

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

Complaint No. 355 of 2025

12th 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

Bakki Sneha

*D/o Bakki Suresh Kumar
House No. 13-5-431/5/C, Tallagadda,
Karwan, Hyderabad-500006*

...Complainant

Versus

Aliens Developers Pvt. Ltd. Space Station,
*Rep. by Hari Challa and Venkat Prasanna Challa
Sy. No. 384, 385, Aliens Space Station,
Tellapur, RC Puram Mandal, Gachibowli,
Sangareddy District- 502032*

...Respondent

The present matters filed by the Complainant hereinabove came up for final hearing on 07.08.2025 before this Authority in the presence of the Complainant and M. Ashwin Reddy, Counsel for the Respondent, and upon hearing the arguments of both the parties, this Authority passes the following **ORDER**:

2. The present Complaint has been filed under Section 31 of the Real Estate (Regulation and 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 action against the Respondent.

A. Brief facts of the case:

3. The Complainant had booked Flat No. 544 in the Respondent's project and paid a token advance amount of ₹2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) via cheque on 31.05.2020. The said amount was duly acknowledged and a receipt was issued by the Respondent.

4. Subsequently, the Complainant orally communicated the cancellation of the said flat booking to Mr. Sriram, an authorized representative of the Respondent, who had also originally collected the booking amount. Pursuant to this, the Respondent sent the Cancellation Deed to the Complainant for signature. The Complainant duly signed and returned the Cancellation Deed, which was formally executed on 18.11.2021.

5. As partial refund, the Respondent transferred ₹50,000/- (Rupees Fifty Thousand Only) to the Complainant's bank account bearing Account No. 04011010003633 in October 2022.

6. Despite repeated oral and in-person follow-ups by the Complainant, the balance amount of ₹2,00,000/- (Rupees Two Lakhs Only) remains unpaid as on the date of filing this complaint. The Respondent has neither communicated nor provided any valid reason for withholding the refund.

B. Relief(s) Sought:

7. In light of the above, aggrieved by the actions of the Respondents, Complainant sought for the following reliefs:

- a. Interest on ₹2,50,000/- @ 6% per annum from 31.05.2020 (date of initial payment) till October 2022 (when partial refund of ₹50,000/- was made), in recognition of the holding of the Complainant's funds by the Respondent for over two years.
- b. Direction to the Respondent to immediately refund the balance amount of ₹2,00,000/- (Rupees Two Lakhs Only) to the Complainant, along with interest @ 6% per annum from October 2022 till the date of actual payment.
- c. Award of costs, in view of the Complainant's repeated personal visits and mental and financial hardship faced in pursuing the refund for several years without redressal.
- d. Any other appropriate reliefs as this Hon'ble Authority may deem fit and proper in the interest of justice and equity.

C. Counter Filed by the respondent

8. The Respondent respectfully submits that the address for service of all notices, summons, and legal process upon the Respondent is the same as indicated in the cause title. The same address shall apply for the counsel representing the Respondent, namely Sri M. Ashwin Reddy, V. Sai Teja, Umesh Mantri, and V.L.N. Srinivas, Advocates, whose office is

situated at Plot No. 40, C-Lane 10, Lane No. 12, MLA Colony, Banjara Hills, Hyderabad – 500034.

9. The Respondent submits that the deponent herein, Sri Venkata Prasanna Challa, S/o CVR Choudhary, aged about 46 years, residing in Hyderabad, is the Authorized Representative and Joint Managing Director of the Respondent company, having its Registered Office at Sy. No. 384 & 385, Tellapur, Gachibowli, Hyderabad. The deponent affirms the contents herein as true to his knowledge and belief.

10. The Respondent submits, by way of preliminary objection, that the Complaint is liable to be dismissed at the threshold since the Complainant has not cited any specific provision or rule under the Real Estate (Regulation and Development) Act, 2016, which is allegedly violated. The Complaint lacks the foundational legal basis to constitute a prima facie cause of action under the RERA framework.

11. The Respondent further submits that the Complainant voluntarily relinquished her status as an “allottee” within the meaning of Section 2(d) of the RERA Act. The Complainant unilaterally requested cancellation of the allotment without furnishing any justifiable cause or lawful basis. Acting upon such request, the Respondent duly cancelled the booking. In such circumstances, the Complainant ceases to fall within the definition of an “allottee,” and the jurisdiction of this Hon’ble Authority is thereby ousted. It is humbly submitted that no provision under the RERA Act enables a non-allottee to seek refund or invoke the jurisdiction of this Authority in such cases.

12. The Respondent states that the Complainant’s own act of seeking cancellation is fatal to the maintainability of the present complaint. As per Section 2(d) of the RERA Act, an "allottee" is defined as a person to whom a unit has been allotted or sold, but does not include a person to whom such unit is merely given on rent. Once the allotment has been cancelled, the Complainant cannot claim to retain the status of an allottee, and as such, lacks the requisite locus to maintain the present proceedings.

13. The Respondent alleges that the Complainant has approached this Hon’ble Authority with suppression of material facts and without disclosing the true circumstances of the case. The Complaint is thus vitiated by concealment, is devoid of merit, and is liable to be dismissed as not maintainable in law or on facts.

14. The Respondent categorically denies all allegations made in the Complaint as false, baseless, and lacking any supporting documentation. It is asserted that the allegations are fabricated with the intent to cause wrongful loss and harassment to the Respondent. The Complainant is put to strict proof of all such allegations.

15. The Respondent submits that the underlying dispute pertains to the enforcement and effect of a Cancellation Deed voluntarily executed between the parties. Such disputes, being contractual in nature, fall outside the purview of RERA and lie exclusively within the jurisdiction of the competent civil courts. The Complainant seeks reliefs that are contractual in essence and not contemplated under the provisions of RERA.

16. The Respondent submits that for a complaint to be maintainable under RERA, the Complainant must possess a present and subsisting interest in the project as of the date of filing. In the instant case, as the Complainant had already cancelled her booking, she no longer had any such interest, and therefore lacks locus standi to invoke the jurisdiction of this Hon'ble Authority.

17. The Respondent further submits that the Complainant has failed to indicate the specific provision of RERA under which the relief of refund or enforcement of a cancellation deed is sought. Section 31 of RERA permits a complaint only where there is a violation of the Act by a promoter. No such violation has been pleaded or established in the instant matter.

18. The Respondent states that the Complainant approached the Respondent on 31.05.2020, inspected the site personally, and upon being satisfied with the project details, opted to reserve Flat No. 544, situated on the 5th Floor of Station 07, by paying an amount of ₹2,50,000/-. The booking was made voluntarily after due verification of title and approvals.

19. The Respondent submits that it is a reputable construction entity founded by experienced developers and constructed with inputs from reputed consultants. The cancellation, being at the sole instance of the Complainant without any allegations of deficiency or delay, makes it apparent that the Complainant acted unilaterally and not due to any violation by the Respondent.

20. The Respondent submits that the cancellation was promptly processed upon receiving the Complainant's confirmation, and a Deed of Cancellation was executed mutually to formalize the process. The said Deed forms part of the record as Annexure-A.

21. The Respondent relies upon authoritative pronouncements of the Hon'ble Supreme Court, including *Maula Bux v. Union of India*, (1970) 1 SCR 928, and *Sirdar K.B. Ram Chandra Raj Urs v. Sarah C. Urs*, (2015) 4 SCC 136, to submit that forfeiture of amounts in the event of cancellation must be reasonable, and in the absence of actual damage, the forfeiting party must refund the amount. The NCDRC has consistently held that forfeiture of more than 10% as earnest money is impermissible in such cases.

22. The Respondent submits that, despite the above legal position entitling it to forfeit 10% of the sale consideration, the Respondent in good faith refunded the entire booking amount of ₹2,50,000/- to the Complainant. An initial amount was refunded in October 2022, and the remaining amount of ₹2,00,000/- was paid subsequently, thereby resolving the matter amicably. The proof of such payment is annexed as Annexure-D.

23. The Respondent submits that having received full refund without any deduction, the Complainant has no surviving claim or grievance against the Respondent. As such, the present complaint is rendered infructuous and deserves to be dismissed.

24. The Respondent further submits that for a refund to be ordered under RERA, there must be a violation of specific provisions such as Sections 7, 11(5), 12, 14, 18 or 19. In the instant case, no such violation has occurred. There has been no false advertisement, no change in sanctioned plans, and no delay in possession. The cancellation was purely at the behest of the Complainant.

25. The Respondent submits that, by executing the Deed of Cancellation and accepting the refund in full, the Complainant has relinquished all rights, claims, or interests in the said project. The Complainant cannot now, by way of this complaint, seek benefits beyond the agreed terms. It is a settled position of law that one who does not hold any subsisting interest in a project cannot maintain a complaint under RERA.

26. The Respondent submits that this Hon'ble Authority is vested with limited jurisdiction under the RERA framework and cannot grant reliefs beyond what is contemplated under the Act or those voluntarily agreed between parties. The decisions of the Maharashtra RERA in *Urban Infrastructure Trustees Ltd. & Anr. v. Macrotech Developers Ltd.* [CC006000000251910] and *Itsekhar Yusuf Sheikh v. Dhruva Woolen Mills Pvt. Ltd.* [CC0060000000259] affirm that only parties having a subsisting legal interest in the project may invoke RERA jurisdiction. Section 18 provides for interest only under an Agreement for Sale, not under a Cancellation Deed.

E. Observation of the Authority

27. Upon careful perusal of the available material on record, the facts admitted before us by both the parties. It is undisputed that the Complainant has paid Rs. 2,50,000/- as booking amount towards the purchase of the flat 544, Station-7 on 5th floor having built up area of 1687 sq. ft. 3bhk along with one car parking space in the Respondent's Project, and the same has been confirmed by the Respondent through the counter submitted by the Respondent. It is also agreed and admitted by both the parties that the said booking of the flat was cancelled subsequently vide a Deed of Cancellation, which included a promise of refund of the entire amount of Rs. 2,50,000/- by the respondent within a specified timeline mentioned therein. However, the Complainant contends that she has received only Rs. 50,000/- and that the Respondent failed to refund as per the payment schedule mentioned in the said cancellation deed.

29. In reply to the allegations made in the complaint, the Respondent submitted a detailed counter raising several preliminary objections as to the maintainability of the complaint before this Authority. The Respondent specifically contended that the Complainant, having voluntarily cancelled the booking of the subject unit, has ceased to have the status of an allottee under the provisions of the Real Estate (Regulation and Development) Act, 2016, and therefore cannot invoke the jurisdiction of this Authority.

30. The Respondent further submitted that the complaint does not disclose any specific violation of the provisions of the Real Estate (Regulation and Development) Act, 2016, which is a necessary requirement for establishing the legal tenability of proceedings under the said Act. It was alleged that the dispute raised by the Complainant is purely contractual in nature, arising out of and pursuant to the cancellation deed executed between the parties, and as such, the same falls within the jurisdiction of a competent civil court and not before this Authority.

31. The Respondent also placed on record that the entire sum of Rs. 2,50,000/- paid by the Complainant has already been refunded, leaving no surviving claim or subsisting cause of action which could warrant adjudication under the provisions of the Act. In light of the aforesaid contentions, the Respondent asserted that the complaint is devoid of legal standing and prayed that it be dismissed at the threshold as not maintainable in law.

32. In order to determine the maintainability of the complaint, the status of the complainant as allottee needs to be considered first. Under the Real Estate (Regulation and Development) Act, 2016, the term "allottee" is defined in Section 2(d) as:

“allottee’ in relation to a real estate project, means the person to whom a plot, apartment or building, as the case may be, has been allotted, sold (whether as freehold or leasehold) or otherwise transferred by the promoter; and includes the person who subsequently acquires the said allotment through sale, transfer or otherwise but does not include a person to whom such plot, apartment or building, as the case may be, is given on rent;”

It is evident from the record, and indeed admitted by the Respondent in clause 10 of its counter, that the Complainant was allotted Flat No. 544 in the impugned project. Thus, the Complainant initially held the status of an allottee. As regards the contention that such status stood extinguished upon cancellation, this Authority notes that the cancellation deed placed on record does not bear any date of execution, nor is there material to show that it was executed by both parties in a valid and binding manner. But, as both the Complainant and the Respondent, both are relying upon the non-executed cancellation deed, hence this Authority is also taking the cancellation deed into consideration.

33. Now, reverting to the facts of the present case, it is evident that the Respondent had not refunded the agreed amount at the time of filing the present Complaint. Furthermore, in a similar matter involving the same Respondent who has taken an identical stand, this Hon’ble authority passed an order in the case *Kolla Lakshmi Kumari v. M/s Aliens Developers Private Ltd.* (Complaint No. 304 of 2024), the same Respondent–promoter had raised the contention that, since the Complainant had cancelled her booking, she had consequently forfeited her rights as an allottee and therefore ceased to fall within the definition of an allottee, disentitling her from seeking any further reliefs under the Act. The Authority, however, did not accept this plea and categorically held that the Complainant continued to retain her status as an allottee, thereby rejecting the Respondent’s argument.

“14... The cancellation of allotment becomes final only when the entire refund amount is remitted back to the Complainant as agreed. It is observed that the said cancellation process only commenced when the parties executed the cancellation deed but remains incomplete due to the non-payment of the refund amount as per the agreed payment schedule. Since the cancellation has not attained its finality, the complainant continues to be recognized as an allottee, rendering the respondent's claim that the complainant has ceased to be an allottee untenable.”

34. Having thus conclusively determined that the Complainant continues to hold the status of an allottee for the purposes of availing relief under the RE(R&D) Act, 2016, the next issue that arises for consideration pertains to the maintainability of the present complaint. The Respondent has urged that the complaint deserves to be dismissed on the ground that no subsisting cause of action survives, inasmuch as the Respondent has already effected payment of the refund amount to the Complainant.

35. However, the point to be taken note here is that the Respondent has not complied with the payment schedule mentioned in the cancellation deed, since it had to pay the entire amount of Rs.2,50,000/- in two equal instalments of Rs. 1,25,000/- in the month of April, 2021 and May, 2021. As per the Complainant's submission, she has already received Rs.50,000/- from the Respondent on October, 2022. The Respondent has also agreed to the same in his counter, para No.14. The Respondent has also submitted in his counter that he has paid the remaining amount of Rs.2,00,000/-. While the Respondent has filed a deposit copy of a cheque for ₹2,00,000/-, it has not produced proof of encashment, and the Complainant has denied receipt of the said sum.

36. Therefore, the cause of action continued to subsist as on the date of final hearing, i.e., 07.08.2025. Once it stands established that a valid and enforceable cause of action existed at the time of institution of the complaint, and that the Complainant continues to enjoy the status of an allottee, it necessarily follows that the obligations of the developer under the agreement cannot be deemed to have come to an end merely upon execution of a cancellation deed. Such obligations remain in force until complete compliance with all the terms and conditions of the agreement, including the refund of monies lawfully due, is achieved. Any failure on the part of the Respondent to discharge these obligations confers upon the Complainant the right to seek appropriate reliefs before this Authority. In view thereof, the present complaint is maintainable before this Authority.

37. Now, the Authority will examine, if the Complainant is entitled to the relief she has asked for. Wherein the Complainant has failed to produce any substantial evidence explaining the reasons for cancellation or the terms thereof. Equally, the Respondent has not produced cogent evidence of having duly discharged its obligation to refund. As earlier discussed, the Respondent even though had submitted one filed a deposit copy of a cheque for ₹2,00,000/- dated 30.07.2025, the Respondent has failed to submit any proof of encashment of the same. In the absence of such proof, the Authority is not taking the

submitted document into consideration. In such circumstances, notwithstanding the Respondent's objections as to jurisdiction and maintainability, this Authority is constrained to hold that the Complainant, being an allottee, remains entitled to seek refund of the balance amount of ₹2,00,000/-. With respect to the interest the Complainant is asking for, in the absence of any proof as to the cause of the cancellation, the Authority constrains itself from give such order in favour of the Complainant.

38. Nevertheless, in the larger interest of justice and equity, the Authority considers it just and proper to direct refund of the said amount. This Authority directs that the Respondent shall refund the said sum of ₹2,00,000/- (Rupees Two Lakhs only) to the Complainant forthwith.

E. Direction of the Authority

39. Vide its powers under Sections 37 & 38 of the RE (R&D) Act, 2016, this Authority issues the following direction:

- i. The Respondent is directed to refund the amount paid by the Complainant, that is Rs. 2,00,000/-(Rupees Two Lakhs Only) within 30(thirty) days from the date of this Order.
40. Failing to comply with the above-said directions by Respondent shall attract penalty in accordance with Section 63 of the RE(R&D) Act, 2016.
41. The Complaints are disposed of in lieu of the above directions. 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