

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Date: 9th January, 2026

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

COMPLAINT NO. 58/2025/TGRERA

1. Mrs. Rizvana Begum w/o Mohammed Ibrahim

2. Mohammed Ibrahim

*Flat No.308, SS County
Near GMR Convention, Patancheru-502319
Sangareddy Dist. Telangana.*

...Complainant

Versus

M/s Pacifica Construction Pvt. Ltd. represented by its CEO, Mr. Ashish Handa

*C/o.M/s.Nebula Infraspace LLP
Nebula Aavaas Hyderabad, Bollaram Road,
Coca-Cola Junction, Ameenpura, Miyapur, Hyderabad-500049.*

...Respondent

The present matter filed by the Complainant mentioned herein-above came up for hearing before this Authority in the presence of the Complainant, and the Respondent's counsel M. Naga Deepak and V. Ravi Kiran. Upon hearing the submissions of all the parties, this Authority proceeds to pass 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 Respondent.

A. Brief facts of the Case as per Form M filed by Complainant

3. It was submitted that the Complainants, Mrs. Rizvana Begum and Mr. Mohammed Ibraheem, were the allottees of Flat No. AW5-504 in the project "AAVAS HYDERABAD," located at Sy. Nos. 311(P), 312(P), 313(P), 316(P), and 317(P), Bachupally, Medchal-Malkajgiri District.

4. It was stated that the Complainants were allotted the said flat, admeasuring 861 sq. ft., for a total consideration of ₹32,88,442/- (including GST and all other charges), as per a booking form dated 26/12/2016.

5. It was submitted that, as per the booking form and a welcome letter dated 26/12/2016, the promoter had committed to deliver the flat within 36 months, which set the expected delivery date as 26/12/2019.

6. The Complainants stated that they had, to date, paid a total amount of ₹24,22,208/- to the Respondent in multiple instalments. The payments were submitted as follows:

Date	Amount (₹)	Payment Type
26/12/2016	50,000	Booking Amount
	5,90,508	Instalments paid for 36 Months
05/04/2019	2,61,292	Self Finance
14/05/2019	2,00,000	Self Finance
11/06/2019	1,91,938	Self Finance
11/01/2020	1,30,646	Self Finance
18/02/2021	2,61,292	Bank Loan
19/02/2021	4,00,000	Bank Loan
03/02/2024	3,36,532	Bank Loan
Total	24,22,208	

7. It was further submitted that after much follow-up, the promoter executed an *unregistered* Agreement for Sale on 03/01/2019. It was alleged that in this document, the promoter "recommitted" to a new delivery timeline of 60 months from the date of the Agreement for Sale (as per Para 10 of the AFS), setting a revised, now-expired deadline of 03/01/2024.

8. It was contended that despite this revised deadline also having passed, the promoter was still not delivering or registering the flat. The Complainants alleged that the flat was in a deliverable condition with only minor works pending and that they were approaching the Authority due to multiple unsuccessful attempts to get an update from the promoter.

9. It was also alleged that the promoter was promoting the project under the brand name "NEBULA," (M/s. Nebula Infraspace LLP) and was issuing booking forms and allotment letters under that name. However, the Complainants stated that the project was registered with RERA by "M/s. Pacifica Constructions Pvt. Ltd." as the promoter.

10. The Complainants further contended that the promoter was misleading the public by advertising the project as "AAVAAS by Nebula," whereas the project's registered name with the RERA Authority was "AAVAAS HYDERABAD."

11. Finally, it was alleged that the promoter was collecting GST at a rate of 8%, whereas the Complainants contended that the applicable rate for affordable housing should be 1%.

B. Reliefs Sought

12. The Complainants accordingly sought the following reliefs:

- i. *Please direct the Promoter to register and hand over the possession of our Flat immediately.*
- ii. *Please direct the promoter to compensate for my financial loss due to delay in the project for and for the mental agony which is tolerated for 8 years.*
- iii. *Recommend the GST Authority for unfair collection of excess GST from the Allottees.*

C. Counter filed by the Respondent

13. It was affirmed by Vikram Daitha, the authorized signatory of the Respondent, who stated that he was well acquainted with the facts of the case and swore to the contents of the present affidavit.

14. At the outset, it was submitted that the present complaint was not maintainable either in facts or in law and was only a vexatious and frivolous litigation to harass the Respondent herein.

15. It was respectfully submitted that the present complaint had been filed with prayers to direct the Promoter to register and handover possession, to compensate for financial loss due to delay, and to recommend action to the GST Authority for unfair collection of excess GST.

16. In relation to the first prayer, it was respectfully submitted that the Complainant was offered to clear the existing dues and proceed for registration right from the month of March 2023. It was stated that the authorized representative of the Respondent had appeared before

the Hon'ble Authority and conveyed the willingness to register the sale deed, subject to payment of all amounts due as agreed by the Complainant himself. The Respondent reiterated its readiness to register the sale deed and handover possession even today, subject to the payment of all amounts due.

17. In so far as the second prayer regarding compensation, it was respectfully submitted that the agreement of sale itself was executed on 03-01-2019, wherein the complainant had agreed to a handover of possession after a period of 60 months from the date of execution. It was further submitted that in view of the COVID-19 pandemic, the Hon'ble authority had extended the timeline for completion. It was stated that the Respondent had registered the project Aavas Hyderabad (No. P02200000223), which was valid up to 31-12-2024, and a further extension of 6 months ending 30-06-2025 was granted. Therefore, it was contended that the question of delay did not arise, much less the payment of compensation for such non-existent delay.

18. Regarding the third prayer concerning GST, it was submitted that although affordable housing was notified under 1% GST, the GST department had permitted the taxpayer to opt for either the 1% (without input) or the 8% regime. It was stated that the Respondent had opted for the 8% regime and was discharging the tax accordingly. It was argued that the Respondent gained no benefit, as the GST collected was remitted to the statutory authorities. Therefore, the prayer was described as unsustainable.

19. In response to the facts of the case, it was stated that the Complainants had booked Flat No. AW5-504 in the project Aavas Hyderabad, but it was incorrect that the allocation was done on 26-12-2016; rather, the allocation was subject to several conditions. It was denied that the Respondent had committed to deliver the flat within 36 months from 26-12-2019. It was argued that by virtue of executing the agreement of sale dated 03-01-2019, the Complainant had accepted delivery after 60 months, which would supersede any previous agreements. It was stated as true that the Complainant had paid Rs. 24,22,208/-, but the balance sale consideration had to be paid, upon which the Respondent would execute the sale deed. It was specifically denied that the Respondent was not delivering or registering the flat; in fact, it was noted that the Complainants themselves acknowledged the construction was complete and an occupancy certificate had been applied for and was awaited. It was reiterated that the Respondent was ready to execute the sale deed subject to clearance of all dues.

20. It was stated as true that the project was promoted under the brand name Nebula, which facilitates marketing and booking activities for the Respondent. The allegation that this was misleading was stated as incorrect and denied, as the Respondent was registered.

21. The allegation that the applicable GST was 1% was stated as incorrect and denied; it was reiterated that the applicable GST was 8%.

22. It was also submitted as necessary to bring to the notice of the Hon'ble Authority that the Complainant herself was a marketing agent of the Respondent and had taken hefty amounts as commission for the sale of apartments in the very same project. It was contended that after acting as an agent and selling the apartments herself, the Complainant had no authority to file the present complaint, which was described as nothing but vindictive litigation.

23. Therefore, in view of the above, it was humbly prayed that the authority be pleased to dismiss the present complaint.

D. Rejoinder filed by the Complainant

24. It was affirmed by Rizwana Begum and Mohammed Ibraheem, the Complainants herein, who stated that they were fully conversant with the facts and circumstances of the case and had perused the Counter-Affidavit filed by the Respondent.

25. It was submitted that the contents of the Respondent's Counter-Affidavit, except for what was expressly admitted, were categorically denied as being contrary to the facts on record. The preliminary objection raised by the Respondent that the present complaint was "vexatious and frivolous" was stated as not only baseless but as a calculated attempt to evade their fundamental contractual and statutory obligations under the Real Estate (Regulation and Development) Act, 2016.

26. Regarding the Respondent's assertion that they were prepared to register the property subject to the clearance of dues, it was submitted that this was a disingenuous pretext for their own default. It was stated that the Complainants had consistently demonstrated readiness and willingness to settle all legitimate dues. However, it was contended that the Respondent had deliberately failed to furnish a transparent and itemised Statement of Accounts, and it was apprehended that the alleged "dues" were inflated with unauthorised interest penalties arising directly from the Respondent's sole responsibility for project delays. It was argued that a party in breach of its own primary obligations could not insist upon performance from the other party.

27. Regarding compensation for delay, it was submitted that the Respondent's reliance on a 60-month possession clause from the Agreement for Sale dated 03-01-2019 was a gross misrepresentation of the contractual timeline. It was asserted that the foundational understanding, upon which the Complainants paid the initial booking amount, was the Respondent's unequivocal commitment on 26-12-2016 to deliver possession within 36 months. It was argued that the subsequent 2019 agreement was a mere formality and could not be used to unilaterally and retrospectively extinguish the Respondent's prior commitment, as the Respondent was legally estopped from reneging on its initial representation. It was further submitted that the invocation of RERA registration validity and COVID-19 extensions was a fallacious argument. It was contended that the burden of proof rested squarely on the Respondent to establish, with cogent evidence, that the delay was directly and exclusively attributable to the pandemic, which they had failed to do. It was asserted that the inordinate delay had commenced long before the pandemic, and therefore, the Complainants were fully entitled to compensation for the entire period of delay as per Section 18 of the Act.

28. Regarding GST Collection, it was submitted that the Respondent's justification for levying GST at 8% was legally untenable and amounted to an unfair trade practice. It was stated that the project was explicitly marketed as "affordable housing," for which the concessional GST rate of 1% was applicable. The Respondent's unilateral decision to opt for a different tax regime, without the knowledge, consultation, or consent of the Complainants, was described as a flagrant violation. It was argued that the fact that the collected amount was remitted to the government did not absolve the Respondent of its liability to charge the correct and legally applicable rate.

29. Regarding the Respondent's contention that the 2019 agreement superseded all prior commitments, it was submitted that this was legally flawed. It was argued that the initial booking terms, including the 36-month delivery promise, formed the very basis of the contract and consideration, based on which the Complainants had paid a substantial sum of Rs. 24,22,208/-.

30. Regarding the allegation that the Complainant was an agent, it was submitted that this averment was a baseless ad hominem attack, irrelevant to the merits of the case, and introduced with the sole intent to malign the Complainants. It was contended that the Complainants' rights as an "allottee" under the Act were distinct, sacrosanct, and independent of any other alleged

professional capacity. It was argued that this scandalous allegation had no bearing on the Respondent's failure to meet its obligations and ought to be expunged from the record.

E. Point for Consideration

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

- I. Whether the Complainants are entitled to the reliefs sought? If so, to what extent?

F. Observations of the Authority

32. This Authority has carefully examined the pleadings, documents, and submissions advanced by both the Complainants and the Respondent in relation to the first relief sought, namely the request for a direction to register and hand over possession of Flat No. AW5-504 in the project "Aavas Hyderabad." The Complainants have alleged that despite paying a substantial portion of the sale consideration and despite repeated assurances from the Respondent, the registration and handover of the flat have not been completed, even though the unit is stated to be in a deliverable condition. The Respondent, on the other hand, has contended that it has always been ready and willing to execute the registered Sale Deed and hand over possession, subject to the Complainants clearing the outstanding dues as per the agreed terms.

33. The record discloses that the Complainants initially booked the flat on 26.12.2016, at which time the Respondent represented that possession would be handed over within 36 months, i.e., by 26.12.2019, as reflected in the Welcome Letter. Subsequently, on 03.01.2019, the Respondent executed an unregistered Agreement for Sale (AFS), stipulating a fresh possession timeline of 60 months from the date of its execution, thereby extending the promised possession date to 03.01.2024. It is an undisputed fact that even this revised commitment has not been honoured by the Respondent.

34. This Authority notes that two separate contractually recorded timelines were provided first under the Booking Form (2016) and later under the Agreement for Sale (2019). The Respondent has failed to deliver possession under both timelines. As a result, the Complainants, who booked the unit nearly nine years ago, continue to wait for the registration and delivery of their flat. The Respondent has vocally contended that the Complainants have not cleared dues; however, it is equally true that an allottee who has been made to wait for nine

years after paying a substantial amount cannot be faulted for seeking clarity before making further payments.

35. It is the basic obligation of a promoter, particularly in cases of prolonged delay, to transparently communicate revised timelines and corresponding payment schedules. Keeping the allottee uninformed and demanding payments as per the promoter's convenience is neither fair nor consistent with the obligations under the RE(R&D) Act. The conduct of the Respondent reflects a lack of good-faith communication and falls short of the standards expected under the Real Estate (Regulation and Development) Act, 2016.

36. This Authority further observes that in real estate transactions, an allottee who has already invested substantial funds is often placed in a position of unequal bargaining power. Having already locked in significant financial resources, the allottee has little choice but to sign subsequent documents placed before him by the developer even if such documents alter earlier terms, including the possession timeline. Therefore, the Respondent cannot rely on the later AFS as a shield to justify prolonged delay, particularly when the Complainants had already substantially performed their obligations by that time. The Authority finds no merit in the Respondent's attempt to attribute non-payment of dues to the Complainants, especially when the Complainants have diligently waited for registration for nearly a decade.

37. Under Section 17(1) of the RE (R&D) Act, 2016, once the Occupancy Certificate (OC) is issued, the promoter is mandatorily required to execute a registered conveyance deed in favour of the allottee, transfer the undivided share in common areas to the association of allottees, and hand over physical possession. In the absence of any local law prescribing a specific timeline, such conveyance must be executed within three months of issuance of the OC.

38. The record reveals that the Respondent obtained the OC on 12.09.2025 vide OC Proceedings No. 002204/HMDA/00659/SWOC/MDL1/2025. The issuance of the OC signifies that the project has been completed in accordance with sanctioned plans and is fit for occupation. Therefore, as on date, there exists no legal impediment preventing the Respondent from executing the Sale Deed or handing over possession.

39. Correspondingly, under Section 19(10), the allottee is required to take physical possession of the apartment within two months from the date of issuance of the OC, and under Section 19(11), to participate in the execution of the conveyance deed.

40. In view of the above, this Authority directs the Complainants to clear the legitimate balance dues, and to cooperate with the Respondent for completion of registration. Simultaneously, the Respondent is directed to initiate and conclude the process of executing the registered Sale Deed and handing over possession of Flat No. AW5-504 to the Complainants without further delay.

41. Before parting with this issue, this Authority deems it necessary to comment on the recurring practice adopted by several promoters, including the Respondent, wherein the possession date mentioned in the Booking Form or Allotment Letter is subsequently altered in the Agreement for Sale. When an allottee has already paid a substantial portion of the consideration at the stage of booking or allotment, the allottee is left with no real choice but to accept the new possession timeline inserted in the agreement for sales. Such agreements are ex-facie one-sided, unfair, and unreasonable, and this Authority condemns such practices. It is precisely to curb such asymmetry of power, lack of transparency, and exploitation of consumers that the Real Estate (Regulation and Development) Act, 2016 was enacted. Promoters are expected to adhere to both the spirit and letter of the RE (R&D) Act, 2016 and must refrain from incorporating terms that defeat consumer rights or dilute earlier commitments made at the time of booking.

42. Moving on to the second 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.

43. Under the framework of the RE (R&D) Act, 2016, a clear distinction is drawn between the jurisdiction of the Regulatory Authority and that of the Adjudicating Officer. While this Authority is empowered to regulate, enforce obligations of promoters, and issue directions under Sections 37 and 38 of the RE (R&D) Act, 2016, claims relating to compensation or monetary damages fall exclusively within the domain of the Adjudicating Officer appointed under Section 71 of the RE (R&D) Act, 2016.

44. The relief sought by the Complainants, which includes compensation for financial loss allegedly suffered due to delay and for mental agony, is therefore not within the adjudicatory scope of this Authority. Such claims are compensatory in nature and cannot be examined or quantified in these proceedings.

45. 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'.

46. With respect to the third relief sought namely, the allegation that the Respondent has unfairly collected GST at 8% instead of the concessional 1% applicable to affordable housing, and the corresponding prayer to recommend action against the Respondent this Authority deems it necessary to delineate the scope of its jurisdiction under the Real Estate (Regulation and Development) Act, 2016.

47. The issue raised by the Complainants pertains entirely to the applicability of the correct rate of Goods and Services Tax (GST) and whether the Respondent has lawfully discharged its obligations under the GST statutory framework. The assessment of tax liability, correctness of tax rates applied, classification of the project under GST, and any alleged excess or improper collection of GST fall exclusively within the domain of the GST authorities, constituted under the Central Goods and Services Tax Act, 2017.

48. Accordingly, this Authority has no jurisdiction to adjudicate whether GST has been wrongly collected or to issue recommendations or directions to the GST Department on such matters. Any grievance regarding the rate charged, excess collection, or misclassification must be raised before the appropriate GST authority in accordance with the procedures laid down under the appropriate law.

49. Hence, the Complainants are directed to approach the competent authority within the GST Department for redressal of their grievance, if they are so advised. No further orders are required on this issue.

50. Moving further, with respect to the issue raised regarding the Respondent's advertisement and promotion of the project under a name different from the one registered with this Authority, it is necessary to examine the matter in light of the object and purpose of the Real Estate (Regulation and Development) Act, 2016. The Preamble to the Act unequivocally states that the statute has been enacted "An Act to establish the Real Estate Regulatory Authority for regulation and promotion of the real estate sector and to ensure sale of plot, apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector...".

Transparency is therefore the foundational pillar of the Act, intended to empower homebuyers with accurate information and to prevent misleading or deceptive practices by promoters.

51. One of the most important mechanisms through which such transparency is ensured is the public access provided to project information on the official RERA website. Every project registered under the RE (R&D) Act, 2016 is assigned a unique registration number and is displayed along with its registered project name. Under this name, all details, including approvals, timelines, promoter information, legal documents, quarterly updates, and compliance status, are available for public inspection. This enables allottees and members of the general public to verify the legitimacy and progress of a project.

52. If promoters advertise a project under a name different from the registered name, it introduces a serious risk of confusion and misinformation among consumers. An unsuspecting allottee searching for the project under the advertised name would not find it on the RERA website, thereby defeating the very purpose of mandatory registration. Such a practice undermines the transparency mandate of the RE (R&D) Act, 2016, has the potential to mislead prospective buyers, and runs contrary to the consumer-protection ethos enshrined in the statute.

53. In the present case, the Complainants have submitted that although the project is registered as “AAVAS HYDERABAD” with this Authority, the Respondents have been advertising it under the name “Aavaas by Nebula.” This Authority notes that the promoter is bound to use only the registered name of the project for all forms of advertisement, marketing, promotion, and sale, as the registered name serves as the official identifier for the project under the regulatory framework.

54. Accordingly, this Authority directs the Respondents to strictly use the name of the project as registered with Telangana RERA in all advertisements, promotional materials, brochures, publications, websites, and communications, whether oral or written. The Respondents are further cautioned that any deviation from this requirement may attract appropriate regulatory action under the RE (R&D) Act, 2016 and Rules.

G. Directions of the Authority

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

- i. The Respondent is directed to execute the registered Sale Deed in favour of the Complainants and hand over possession of Flat No. AW5-504, subject to the

Complainants clearing all dues payable, strictly upon receipt of a clear and itemised Statement of Accounts from the Respondent. The Respondent shall furnish such Statement of Accounts to the Complainants within seven (07) days from the date of receipt of this Order. Upon receipt of the said statement, the Complainants shall verify and clear all legitimate dues within fifteen (15) days thereafter. Immediately upon receipt of such payment, the Respondent shall initiate the process of registration and complete execution of the Sale Deed and handover of possession within thirty (30) days, without any further delay.

- ii. The Respondent is directed to strictly use only the name of the project as registered with Telangana RERA, i.e., "AAVAS HYDERABAD," for all advertising, marketing, promotional, and public communication activities. The use of any alternate or misleading project name is strictly prohibited.
- iii. Failing to comply with the above-said directions by the parties shall attract penal action in accordance with Section 63 of the RE(R&D) Act, 2016.

56. In view of the above, the present complaint is disposed of. No order as to costs.

