

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

COMPLAINT NO. 173 OF 2025

Dated: 3rd February 2026

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

D. Shivannageshwar Rao

*(H. No. 10-111/2, Azad Nagar C/o Satya Sai Hotel,
Kodad, Suryapet, Telangana – 508 206)*

...Complainant

Versus

M/s. Apoorva Infra Rep by Katta Prassanna Babu
*(R/o. H. No. 2-190, New Leela Residence,
Green Park Avenue, Behind Surabhi Hotel,
Suchitra Circle, Kompally Road, Secunderabad – 500067)*

...Respondent

The present matters filed by the Complainant herein came up for hearing before this Authority in the presence of the Complainant in person, and learned Counsel for Respondent, M. Balasubramanyam Sandeep pilli, upon hearing submissions made by both parties, and the matter reserved over for consideration till this date, this Authority passes the present Complaint **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. Facts of the Case

3. The Complainant submitted that he made an initial payment of Rs. 4,35,000/-, being one fourth of the total sale consideration of the plot amounting to Rs. 17,41,635/-, on 09th June 2022 in respect of a project, namely Swaminarayana Eco Township, developed by M/s Apoorva Infra. However, the Respondent failed to develop the project due to ongoing disputes between the Respondent and the landowner.

4. The Complainant further submitted that the Respondent issued a cheque for an amount of Rs. 4,35,000/- bearing Cheque No. 307421 drawn on Axis Bank, Kompally, towards refund of the said amount. However, the said cheque was dishonored due to insufficient funds. The Respondent thereafter assured him that the amount would be settled at the earliest, but failed to do so. Hence, he approached this Authority seeking appropriate action.

B. Relief sought: -

5. Accordingly, the Complainant sought for the following reliefs:

- i. Direct the Respondent to refund the amount of Rs. 4,35,000/- along with interest.

C. Counter filed by the Respondent

6. The Respondent submitted that the present complaint is misconceived and misleading, the complainant is seeking to unjustly enrich himself by unilaterally withdrawing from the project post allotment and after executing a valid Agreement for Sale, without citing any justifiable cause or breach attributable to the Respondent and the Complainant after the due diligence, only agreed to purchase a plot and was allotted Open Plot No. 494, admeasuring 183.33 Sq. Yards, in the approved layout developed by M/s Apoorva Infra under the name Swaminarayan Eco Township, situated at Undrugonda (V), Chiveemla (M), Suryapet District.

7. The said project is duly approved by the competent authority under DTCP permission vide TLP No.163/2021/H dated 24.05.2021, after verification of the title only, and the complainant voluntarily executed a legally binding Agreement for Sale dated 08.08.2022, agreeing to purchase the aforementioned plot under specified terms and conditions. The agreement was executed in accordance with Section 13 of the RERA Act, and the Respondent submits that the complainant

has paid a part of the amount of Rs. 4,35,000/- on 09.06.2022 and undertook to pay the remaining sale consideration of Rs. 17,41,635/- within 60 days.

8. The Respondent further submitted that despite repeated oral demands and reminders, the complainant failed to comply with the payment obligations as stipulated in the Agreement for Sale, was unable to make payment within agreed time lines, breached the contract and violated Section 19(6) and at the time of entering into the Agreement for Sale, as a gesture of good faith and contrary to standard industry practice, an undated cheque bearing No. 307421 drawn on Axis Bank, Kompally Branch, was issued at the request of the Complainant as security for the amount already paid. The Respondent contends that the issuance of the said cheque was an informal arrangement and was not incorporated into the Agreement for Sale, as such practices are not recognised in the real estate industry. It is further submitted that the cheque was neither issued towards refund nor towards cancellation of the transaction, but was only a temporary security arrangement, which the Complainant has allegedly misused without any legal justification and the Respondent further submits that the complainant has neither issued any formal cancellation notice or informed of cancellation of Plot to the respondent, Without such communication, the complainant's act of presenting the undated cheque amounts to unauthorized and fraudulent use, especially after breaching the terms and conditions of the Agreement for sale, above that after one year of entering into an Agreement for sale, which is a theoretically attracting civil and criminal consequences. The complainant's attempt to demand a refund while remaining in default under the agreement is contrary to the principles of equity and justice and constitutes an abuse of process under the RERA framework. Also, it is submitted that the complainant had violated specific sections of the RERA Act, Violation of Section 19(6) of RERA, Attempt to Exit Without Justification (Unjust Enrichment) and Misuse of Security Instrument (Cheque).

9. The Respondent submitted that with regard to the allegation of dispute between the Apoorva Infra and landlords, the Respondent submits that, after obtaining all the permissions there has been a significant development such as levelling of land, demarcation of plots (Partially) observing the same, the complainant approached the respondent for purchase and entered into an Agreement of sale, However, It is pertinent to mention that, immediately during covid-19 ending, the Land Lords all of a sudden have raised a dispute and being locals have not allowed the respondents or their management to complete the work, and thereby which was not foreseen from

the respondent and the said delay in completion of the project in all other prospects was not wilful or negligent, and are being addressed on priority. And therefore, does not constitute a total failure of delivery under RERA. The Respondent has never abandoned the project, and development work is ongoing, and the Respondent is committed to completing the project. The Respondent is making bona fide efforts to complete all remaining works and has already undertaken steps to complete the pending infrastructure in a phased manner. Timelines for completion of pending items can be shared with the Hon'ble Authority and handing over possession to all allottees, including the complainant, at the earliest and the Respondent submits that the present complaint is premature and procedurally defective and therefore, it is prayed that the Hon'ble Authority may be pleased to direct the complainant to initiate cancellation in accordance with the contract, enabling the Respondent to process any eligible refund after permissible deductions, if any, in compliance with the terms of the Agreement and the provisions of Section 18(3) of the RERA Act 2016 or direct the complainant to pay the balance amount in good faith and trust, and register the said plot in his favour immediately, enabling the respondent to complete the project in all aspects.

10. It is further submitted that any direction to refund the amount at this stage, despite the absence of cancellation and breach by the complainant, would result in unjust enrichment of the complainant and cause substantial and irreparable financial loss to the Respondent and prays to dismiss the complaint as premature and non-maintainable and direct the complainant to comply with the agreed procedure for cancellation, if he wishes to withdraw, or give time to complete the project with deadlines and uphold the Respondent's right to deduct amounts as per the terms of the Agreement and RERA provisions;

11. Grant any other relief as this Hon'ble Authority may deem fit and proper in the facts and circumstances of the case.

D. Rejoinder filed by the Complainant:

12. The Complainant, in his rejoinder, submitted that, as per the RERA registration and commitments made by the Respondent, the project was required to be completed by May 2023. However, even till date, no basic developments such as roads, drainage, electricity, water connection, or amenities have been completed. Despite collecting amounts from multiple allottees, the Respondent has failed to deliver possession or even proceed with registrations.

13. Complainant submits that he was always ready and willing to pay the balance sale consideration upon assurance of registration. However, no registrations have taken place even two to three years after payments were made by several allottees and the Complainant further submits that in the absence of development and in the absence of any guarantee of registration, the Complainant did not pay the balance amount, which is well within the provisions and principles of RERA, and the same cannot be construed as a breach of trust.

14. The cheque issued by the Respondent was a duly dated cheque given with a clear assurance that the amount would be refunded to the Complainant. It was not an undated security cheque as alleged by the Respondent. It is an admitted fact that, after the Complainant made repeated requests seeking a refund of the advance amount due to non-development and failure to register the plot, the Respondent agreed to refund the money. The same is supported by WhatsApp communications exchanged between the Complainant and the Respondent, wherein the Respondent repeatedly confirmed that the Complainant's amount would be refunded and requested the Complainant to present the cheque for encashment. The cheque was therefore issued to discharge liability and refund money, and not as any informal or security arrangement.

15. The Complainant submitted that the said cheque was dishonoured due to insufficient funds, and he submits that there are disputes between the landowners and the Respondent, due to which registrations could not proceed. This clearly establishes that the delay is entirely attributable to the Respondent's internal issues and not to the Complainant, and the Complainant submits that such disputes were never disclosed at the time of booking or at the time of execution of the Agreement of Sale. The Complainant was misled into believing that the project was free from encumbrances and could be completed within the stipulated timelines. As per Section 18 of the RERA Act, if the promoter fails to complete or is unable to give possession due to any reason, the allottee is entitled to refund of the amount paid along with interest.

16. The Complainant further submitted that there is no development on the ground and registrations are not taking place. Despite collecting substantial amounts from multiple buyers, the Respondent has failed to register even a single sale deed in the last two years.

17. The Respondent has failed to deliver the project within the agreed timeframe of May 2023 and has admitted disputes with landowners, which render the project uncertain and incapable of

timely delivery. The dishonour of the cheque further establishes the lack of bona fides on the part of the Respondent.

18. The Complainant therefore submitted that this Authority may be pleased to direct an enquiry into the conduct of the Respondent, including the number of registrations completed in the said project, take necessary action against the Respondent for non-compliance with RERA timelines and for issuance of a cheque which was dishonoured, and direct the Respondent to refund the amount paid by the Complainant along with applicable interest and initiate appropriate proceedings in accordance with law.

D. Points for consideration:

19. After deliberating upon the contentions of the parties, the following issues arise for consideration by the Authority: Whether the Complainant is entitled to the reliefs as prayed for? If yes, to what extent?

E. Observations of the Authority:

20. From the documentary material placed on record, it stands established that the Complainant has entered into an agreement of sale with the Respondent to purchase an open plot No. 494, admeasuring 183.33 Sq. Yards in survey No. 164,165,166,167,168,169,170, 175,176,179,181 and 182 situated at M/s Apoorva Infra, Swaminarayana Eco Township of Undrugonda village, Chivemla Mandal, Suryapet District and the both Complainant agreed to purchase the said property for total sale consideration of Rs. 17,41,645/- and the Complainant has paid an amount of Rs. 4,35,000/- on 09.06.2022 towards part sale and the same was acknowledged by the Respondent.

21. The Complaint contends that despite the payment of part of the sale consideration, there is no development in the project, and the registration is not being done in the said project, and hence the complainant sought a refund.

22. On the other hand, the Respondent has contended that the Complainant failed to comply with the payment obligations stipulated under the Agreement of Sale and did not issue any formal communication regarding cancellation. The Respondent further submits that development has taken place in the project, while simultaneously acknowledging the delay in covid 19 and the

disputes have been raised by the landowners, who, being local residents, have not permitted the Respondent or its representatives to proceed with the completion of the works.

23. Upon careful consideration of the material on record, this Authority observes that the project's RERA registration clearly stipulated 24.05.2023 as the completion date, by which the promoter was required to complete the development of the project. The Respondent has not placed any cogent material on record to demonstrate completion of the said development works within the stipulated timeline.

24. The Respondent, in his own submissions, submits that he is making bona fide efforts to complete all remaining works, and the delay was neither intentional nor mala fide, but attributable to circumstances beyond his control, and the project commenced with due approvals, and development work is in progress.

25. The Respondents, however, unequivocally admitted that development at the project remains incomplete. It attributes the delay to multiple external factors, including landowner disputes and Covid-19 pandemic etc. The Respondent reiterates that despite earnest efforts, these impediments have hindered progress. Nevertheless, such submissions do not alter the admitted fact that the promised development works remain pending to date.

26. The Respondent has sought to justify the delay by attributing it to the Covid-19 pandemic. However, on a careful perusal of the record, it is evident that the Respondent obtained RERA registration in August 2021 and entered into transactions well after the pandemic period. The plea that development could not be carried out due to Covid-19 restrictions, or that landowners restricted access during the post-pandemic period, is vague, unsubstantiated, and untenable. The Respondent, being fully aware of the prevailing circumstances, cannot take shelter under such general assertions.

27. It is a settled principle that once a promoter has chosen to register a project and enter into binding contractual commitments with allottees, he does so with full knowledge of the risks, constraints, and challenges of the market. At the time of entering into the Agreement with the present Complainant, the Respondent was already aware of the Covid-related disruptions, as well as the Government notifications granting moratoriums for project completion timelines. Despite this knowledge, the Respondent chose to provide a specific assurance of delivery by May 2023.

28. In view of the above, the stand taken by the Respondent that the delay was caused due to the Covid-19 pandemic is found to be untenable and unjustifiable, and the same is hereby rejected.

29. Accordingly, the plea of Covid-19 as a force majeure event is wholly unsustainable in the present case. The Respondent, having voluntarily undertaken contractual and statutory obligations after the pandemic period, cannot retrospectively attribute the delay to Covid-19. The reliance placed on the pandemic as a defence is therefore rejected.

30. The Respondent's admission regarding the existence of disputes with the landowners, which according to the Respondent have allegedly impeded the progress of development, prima facie reflects an internal issue inter se the promoters and landowners. Such disputes cannot, by any stretch of reasoning, be attributed to the Complainant or other allottees. The Complainant cannot be compelled to remain in a state of uncertainty for an indefinite period, particularly in the absence of any revised project timelines, revised assurances, or the execution of a supplementary or amended Agreement of Sale incorporating such revised timelines.

31. This Authority is of the considered view that disputes with landowners cannot be treated as circumstances beyond the control of the promoter so as to defeat or dilute the statutory rights of the allottee. The RE(R&D) Act casts a clear and non-delegable obligation upon the promoter to ensure timely completion and delivery of the project, and internal conflicts, commercial disagreements, or title-related disputes among promoters or with landowners cannot be used as a shield to justify prolonged delay. Further, this Authority finds that no cogent material has been placed on record to demonstrate any concrete or bona fide steps taken by the Respondent to safeguard the interests of the Complainant or to mitigate the delay. There is a conspicuous absence of any evidence showing revised completion schedules, binding commitments, or proactive measures aimed at restoring confidence of the allottee. On the contrary, the conduct of the Respondent indicates a passive approach, wherein the Respondent appears to have taken a back seat and allowed the alleged disputes to subsist without meaningful resolution with the complainant, while he continues to suffer uncertainty and prejudice.

32. In such circumstances, this Authority is unable to accept the Respondent's plea as a valid justification for the delay. The statutory entitlements of the Complainant under the Real Estate (Regulation and Development) Act, 2016 cannot be rendered illusory or defeated on account of

the Respondent's internal disputes, inaction, or failure to discharge its obligations in a time-bound manner.

33. The Respondent further contended that the alleged cancellation of the plot was never communicated by the Complainant. However, a perusal of the material placed on record reveals that the Respondent issued a cheque for the very same amount that had been received from the Complainant. Having issued such a cheque, the Respondent now seeks to contend that the said amount was issued merely as a "security" and not towards refund. This contention, on the face of it, does not inspire confidence.

34. The issuance of the cheque immediately after the stipulated date of possession had elapsed, coupled with the absence of any contemporaneous communication clarifying that the cheque was issued only as a security, militates against the Respondent's present stand. No documentary evidence or correspondence has been placed on record to substantiate that the cheque was intended merely as a security and not towards refund of the amount received.

35. Be that as it may, this Authority is not inclined to dwell further on the characterization of the cheque, as the same is not determinative of the core issue involved. Even assuming, arguendo, that the Complainant had not issued any formal communication seeking cancellation at the relevant point in time, the same is of no consequence at this stage. The undisputed position before this Authority is that the Complainant has now categorically expressed his intention to withdraw from the project, on account of the project remaining incomplete till date.

36. It is not disputed by the Respondent that the project has not been developed as per the agreed timelines. On the contrary, the Respondent has candidly admitted that development has been hindered due to disputes with landowners. In a situation where the project remains incomplete, and the promoter has failed to honour the timelines committed under the Agreement, the allottee cannot be compelled to wait indefinitely and is legally entitled to seek a refund.

37. Section 18(1) of the Real Estate (Regulation and Development) Act, 2016 unequivocally mandates that where a promoter fails to complete or is unable to give possession of an apartment, plot, or building by the date specified in the agreement for sale, the promoter shall be liable, at the option of the allottee, either to return the entire amount received along with interest at the

prescribed rate, or, where the allottee does not intend to withdraw from the project, to pay interest for every month of delay till the handing over of possession. In the present case, the Complainant has exercised his statutory option to withdraw from the project. Consequently, the Respondent is bound by law to refund the amount received along with applicable interest, and any attempt to deny or delay such entitlement is contrary to the express mandate of the RE(R&D) Act.

38. Accordingly, in exercise of powers under Section 18(1) of the Real Estate (Regulation and Development) Act, 2016, this Authority holds that the Respondent is liable to refund the entire amount received from the Complainant along with interest at the rate of 10.70% per annum (SBI MCLR of 8.70% + 2%) calculated from the date of agreement of sale, i.e. on 09.06.2022, till the date of actual refund.

39. It is also noted that the RERA Registration obtained by the Respondent in the year 2021 was valid only up to May 2023. On verification of the records, it is found that the Respondent has neither applied for nor obtained any extension of registration from this Authority. Considering the fact that the project remains incomplete and no occupancy certificate has been obtained, the Respondent is hereby directed to initiate steps for completion of the project, and the said project shall be completed within the stipulated time.

40. The Respondent is further prohibited from advertising, marketing, offering for sale, inviting purchasers, or effecting any sale transactions in respect of any plot within the said project until the extension is obtained from the RE(R&D) Act, 2016 before this authority, any act in contravention of Section 3 of the RE(R&D) Act shall attract penal consequences under Section 63.

41. In view of the lapse of registration and the continued non-completion of the project, the Respondent is directed to forthwith initiate necessary steps for completion of the project in accordance with statutory provisions.

G. Directions of the Authority

42. In exercise of the powers conferred upon this Authority under Sections 37 and 38 of the Real Estate (Regulation and Development) Act, 2016, and in furtherance of the findings and conclusions drawn hereinabove, the following directions are hereby issued:

- I. The Respondent is further directed to refund the entire amount of Rs. 4,35,000/- (Rupees Four lakh thirty-five thousand only), along with interest at the rate of 10.70% per annum (SBI MCLR of 8.70% + 2%) calculated from the date of agreement of sale, i.e. on 09.06.2022, till the date of actual refund. The said refund, together with interest, shall be made within Forty (40) days from the date of receipt of this order.
- II. Further, in view of the lapse of registration and non-completion of the project, the Respondent is directed to forthwith initiate necessary steps for completion of the project in accordance with statutory provisions. The Respondent is restrained from advertising, marketing, offering for sale, inviting purchasers, or effecting any sale transactions in respect of any plot within the said project until the extension of RERA registration is received. Any act in contravention of this direction shall render the Respondent liable for penal action under Section 63 of RE(R&D) ACT, 2016.
43. The complaint stands disposed of in the above terms. There shall be 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

Sd/-
Dr. N. Satyanarayana, IAS (Retd.),
Hon'ble Chairperson,
TG RERA