

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

[Under the Real Estate (Regulation and Development) Act, 2016]

Complaint No. 415 of 2025

Dated: 23rd June, 2026

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

Between

Bonala Nagarjuna

H.No. 18-82/3, Deekshit Nagar,
Huzurnagar, Nalgonda,
Telangana- 508204.

...Complainant

And

Balaji Homes,

Rep by its Proprietor Mrs. Arvapalli Chaitanya,
C/o. H.No. 4-159/101, Bhavani Nagar,
Kodad Road, Suryapet,
Telangana- 508206.

...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

2. It has been submitted by the Complainant that the present complaint is filed in respect of Flat No. 101 in the residential project titled "Konathams IV Residency", being developed and promoted by the Respondent, M/s. Balaji Homes, located in Survey No. 201/A5 at Kodad Revenue Village, Kodad Mandal, Suryapet District, Telangana.

3. It has been submitted by the Complainant that pursuant to an offer made by the promoter, the Complainant paid the entire sale consideration amounting to ₹25,00,000/- towards the said flat in the following manner:

- 08.01.2021, Amount: Rs. 9,00,000/-, Nature: Cash
- 05.11.2021- Amount: Rs. 9,00,000/-, Nature: Cash
- 17.01.2022- Amount: Rs. 5,00,000/-, Nature: Cash
- 31.10.2023, Amount Rs. 2,00,000/-, Nature: Cash

4. It has been submitted by the Complainant that despite receiving full and final payment, the Respondent failed to deliver possession of the Flat; execute and register a valid sale deed in favour of the Complainant and complete and develop the project.

5. It has been submitted by the Complainant that it has been over three years since the payment was made, yet there has been no progress in the construction or development of the project. The Complainant has made multiple efforts to contact the developer through personal visits and oral communication, but these efforts have not yielded any response or resolution.

6. The Complainant submits that the above conduct amounts to breach of contract, unfair trade practices, and a gross deficiency in service, thereby violating the rights guaranteed to the Complainant under law including the RE(R&D) Act, 2016.

B. Relief(s) Sought

7. The Complainants accordingly sought the following reliefs:

- To take cognizance of this complaint and initiate appropriate legal proceedings against BALAJI HOMES.*
- To refund the entire amount of Rs. 25,00,000/- paid by the Complainant to the promoter; along with interest at a reasonable rate for the delay and retention of our funds.*
- To provide compensation for mental agony, hardship, and financial loss suffered due to the failure of the promoter to honour the agreement;*
- To provide costs of litigation and any other incidental expenses incurred by us in pursuing this complaint;*
- To grant any other relief deemed just, fit, and proper in the facts and circumstances of the case.*

C. Counter filed by the Respondent

8. It is submitted by the Respondent that the present complaint filed by the Complainant is false, frivolous, vexatious and motivated, filed only with an intention to harass the Respondent and tarnish the reputation of M/s. Balaji Homes. The Respondent has duly completed the construction of the residential project, including the flat alleged to have been purchased by the Complainant, and is presently in the process of handing over possession and executing registrations in favour of genuine purchasers. It is further submitted that the present complaint does not fall within the purview of the Real Estate (Regulation and Development) Act, 2016 and is therefore liable to be dismissed in limine.

9. It is submitted by the Respondent that the residential project consists of 30 flats and that construction of the entire project has been completed. The Respondent commenced the process of registration of flats from 27.01.2024 and several allottees have already taken possession and completed registration of their respective flats without any grievance. It is further submitted that the Respondent has duly obtained the Occupancy Certificate from the competent Municipal Authority and the Project Completion Certificate from the RERA Authority. Subsequent thereto, the Respondent also secured release of the mortgage from the Commissioner, Municipal Huzurnagar. Accordingly, the allegation regarding non-completion of the project is wholly false and untenable.

10. It is submitted by the Respondent that the flat forming the subject matter of the present complaint is Flat No. 101, First Floor, admeasuring 1120 square feet, the agreed sale consideration of which is Rs.30,80,000/- excluding GST, amenities charges and registration expenses. Out of the said amount, the Complainant has paid only a sum of Rs.25,00,000/- to the Respondent. The said flat has been fully constructed and is ready for delivery, subject to fulfilment of the outstanding financial and legal obligations by the Complainant.

11. It is submitted by the Respondent that the Complainant has approached this Hon'ble Authority by relying upon a false and fabricated agreement with an intention to mislead the Authority. The Complainant has failed to produce any genuine documentary evidence establishing a lawful purchase transaction or full payment of consideration. The purported agreement relied upon by the Complainant is fabricated and concocted and is therefore not binding upon the Respondent.

12. It is submitted by the Respondent that, even according to the alleged agreement relied upon by the Complainant, the total sale consideration is Rs.30,80,000/-. However, while claiming to have paid the entire sale consideration, the Complainant has himself admitted in

the complaint and payment chart that he has paid only Rs.25,00,000/-. This contradiction clearly exposes the falsity of the claims made by the Complainant.

13. It is submitted by the Respondent that the Complainant is a real estate agent who initially approached the Respondent for purchase of Flat No.101 in the project. Pursuant thereto, an agreement was entered into between the parties wherein the flat area was recorded as 1120 square feet and the total sale consideration was fixed at Rs.30,80,000/- excluding GST, registration charges and amenities charges. It is further submitted that after approximately one year, the Complainant approached the Respondent with another agreement and requested the Respondent to sign the same, stating that he intended to enter into a transaction with a third party and required an amended agreement solely for the purpose of facilitating such sale. Since the terms appeared acceptable at that point of time, the Respondent signed the document and returned it to the Complainant.

14. It is submitted by the Respondent that all flats in the project have a built-up area of 1120 square feet. The Complainant has selectively placed before this Hon'ble Authority the first page of the original agreement along with two pages from another agreement allegedly obtained for his business purposes. A bare perusal of the documents would reveal that the stamp of the Respondent firm appearing on the first page is different from the stamp appearing on the other pages. This clearly demonstrates that the Complainant has approached this Authority only to avoid payment of the balance sale consideration along with interest accrued on account of delay.

15. It is submitted by the Respondent that the complaint has been filed with a mala fide intention to damage the goodwill and reputation of the Respondent in the market and to unlawfully extract money from the Respondent firm. The Respondent is a reputed builder who has successfully completed the project and has already commenced handing over possession and executing registrations in favour of genuine purchasers.

16. It is submitted by the Respondent that it is admitted that the Complainant is the purchaser of Flat No.101 in the residential project known as "Konathams IV Residency" situated at Sy. No. 201/A5, Kodad Revenue Village, Kodad Mandal, Suryapet District, Telangana.

17. It is submitted by the Respondent that the allegation that the Complainant paid the entire agreed sale consideration of Rs.25,00,000/- to the Respondent is false and specifically denied.

18. It is submitted by the Respondent that the allegation that the Respondent failed to perform its contractual obligations despite receipt of full and final consideration is false and denied.

19. It is submitted by the Respondent that the allegations regarding failure to deliver possession of the flat are denied and the Complainant is put to strict proof thereof.

20. It is submitted by the Respondent that the allegations regarding failure to execute and register a valid sale deed in favour of the Complainant are denied and the Complainant is put to strict proof thereof.

21. It is submitted by the Respondent that the allegations regarding non-completion and non-development of the project are denied and the Complainant is put to strict proof thereof.

22. It is submitted by the Respondent that the allegation that no progress has been made in the project for more than three years after payment is false and denied. It is further denied that the Respondent avoided its responsibilities or failed to respond to the Complainant despite repeated personal visits and oral requests.

23. It is submitted by the Respondent that the allegation that the Respondent has indulged in unfair trade practices, breach of contract, deficiency in service or violated any provisions of the Real Estate (Regulation and Development) Act, 2016 is specifically denied and the Complainant is put to strict proof thereof.

24. It is submitted by the Respondent that the Complainant has no valid cause of action against the Respondent and that the complaint is baseless, misconceived and liable to be dismissed at the threshold.

25. In view of the above submissions, the Respondent prays to dismiss the complaint filed by the Complainant as false, frivolous and vexatious; to impose exemplary costs upon the Complainant for filing a false complaint with malicious intent; and to pass such other order or orders as this Hon'ble Authority may deem fit and proper in the facts and circumstances of the case.

D. Rejoinder filed by the Complainant

26. The Complainant specifically denies the Respondent's preliminary objection that the complaint is false, frivolous, or outside the purview of RERA. It is stated that such averments are baseless. The Complainant contends that the project is not completed as claimed and only

around 85% of the work has been completed. The Respondent's assertion that a project completion certificate was obtained from RERA is stated to be utterly false.

27. The Complainant further points out that the Respondent began registrations from 27.01.2024 without legally obtaining the required completion and occupancy certificates, in violation of building permission terms under File No. TS/001568/2021. It is submitted that the occupancy certificate was only issued on 16.06.2025 and the NOC was obtained on 13.06.2025, after the filing of the complaint. The Complainant denies the Respondent's claim that the flat is fully constructed and ready for delivery.

28. It is reiterated that the Agreement of Sale dated 04.02.2021 is for an area of 1400 sq. ft (including common area) for a total consideration of ₹30,80,000/-, out of which ₹25,00,000/- has already been paid, an aspect admitted even by the Respondent. The Respondent's allegation that the agreement produced is false or fabricated is categorically denied.

29. The Complainant asserts that the agreement is genuine and executed for 1400 sq. ft. The Respondent's claim that the Complainant paid only ₹25,00,000/- and falsely claimed full payment is denied as frivolous.

30. The Complainant reiterates that ₹25,00,000/- was paid in accordance with the terms of the Agreement and the Respondent is attempting to evade the contractual obligations.

31. The Complainant denies the Respondent's allegations that he is a real estate agent, that an earlier agreement existed for 1120 sq. ft, or that he brought a second agreement for business purposes. These claims are asserted to be false, frivolous, and intended to escape liability for breach of contract. The Respondent is again put to strict proof. The Complainant highlights that the Respondent does not deny the existence of the agreement, the payment of ₹25,00,000/-, or the Respondent's own signatures; the only allegation raised relates to differences in rubber stamps on certain pages, an internal matter for the Respondent, with no bearing on the validity of the agreement.

32. The Complainant denies the Respondent's allegations that the complaint was filed with mala fide intentions or to damage the Respondent's reputation. He asserts that he himself has a reputation in Huzurnagar and would not indulge in such conduct. The Complainant states that the project is still incomplete and the Respondent has breached the agreement. Due to the prolonged and undue delay, he is no longer interested in purchasing the flat and has suffered mental agony.

33. Accordingly, the Complainant prays for a direction to the Respondent to refund ₹25,00,000/- along with interest at 24% per annum from the dates of respective payments, award of costs and compensation for mental agony, and any further relief deemed fit by the Authority.

E. Point for Consideration

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

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

F. Observations of the Authority

35. Upon a careful examination of the pleadings, documents, and submissions placed on record by both parties, this Authority finds it necessary to address the central issue relating to the entitlement of the Complainant for a refund of the sale consideration. As per the documents produced before this Authority, the parties have entered into an Agreement of Sale dated 05.02.2021, for the sale of Flat No. 101, in the residential project “Konathams IV Residency” situated at Sy. No. 201/A5, KODAD Revenue Village, KODAD Mandal, Suryapet District, Telangana (hereinafter referred to as the “Scheduled property”).

36. It has been submitted by the Complainant that an amount of Rs. 25,00,000/- (Rupees Twenty-Five Lakh Only) has been duly paid by the Complainant towards the total sale consideration of the Scheduled property and has also submitted that the said amount was paid in instalments and the payment mode was cash. The Complainant has only produced the payment receipt dated 08.01.2021 issued by the Respondent herein acknowledging a sum of Rs. 9,00,000/- (Rupees Nine Lakh Only) and a receipt dated 31.10.2023 acknowledging Rs. 2,00,000 (Rupees Two Lakh Only) for payment of the Scheduled property before this Authority. Accordingly, the total amount substantiated by documentary evidence before this Authority is Rs.11,00,000/- (Rupees Eleven Lakh Only). However, the Respondent has admitted before this Authority that an amount of Rs. 25,00,000/- has been received from the Complainant as part of the sale consideration therefore, it shall be considered that an amount of Rs. 25,00,000/- has been duly paid by the Complainant towards the entire sale consideration.

37. It is the case of the Complainant that despite receipt of the said amounts, the Respondent failed to execute and register a Sale Deed in the Complainant's favour and did not hand over lawful possession of the flat. The Complainant further contended that repeated requests and

approaches made to the Respondent did not yield any positive response and that the Respondent failed to fulfil its obligations. In view of the prolonged delay and non-execution of the Sale Deed, the Complainant has sought refund of the amounts paid by him together with interest for such delay.

38. The Respondent has admitted that the Complainant is the purchaser of Flat No.101 in the Scheduled property. The Respondent has further contended that the project has been completed and that the flat is ready for registration and delivery. However, admittedly, no registered Sale Deed has been executed in favour of the Complainant till date.

39. It has also been alleged by the Respondent that the Complainant has enclosed false and fabricated Agreement of Sale. According to the Respondent, the original transaction between the parties pertained to Flat No. 101 admeasuring 1120 sq. ft. for a total sale consideration of Rs.30,80,000/- (Rupees Thirty Lakh Eighty Thousand Only). However, as per the admissions made by the Respondent as well, an amount of Rs. 25,00,000/- (Rupees Twenty-Five Lakh Only) has been paid by the Complainant towards part of the sale consideration. The Respondent submits that after about one year of the original transaction, the Complainant approached the Respondent with another agreement and requested the Respondent to sign the same, stating that it was required for facilitating a proposed transaction with a third party. The Respondent alleges that the Complainant has selectively produced pages from different agreements before this Authority and that the rubber stamp appearing on the first page differs from the stamp appearing on the other pages. On this basis, the Respondent contends that the Agreement of Sale produced by the Complainant has been fabricated and manipulated. The Respondent further submits that the Complainant has relied upon the said document with an intention to avoid payment of the alleged balance sale consideration and to seek reliefs to which he is not entitled.

40. This Authority notes that, during the course of proceedings, it has come to light that a subsequent Agreement of Sale dated 20.01.2022 was executed by the Respondent in respect of the very same Scheduled Property in favour of the wife of the Complainant namely Mrs. Bonala Vijaya.

41. This Authority notes that the Complainant, while filing the present Complaint, failed to disclose and place on record the subsequent Agreement of Sale dated 20.01.2022 executed in favour of his wife. The existence of the said Agreement of Sale is a material fact having a direct

bearing on the maintainability of the present complaint and the determination of the rights flowing from the transaction relating to the Scheduled Property.

42. During the proceedings before this Authority, the Complainant has admitted that such a subsequent Agreement of Sale exists between the Respondent and his wife. Once the existence of the subsequent Agreement of Sale is admitted, the non-disclosure thereof in the complaint amounts to suppression of a material fact. A party approaching this Authority is expected to disclose all relevant facts necessary for a fair adjudication of the dispute. Suppression of material facts disentitles such party from seeking discretionary relief.

43. Further, the subsequent Agreement of Sale dated 20.01.2022 evidences that the contractual rights in respect of the Scheduled Property are claimed through the wife of the present Complainant. Therefore, any grievance arising out of the said Agreement, including claims relating to possession, registration, refund, compensation or any other relief concerning the Scheduled Property, would primarily vest with the allottee/purchaser under the said subsequent Agreement of Sale.

44. In view of the foregoing discussion, this Authority is of the considered opinion that the present Complaint is not maintainable. The Complainant has approached this Authority without disclosing the subsequent Agreement of Sale dated 20.01.2022, which constitutes a material fact having a direct bearing on the adjudication of the present dispute. Further, the said subsequent Agreement of Sale dated 20.01.2022 stands in the name of the Complainant's wife, who has neither been impleaded as a party to the present proceedings nor has the Complainant produced any authorization or other legal instrument demonstrating his authority to represent the present Complaint on her behalf. In the absence of the allottee under the subsequent Agreement of Sale before this Authority, and in view of the suppression of material facts, the present Complaint is not maintainable. Consequently, the Complainant is not entitled to the reliefs sought in the present proceedings.

45. However, this Authority clarifies that dismissal of the present complaint shall not preclude the aggrieved person from pursuing remedies available under law. The wife of the present Complainant, being the person in whose favour the subsequent Agreement of Sale dated 20.01.2022 has been executed, shall be at liberty to avail appropriate legal remedies, including filing a fresh complaint before the competent forum, if so advised and if permissible under law.

46. This Authority further notes that the project "Konathams IV Residency" was granted registration with this Authority bearing Registration No. P01900005509 for the period commencing from 14.12.2022 to 07.09.2024. However, the Agreement of Sale dated 05.02.2021 executed in favour of the present Complainant, as well as the subsequent Agreement of Sale dated 20.01.2022 executed in favour of the Complainant's wife, were admittedly executed much prior to the registration of the project.

47. The execution of the aforesaid Agreements of Sale unmistakably establishes that the Respondent had undertaken booking and sale of apartments in the project prior to obtaining registration 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 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.

48. In the present case, the Respondent admittedly entered into Agreements of Sale 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 Act 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 Act prior to such registration. The contravention stood complete on the date the Respondent advertised, booked and entered into Agreements of Sale in respect of units in the project without obtaining prior registration.

49. 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 Act, in accordance with law.

50. 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, 2016.

51. In view of the foregoing observations and findings, the Complaint is hereby dismissed as not maintainable before this Authority.

G. Directions of the Authority

52. In light of the findings recorded above and in exercise of the powers conferred under Sections 37 and 38 of the Real Estate (Regulation & Development) Act, 2016, this Authority issues the following directions:

- i. This Authority directs the TGRERA Secretary to initiate steps for imposition of penalty against the Respondent M/s. Balaji Homes in respect of the project “Konathams IV Residency”, for violation of Section 3 of the RE (R&D) Act, 2016.

53. Accordingly, 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
--	---

TELANGANA REAL ESTATE REGULATORY AUTHORITY