complainant issued a reply notice dated 30.06.2022 disputing the contents of the termination notice dated 21.06.2022. In fact the Respondent No. 2, on 25.07.2022 addressed a reply to the Complainant's notice dated 30.06.2022, reiterating the contents of its notice dated 21.06.2022.

15. It is submitted that the Complainant has approached this Hon'ble Authority with unclean hands and has suppressed material facts. As such, the Complainant is guilty of the vires of

suppresio veri and *suggesti falsi* and is, therefore, disentitled from obtaining any reliefs as sought in the present Complaint.

16. It is submitted that the Complainant was initially allotted Unit D- 502. The Complainant had agreed to purchase the unit under the 100% down payment scheme as per which, the entire sale consideration was required to be paid within 60 days from the date of signing the agreement for sale. Despite lapse of nearly 4 years, the Complainant failed to pay the entire sale consideration amount. It is necessary to clarify that during one of the visits of the Complainant to the Respondent No. 2's office, the Complainant requested the Respondent No.2 to allot Unit D-802 instead of Unit D-502, a request which was acceded to by the Respondent No.2. Despite being given several opportunities to adhere to the terms of the Agreement, the Complainant failed to abide by the same, constraining the Respondent No.2 to terminate the Agreement.

17. It is submitted that the Complainant paid a sum of Rs. 50 lakhs to the Respondent towards 'allotment' of the Unit No. D-502. As per the Clause 3.2 of the Agreement, the Complainant was required to pay the agreed sale consideration amount of Rs. 4,31,79,836/- (Rupees Four Crore Thirty One Lakhs Seventy Nine Thousand Eight Hundred and Thirty Six Only) excluding the advance payment of Rs. 50 Lakhs, on or before a pre-determined date. Further, it was agreed between the parties that the Complainant would be entitled to specific performance of Agreement only upon satisfaction of the prompt payment of the balance amount within the stipulated timelines by the Complainant. Having failed to adhere to and upon the satisfaction of the prompt payment of the balance amount within contractual obligations and suppressing the fact of the same before this Hon'ble Authority, the Complainant ought not to be granted any relief as prayed for.

18. It is submitted that Clause 4.1.3 of the Agreement permits the Respondent No.2 to terminate the Agreement in the event of non-payment of the sale consideration amount as set out under the Agreement. As per the said Clause, the Respondent No.2 is entitled to forfeit 10% of the amount paid by the Complainant towards allotment of the unit. However, the Complainant has not forfeited any amount paid by the Complainant and has, in fact, refunded the entire amount paid by the Complainant towards allotment. As a matter of fact, the Complainant was duly informed by the Respondent No.2 that in accordance with the aforesaid Clause, the amount paid by the Complainant would be refunded. It was pursuant to such intimation that the amount paid by the Complainant was refunded on 18.12.2024.

19. That, the subject land i.e., all that piece and parcel of land to the extent of 28,303 Square yards, or equivalent to 23,661.77 sq. meters bearing T.S. No. 16/3 (P), Block - H, Ward No. 9, situated at Shaikpet Village and Mandal, near Jubilee Hills Check Post, Hyderabad, was put to a public auction conducted on 20.02.2006 by Hyderabad Urban Development Authority (hereinafter, "HUDA"), being the Vendor.

20. In response, the consortium of M/s. Nagarjuna Construction Company Limited, M/s. ICICI Venture Funds Management Company and M/s. Maytas Property Private Limited (hereinafter, "Consortium"), participated in the said tender process and submitted its bid @ Rs. 1,42,000/- per sq. meter. Being the highest bidder, the said consortium was declared a successful bidder and as per the terms and conditions of the said auction, the consortium was required to pay the entire sale consideration amounting to Rs. 335,99,71,340/- (Rupees Three Hundred Thirty-Five Crores Ninety-Nine Lakhs Seventy-One Thousand and Three Hundred Forty Only).

21. The Consortium paid the said sale consideration from time to time as per the payment terms upon which, initially, a confirmation cum provisional allotment letter was issued by HUDA on 06.03.2006, followed by pre-final allotment letter dated 23.03.2006 and final allotment letter dated 30.05.2006.

22. That subsequently, the said Consortium incorporated the Respondent No.2, a Company registered under the Companies Act 1956, as its wholly owned subsidiary and nominated JHLPL as its Special Purpose Vehicle (SPV) for undertaking development of the subject land. Accordingly, the Consortium requested the Vendor i.e., HUDA to execute and register the sale deed in the name of the said SPV i.e., M/s. Jubilee Hills Landmark Projects Limited (Respondent No.2) vide their letter of nomination/ authorization dated 04.07.2006.

23. Thereafter, a Sale Deed was executed on 19.09.2006 between HUDA and Respondent No.2 with regard to the subject land as per the terms and conditions mentioned therein which was registered as Doc. No. 5227 of 2006 with the Sub Registrar Office, Banjara Hills on 17.10.2006 and the possession of the subject land was handed over to JHLPPL.

24. Subsequently, JHLPPL approached M/s. Mantri Mansion Private Limited hereinafter, MMPL) as a residential developer and M/s. Avant-Garde Beverages Private Limited (hereinafter, AGBPL) as commercial developer to jointly develop the Project. To record their mutual understanding and agreement in relation to the residential and commercial project, a Development Agreement cum General Power of Attorney (DA) was executed between Respondent No.2, MMPL and AGPPL on 05.05.2011 and got registered vide Doc. No. 1327 of 2011 with the Joint Sub-Registrar, Hyderabad.

25. It is submitted that, the above parties had come to a renewed understanding and accordingly, entered into an amendment agreement recording the modifications pertaining to the above Development Agreement and accordingly, a 1st Amendment to the Development Agreement was carried out, executed and registered on 24.08.2011 (hereinafter 1s Amendment) vide Doc. No. 2710 of 2011 with the Joint Sub-Registrar, Hyderabad under which, certain clauses got amended viz. Clause 1 (common definitions and interpretation), Clause 2 (definitions), Clause 3 (implementation of the residential project) and Clause 4 (consideration and sharing), In essence and in the present context, inter-alia the owner (JHLPL) & developer's (MMPL) share in the saleable built-up area and proportionate undivided interest in the residential project got revised from 45% (owner's share) & 55% (residential developer share) to 50% (owner's share) & 50% (residential developer share).

26. At a later date, a 2nd Amendment to the Development Agreement was carried out under an amendment agreement 2nd Amendment) dated 04.12.2012 vide Doc. No. 5122 of 2012 with the Joint Sub-Registrar, Hyderabad for amending certain terms of the DA and the 1st Amendment Agreement viz. clauses governing common definitions and interpretation, definitions, implementation of the residential project and consideration and sharing.

27. It is submitted that M/s. Avant-Garde Beverages Private Limited, from being a developer of the commercial property under the Development Agreement, under the said 2nd Amendment, became only a confirming party and not as a developer. Further, MMPL became entitled to develop residential project in the property, and the parties had agreed to withdraw their agreement for developing the commercial project in the property. As a result, the entire property was to be developed by MMPL and the parties i.e. JHLPPL and MMPL became entitled to the shares as per the 1st Amendment Agreement dated 24.08.2011.

28. It is submitted that, in terms of the principal agreements, desired to inter-alla share the initial share area and undivided interest in the schedule Property in the proportion of 50:30 ratio and (i.e. fifty percent to the Residential Developer and fifty per Agto the Owner), and all revenues (if any) in respect of Built-up Area excluding the (a) Saleable Built-up Area, and (b) Car Parks and any other basement areas in the proportion of 50:50 ratio (i.e. fifty percent to the Residential Developer and fifty percent to the Owner).

29. That subsequently, a 3rd Amendment to the Development Agreement was carried out to the Development Agreement on 24.01.2018 vide Doc. No. 538 of 2018 with Joint Sub-Registrar, Hyderabad thereby amending certain Clauses. Essentially, under this amendment timeline to complete the project got extended, among others.

30. It is submitted that initially, sanction plan (1st Sanction Plan) was approved by GHMC on 06.10.2012 for construction of residential building consisting of 3 basements for parking, ground and two upper floors. Subsequently, at the instance of MMPL being the residential developer, sanction plan was modified (2nd Sanction Plan) by GHMC on 21.02.2018 for 3 basements for parking, ground and seven upper floors, thereby adding five upper floors.

31. It is submitted that a Supplementary Agreement dated 23.05.2018 was entered between the parties (JHLPL & MMPL). Under this agreement, the parties revised area sharing in terms of the above sanctions / approvals / proceedings.

32. It is submitted that, at the instance of the Respondents, the sanction plan was modified (3rd Sanction Plan) by GHMC on 29.09.2021 i.e., 8th to 11th additional floors over the permitted 3 cellars, ground plus seven upper floors, thereby adding three upper floors.

33. It is submitted that the subject project was registered with the Telangana State Real Estate Regulatory Authority under Form C vide Registration No. P02500000549 dated 27.03.2019 valid till 30.09.2022. Subsequently, the said registration was extended till 30.09.2023 vide Registration No. P02500003725 dated 20.12.2021. However, the project could not be completed within the stipulated date i.e., 30.09.2023 on account of various factors beyond the control of the Respondent which include:

i. Height Restrictions in Jubilee Hills /Banjara Hills, though there was a specific Govt. Order declaring unlimited FSI /Height, to the SPV, which created confusion and delay in project planning in initial stages of Development;
ii. Presence of a Heritage Precinct within KBR National Park which initially allowed only Development of Ground + 2 Upper Floors and request for further height not allowed and insistence on a pre-condition to obtain NOC from a Heritage Committee, whose term ended and which was not re-constituted by HMDA;
iii. The then State Government's proposal of SRDP program which was proposed to run through the Project site and GHMC halting construction of Project for almost 3 years and no clarity on land acquisition /compensation;
iv. Covid-19 pandemic which affected the entire world and lock downs and restriction on movement of men and material apart from severe downturn in Real Estate Industry had a cascading effect on the Project operations;

v. Estate companies with limited credit opportunities also had problems as RBI Tightening of Credit exposure of Banks and Institutions towards Real regards cash flows;

vi. Customer litigations and non-payment of demanded dues when Project desperately needed funds to augment cash flow to gear up construction progress;

vii. Frivolous litigation by previous promoters and shareholders aimed at disrupting the Project progress.

34. It is submitted that, in this milieu, the project registration lapsed. As such, the Respondent filed an application dated 23.07.2024 under Section 6 read with Section 7(3) of the RERA Act, 2016 before this Authority seeking extension of the project 'Mantri- A' detailing the reasons on account of which the Project could not be completed within the stipulated timeframe. The Respondents also placed before the Authority the fact that it has received financial assistance from a third party investment fund i.e., Swamih Investment Fund and that it is in the process of clearing its outstanding loans. It is submitted that the said application is pending consideration before this Authority.

35. It is submitted that, the Respondents also secured financial support for the Mantri A Project by tying up with another private Equity Fund ("PE") namely, "Dickey Asset Management Private Limited' to provide a liquidity fund of Rs. 250 crores for completion of construction of the project in all respects. The PE fund has already issued a sanction letter confirming the same and the funds will be released once the project registration is extended by the Authority.

36. Further, the Respondents submit that they have already arranged working capital of Rs. 50 Cr aimed at completing the project expeditiously. The Respondents have also obtained certificates from an architect, chartered account and chartered engineer prior to re-commencing the project work.

37. It is submitted that, with the said infusion of Rs. 250 Crores by the PE fund and Rs. 50 crores working capital infusion with the help of intergroup entity funding, enough cash flow of up-to Rs. 300 crores will be available to complete the Project Mantri A with good speed. It is also submitted that, apart from the infusion of Rs. 300 crores, the Respondents have "Sold Receivables". As such, additional funds also will be available for meeting the cost of construction of the said Project. It is respectfully submitted that, the "Sold Receivables" from the entire project as on date is Rs. 637,00,00,00/- (Six Hundred and Thirty Seven Crores Only).

38. The Respondent has also submitted its proposal for completing the project and the same is pending consideration before the Authority along with the application seeking extension of the project registration.

39. It is submitted that the Respondents remain steadfast in its resolve to complete the project and deliver possession of the apartments to the allottees including the Complainants

D. Observation of the Authority:

40. *Proceedings:* The Complainant has filed Interlocutory Application No. 01/2025, seeking an injunction restraining the Respondents from terminating the Agreement of Sale dated 13.09.2018 or transferring the allotment of Unit No. D-802 to any third party pending disposal of the main Application. Upon consideration, this Authority directed the Complainant to maintain status quo with respect to the subject unit until further orders, and the Respondents have expressed their compliance with the said direction.

Point for consideration: Whether the complainant is entitled for the relief sought?

41. Upon careful perusal of the material placed on record, the fact stands admitted that the Complainant was originally allotted Unit No. D-502 in the project titled "Mantri-A", situated on land admeasuring 28,303 sq. yds. (23,661.77 sq. mtrs.), bearing T.S. No. 16/3(P), Block-H, Ward No. 9, Shaikpet Village & Mandal, Near Jubilee Hills Check Post, Hyderabad, pursuant to the Agreement of Sale dated 13.09.2018, upon payment of an advance of ₹50,00,000/- (Rupees Fifty Lakh only) as part consideration.

42. Subsequently, it is evident from the submissions and documents produced before this Authority that both parties, upon mutual understanding, modified the allotment and the Complainant was thereafter allotted Unit No. D-802 in the same project. The project details remain identical and form part of the Scheduled Property for the purpose of the Agreement.

43. From the records, the total sale consideration for Unit No. D-802 is reflected as ₹4,16,11,836/- (Rupees Four Crore Sixteen Lakh Eleven Thousand Eight Hundred and Thirty-Six only), out of which ₹50,00,000/- has been paid as the booking amount.

44. The Complainant has alleged that the Respondents have unilaterally terminated the Agreement of Sale, without adhering to the mandatory procedure prescribed under Clause 3.0 of the Agreement of Sale. The Complainant has also stated that the project has not been developed to the stage envisaged under Schedule-B, and therefore his obligation to make further payments does not arise. The Complainant submits that after issuing the termination letter, the Respondents unilaterally credited ₹50,00,000/- into his bank account without his consent. The Complainant

has filed an Interlocutory Application no. 01/2025, praying for an injunction restraining the Respondent from terminating the Agreement of Sale dated 13.09.2018 or transferring the allotment of Unit No. D-802 to any third party, until the disposal of the present Application.The Authority directed the complainant to maintain status quo with repsect to the subject unti until further otder, to which the Respondents obliged.

45. This Authority has examined the termination letter dated 21.06.2022, issued by the Respondents, wherein the subject refers to termination of Flat No. D-502 under an alleged "100% cash down payment scheme", requiring complete payment within 60 days from the date of execution of the Agreement. It further alleges that the Complainant was required to pay ₹4,31,79,836/- on or before 14.11.2018, but only paid ₹50,00,000/-, leaving a balance of ₹3,81,79,836/- along with interest. The Respondents further contend that repeated reminders were issued, and non-payment indicates disinterest in continuing with the purchase. Reliance is placed upon Clause 4.2 relating to termination for default.

46. In response to the said termination notice, the Complainant has categorically denied entering into any 100% cash down payment scheme, contending that payments were always governed by Schedule-B, and the total consideration under the agreement was ₹3,41,17,605/-, not ₹4,31,79,836/-. The Complainant further submits that no construction progress was visible despite the contractual possession date of September 2021. It is his specific case that no reminder letters or notices demanding payment were ever served upon him. The Respondents, however, reiterated their stand through a reply letter dated 21.07.2022.

47. This Authority has examined the Agreement of Sale dated 13.09.2018, executed for Unit D-502, and notes with clarity that nowhere in the agreement is there any reference to a 100% cash down payment scheme or any assurance requiring full payment within 60 days from the date of execution. On the contrary, Clause 2.0 expressly stipulates as under:

> *In the event of any default or delay in payment of the instalments by the Purchaser, the Owner, at its option, shall be entitled to:-*
>
> *3.1 Charge interest on the defaulted instalments at the rate of 1.5% (one and a half percent) per month from the date of default, on the amount of default, till the date of actual payment in full; or*
>
> *3.2 Send a notice through Registered Post or through Courier giving 15 (fifteen) days' time from the date of receipt of the notice, to make*

payment and if the Purchaser still fails to pay, then, without any further notice, rescind this Agreement and sell the Annexure A1 Property to any other person on such terms and conditions as it deems fit and the loss, if any, suffered by the Owner, shall bemade good outofthe amount to be refunded to the Purchaser. The balance money, if any, due to the Purchaser shall be paid within 2 (two) weeks after receipt of consideration from theresale of the Annexure A1 Property to a new purchaser. It is specifically agreed that the Purchaser shall be entitled for specific enforcement of this Agreement only upon his/her/their/its prompt payment of all the instalmentswithin the timelines set out herein.

3.3 Any delay or indulgence shown on the part of the Owner in enforcing the terms of this Agreement or any forbearance or giving of time to the Purchaser by the Owner shall not be construed as a waiver of any breach or non-compliance of any of the terms and conditions of this Agreement by the Purchaser nor shall the same, in any manner, prejudice the rights of the Owner.

48. This Authority further notes that Clause 3 of the Agreement of Sale clearly stipulates the consequences of delay in payment of instalments. Clause 3.1 authorises the Owner to charge interest at the rate of 1.5% per month on the delayed instalments. Clause 3.2 obligates the Owner to issue a notice giving fifteen (15) days' time, sent through Registered Post or Courier, and empowers the Owner to rescind the Agreement only upon failure of the Purchaser to comply within the said period. Clause 3.3 clarifies that any delay, indulgence, or forbearance shown by the Owner shall not be construed as a waiver of its contractual rights.

49. In view of the aforesaid contractual framework, it becomes evident that the issuance of a demand notice in terms of Clause 2.0 and the subsequent fifteen-day notice as contemplated under Clause 3.2 are mandatory preconditions for valid termination of the Agreement of Sale. Termination without adherence to these procedural safeguards cannot be sustained in law.

50. However, on careful scrutiny of the material placed before this Authority, it is observed that the Respondents have failed to produce any evidence to demonstrate compliance with the said contractual requirements. No demand letters issued under Clause 2.0 have been filed. No notices issued under Clause 3.2 granting the mandatory fifteen days' time have been produced.

Further, no proof of service such as registered post acknowledgements, courier receipts, tracking details, or any other contemporaneous record has been placed on file to show that any such notices were dispatched or served upon the Complainant.

51. In the absence of such mandatory notices, the Respondents' claim that the Complainant ignored demands is unsubstantiated.

52. Further, the Respondents construction has been stalled for over more than years. A promoter who is in default cannot impose the entire burden on the allottee or assume disinterest on the part of the allottee.

53. Section 11(4)(a) of the Real Estate (Regulation and Development) Act, 2016 clearly mandates that: *"The promoter shall be responsible for all obligations, responsibilities and functions under the agreement for sale…"* Section 11(5) further stipulates that cancellation of allotment shall only be in terms of the agreement for sale. Thus, a promoter cannot cancel an allotment unilaterally, based on terms not forming part of the executed agreement or based on assumptions. Such conduct is legally impermissible and contrary to the statutory mandate.

54. It is also significant that the Respondents, in Complaint No. 15 of 2024 before this Authority, have themselves produced Annexure-D (filed with memo dated 27.08.2024), wherein the Complainant is unequivocally reflected at Serial No. 43 as allottee of Unit No. D-802, and not of Unit No. D-502. Annexure-D forms part of the Respondents' own proposal for completion of the project.

55. Accordingly, a termination letter addressed only to Unit D-502, cannot in law operate to terminate the subsisting and mutually modified allotment of Unit D-802.

56. For the reasons recorded hereinabove, and in view of the findings of this Authority that the purported termination issued by the Respondents is contrary to the terms of the Agreement of Sale as well as the statutory mandate under Sections 11(4)(a) and 11(5) of the Real Estate (Regulation and Development) Act, 2016, the said termination is hereby declared unsustainable and stands set aside.

57. Moving on to the relief sought by the Complainants, namely the claim for compensation for the alleged financial loss and mental agony suffered by the Complainants 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, 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 Act, 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. Accordingly, the Complainants are hereby informed that this Authority is not the appropriate forum to adjudicate the claim for compensation, and that such claims must be pursued by filing a separate application before the Adjudicating Officer of Telangana RERA in Form 'N'.

58. Further, this Authority notes that the Respondents have placed reliance on certain submissions pertaining to a proposed revival plan, which is presently under adjudication in CC No. 15 of 2024. Since the said matter is sub judice and the issues therein are yet to be determined, this Authority refrains from making any observations or expressing any opinion on the revival plan in the present proceedings.

59. Consequently, the contractual relationship between the parties in respect of Unit No. D-802 in the project "Mantri-A" shall stand restored and revived to its original position, subject to compliance with the following directions.

E. Directions of the Authority:

60. In view of the foregoing findings and in exercise of the powers conferred under the Real Estate (Regulation and Development) Act, 2016, the Authority issues the following directions:

a) The termination notices dated 21.06.2022 & 21.06.2022 issued by the Respondents are contrary to the terms of the Agreement of Sale as well as the statutory mandate under Sections 11(4)(a) and 11(5) of the Real Estate (Regulation and Development) Act, 2016, the said termination is hereby declared unsustainable and stands set aside.

b) The Complainant shall, within a period of fifteen (15) days from the date of this Order, re-transfer and the amount of ₹50,00,000/- (Rupees Fifty Lakh only) to the project dedicated Account, which was unilaterally credited by the Respondents upon issuance of the impugned termination letter. This restoration of the amount is necessary to reinstate the Agreement of Sale to its original operative status.

c) Upon receipt of such amount, the Respondents shall accept the same thereby reinstating the Complainant as the allottee of Unit D-802, and restore the Agreement of Sale dated 13.09.2018, treating it as valid and subsisting.

d) Upon such restoration, the Complainant shall thereafter make all further payments strictly in accordance with Schedule-B of the Agreement of Sale dated 13.09.2018, and in conformity with the revised allotment pertaining to Unit No. D-802. All payments shall be aligned with construction-linked milestones as contractually stipulated.

e) As mandated under Section 19(6) of the RE(R&D) Act, the Complainant is obliged to make timely payments as specified in the Agreement of Sale. In the event of any delay or default, the Complainant shall be liable to pay interest in terms of Section 19(7) of the RE(R&D) Act, in addition to the contractual interest, wherever applicable.

f) The Respondents are directed to adhere scrupulously to all obligations cast upon them under the Agreement of Sale and under Section 11 of the RE(R&D) Act. They shall not undertake any unilateral action affecting the rights of the Complainant and shall maintain full transparency with respect to the construction schedule, progress, and issuance of demand notices.

g) Failure to comply with above said directions by the Respondent shall attract penalty in accordance with Section 63 of the RE(R&D) Act, 2016.

61. As a result, the complaint is disposed of accordingly. No order as to costs.

Sd/-	**Sd/-**	**Sd/-**
Sri. K. Srinivas Rao,	**Sri. Laxmi NaryanaJannu,**	**Dr. N. Satyanarayana, IAS (Retd.),**
Hon'ble Member	**Hon'ble Member**	**Hon'ble Chairperson**
TG RERA	**TG RERA**	**TG RERA**