

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 287 of 2024

Dated: 12th 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

Sangeeta Singh,

R/o: 8-3-230/B/10, Tulip Arcade,

Jubilee Hills, Road No. 10,

Hyderabad, Telangana - 500045

...Complainant

Versus

1. M/s Provident Housing Limited,

O/o: Puravankara Limited, PVNR Express Highway,

Pillar No. 293, Shivrampally, Rajendra Nagar,

Hyderabad, Telangana - 500030

2. Maddi Seeta Devi,

R/o: Chirala Road, Chilakaluripeta, Guntur District

...Respondents

The present matter filed by the Complainant mentioned herein above came up for hearing before this Authority in the presence of Counsel for Complainant Mr. G. Naresh Kumar, and Counsel for Respondent No.1 Hari Om Legal and upon hearing the submissions of 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 "RE(R&D) Act") read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the "Rules") seeking appropriate relief(s) against the Respondents.

A. Brief facts of the case:

3. It is submitted that the Respondent No.2 is the absolute owner and possessor of land in Sy. Nos. 129 and 131 situated at Katedhan Village, Rajendranagar Mandal, Ranga Reddy District. The said land was given for development to the Respondent No.1 under an Agreement for Sale-cum-Construction for the purpose of construction of apartments/towers in the name and style of "Kenworth", located at PVNR Express Highway, Pillar No. 293, Shivrampally, Rajendranagar, Hyderabad.

4. It is submitted that Respondent No.1 is the real estate developer, and the Complainant came to know about the sale of flats in the said project through online advertisements. Based on the confirmation of allotment dated 12.11.2023, followed by an email dated 25.11.2023, the Complainant was informed of the details.

5. It is submitted that when the Complainant contacted the Respondent company, the Marketing Executive explained the details of the flats, and after due negotiations, the Complainant agreed to purchase Flat No. 212 in her own name and Flat No. 209 in the name of her son, both in Tower No. 13 of the project "Kenworth", PVNR Express Highway, Pillar No. 293, Shivrampally, Rajendranagar, Hyderabad. The Complainant paid an amount of ₹2,00,000/- towards booking of the flat, after which the Respondent's Assistant Manager Sales, Mr. Anvesh Kota, sent an email dated 25.11.2023 giving the price details for Flat No. Kenworth/T13/0212 (3BHK Grand, 1222 sq. ft.) for an agreement value of ₹82,42,309/-, handover charges of ₹4,49,307/-, plus 7.5% registration on agreement value, acknowledging receipt of the booking amount of ₹2,00,000/-. The Complainant confirmed the purchase of the said flat accordingly.

6. It is further submitted that the Complainant issued undated cheques bearing Nos. 533386 for ₹30,00,000/-, 533388 for ₹30,00,000/-, and 533389 for ₹13,50,000/-, all dated 28.11.2023 and drawn on Axis Bank. The Respondent is stated to have orally assured that possession of the flat would be delivered by January 2024. The Respondent No.2 handed over Flat No. 209 to the Complainant's son on 23.12.2023, and hence the Complainant assumed that Flat No. 212 would also be handed over shortly. However, the same was not delivered.

7. It is submitted that the Complainant paid an amount of ₹2,00,000/- on 12.11.2023 towards booking of the flat, ₹11,20,000/- on 20.11.2023 towards part payment of the flat, ₹15,000/- on 03.01.2024 towards the cost of interiors, ₹3,60,829/- on 19.01.2024 towards interior expenditure, and ₹2,25,554/- on 27.02.2024 towards cost of interiors.

8. It is submitted that the Respondent No.1 sent an email dated 04.05.2024 to the Complainant proposing a swap between Flat No. 408 and Flat No. 212 in Tower 13, for which the Complainant agreed. Again, the Respondent sent another email dated 13.05.2024, offering Flat No. 405 instead of Flat No. 408. Subsequently, the Respondent sent an email dated 12.06.2024 stating that they would refund ₹13,20,000/- towards cancellation of the flat, without assigning any reason.

9. It is submitted that the Complainant, vide reply email dated 12.06.2024, did not accept the refund offer and called upon Respondent No.1 to execute the sale deed as agreed in respect

of Flat No. 212. The Complainant further issued an email dated 17.06.2024 reiterating her demand and calling upon the Respondent to perform its part of the contract by executing and registering the sale deed and handing over possession within one week, failing which she would be constrained to initiate appropriate legal proceedings as per law and claim compensation under the provisions of the RE(R&D) Act and Rules.

10. It is submitted that Respondent No.1 is acting fraudulently by delaying and evading the performance of its obligations under the agreement on one pretext or another. The Complainant, being ready and willing to perform her part of the contract, submits that the Respondent has failed to honour its commitments.

B. Relief(s) Sought:

11. Accordingly, the Complainant sought the following reliefs:

- i. *Direct the 1st Respondent–Builder to pay the interest amount on ₹86,00,000/-, as the Complainant has paid till 28.11.2023, and from January 2024 onwards pay the interest amount, since the 1st Respondent has delayed the delivery of the flat on one pretext or another, despite having orally assured that possession would be handed over in January 2024, in respect of Flat No. 212, Tower No. 13, “Kenworth”, PVNR Express Highway, Pillar No. 293, Shivrampally, Rajendranagar, Hyderabad.*
- ii. *Direct the 1st Respondent–Builder to deliver possession of Flat No. 212, Tower No. 13, “Kenworth”, PVNR Express Highway, Pillar No. 293, Shivrampally, Rajendranagar, Hyderabad, and to execute sale deed in favour of the Complainant.*
- iii. *Direct the 1st Respondent to draw the amounts given by the Complainant vide undated cheques bearing No. 533386 for ₹30,00,000/- (Rupees Thirty Lakhs only), No. 533388 for ₹30,00,000/- (Rupees Thirty Lakhs only), and No. 533389 for ₹13,50,000/- (Rupees Thirteen Lakhs Fifty Thousand only), all dated 28.11.2023 and drawn on Axis Bank, Boring Road, Patna (Bihar), and thereafter hand over the said flat to the Complainant forthwith.*
- iv. *Grant costs of the proceedings for the loss sustained by the Complainant, and also for harassment, mental agony, and cost of the proceedings.*
- v. *Pass such other order(s) as this Hon’ble Authority may deem fit and proper in the circumstances of the case.*

C. Counter on behalf of Respondent No.1:

12. At the outset, it is submitted that the present Complaint is not maintainable either in law or on facts and is therefore liable to be dismissed in limine. The Respondent submits that the project in question, namely “*Provident Kenworth*”, is not registered under the Real Estate (Regulation and Development) Act, 2016. Under the statutory scheme of the Act, the jurisdiction of this Hon’ble Authority is confined to matters concerning projects that are duly registered under RERA. Since the present project is not so registered, this Hon’ble Authority lacks jurisdiction to entertain or adjudicate any disputes related to the said project. Accordingly, the Complaint is unsustainable and is liable to be dismissed at the threshold.

13. It is submitted that Section 3(1) of the Act provides that no promoter shall advertise, market, book, sell or offer for sale, or invite persons to purchase any apartment or building in any real estate project without registering the project with the Real Estate Regulatory Authority established under the Act. The said provision is subject to the rules framed by the respective State Government for its implementation. The State of Telangana, through its G.O.Ms.No.202 dated 31.07.2017, published in the Telangana Gazette on 04.08.2017, notified the Telangana Real Estate (Regulation and Development) Rules, 2017, which govern the scope and applicability of the Act within the State.

14. Subsequently, this Hon’ble Authority, through Circular No.607/2025/TGRERA dated 04.03.2025, amended the Telangana RERA Rules and substituted the definition of “Ongoing Project” under Rule 2(1)(j) to mean a project where development is going on and for which the Occupancy Certificate or Completion Certificate from the competent authority has not been issued as on the date of commencement of the Act. It is contended that the combined reading of Section 3 of the Act and the Rules provides clarity on the interpretation and understanding of the term “ongoing project”.

15. It is submitted that in the case of *Boinpally Srinivas Rao & Others vs. State of Telangana & Others*, W.P. No. 4098 of 2025, decided on 23.06.2025, the petitioners challenged the jurisdiction of RERA on the ground that the project approvals were prior to 01.01.2017. The Hon’ble High Court considered the submissions in light of the judgment of the Hon’ble Supreme Court in *Newtech Promoters and Developers Pvt. Ltd. vs. State of Uttar Pradesh*, wherein it was held that the Act has retroactive applicability and applies to ongoing projects and future projects that require registration, whereas projects already completed or having received completion certificates prior to commencement of the Act do not fall within its purview. In the said case,

when the writ petition was filed, the project had not obtained an Occupancy Certificate and therefore fell within the category of an ongoing project.

16. By contrast, in the present case of “Provident Kenworth,” the entire development of the project, including Tower No. 13, was fully completed, and an Occupancy Certificate for the said tower was issued by the Greater Hyderabad Municipal Corporation on 01.09.2023, well before the filing of this Complaint. Since the project had achieved full completion and the Occupancy Certificate had been duly granted, it cannot be treated as an “ongoing project,” and this Hon’ble Authority lacks jurisdiction to entertain the present Complaint.

17. The Respondent further submits that it is a company duly incorporated under the Companies Act, 1956, having its principal office at Bangalore, engaged in the business of real estate development, and has developed several projects such as *Provident Sunworth*, *Provident Welworth City*, *Provident Kenworth*, and *Provident Skyworth*, establishing a valuable reputation. The Complainant voluntarily approached Respondent No. 1 expressing her interest to purchase Apartment No. 209 in the name of her son and Apartment No. 212 in her own name, both situated in Tower 13 of the project *Provident Kenworth*, situated in PVNR Express Highway, Shivrampally, Rajendranagar, Hyderabad. The Complainant paid a booking amount of ₹2,00,000/- on 15.11.2023 and an additional sum of ₹11,20,000/- as part payment of the sale consideration, both duly acknowledged by the Respondent No.1.

18. Thereafter, the Complainant duly signed and submitted the Booking Application Form dated 29.11.2023 for Apartment No. T13–0212, thereby confirming her acceptance of all terms and conditions prescribed by the Respondent. The total sale consideration for the said unit was ₹82,22,309/-. It is submitted that the said apartment was a mortgaged unit and due to delay in obtaining the Mortgage Release Deed from GHMC, the Respondent immediately informed the Complainant and offered an option to swap to other available units, including Apartment No. PKW-T04-0408, which the Complainant declined on Vastu grounds. In these circumstances, the Respondent had no option but to cancel the booking and offer a full refund. The Respondent prepared a refund cheque dated 20.06.2024 for ₹13,20,000/- and informed the Complainant to collect the same, but she failed to do so.

19. Subsequently, after obtaining mortgage clearance from GHMC, and in view of the Complainant’s insistence to proceed with the same unit, the Respondent, in good faith, reinitiated the booking of Apartment No. T13–0212 at the original price on 27.12.2024, despite market price escalation. It is submitted that, although the unit in question was cancelled, the refund cheque

was duly prepared and sent to the Complainant. However, the Complainant chose not to collect or encash the same. Despite this, as soon as the unit was released from the GHMC, Respondent No. 01 promptly reached out to the Complainant and offered her the same unit at the originally agreed price, which was set nearly a year ago at the time of booking. This proactive approach by Respondent No. 01 clearly demonstrates their bona fide intention and good faith in dealing with the Complainant.

20. It is submitted that, pursuant to the offer made by the Respondent No.1, the Complainant made further payments of ₹43,51,839/- and ₹30,00,000/- on 13.12.2024 towards the sale consideration, both duly acknowledged by Respondent No.1. Thereafter, on 27.01.2025, the Respondent issued an email to the Complainant enclosing the draft Sale Deed and detailed break-up of the outstanding amount payable for registration. The Complainant executed the registered Sale Deed on 29.01.2025, bearing Registration No. 1-1518-961-2025, Document No. 961 of 2025 in Book 1 at the office of the Sub-Registrar, Rajendranagar. The Complainant also executed a Declaration-cum-Undertaking acknowledging receipt of possession of Apartment No. PKW-T13-0212 (2nd Floor, Tower 13) on 10.02.2025. It is therefore submitted that the allegations made by the Complainant that Respondent No. 1 failed to execute the Sale Deed or hand over possession are false, baseless, and devoid of merit. On the contrary, the Complainant has duly taken possession of the apartment and has derived full benefit from the transaction. The Respondent denies all allegations of harassment and mental agony and submits that it appears to be an attempt to extract undue monetary gain through false litigation.

21. It is submitted that the Complainant had initially paid an amount of Rs. 13,20,000/- towards booking of Flat No. 212 in Tower No. 13 of the Project. The Respondent states that since the said unit was under mortgage and there was delay in obtaining mortgage release, Respondent No. 01, in good faith, offered the Complainant an option to swap the originally booked unit with an alternative unit. It is stated that the Complainant agreed to the same and, through emails dated 04/05/2024 and 13/05/2024, expressly requested cancellation of the booking of Flat No. 212 and sought refund of the booking amount of Rs. 13,20,000/-.

22. It is further submitted that pursuant to the Complainant's request, Respondent No. 01, through email dated 12/06/2024, sought the cheque favouring details for issuing the refund cheque, while also informing that in the absence of such details, the cheque would be issued in the name of the Complainant by default. On the same day, the Complainant replied expressing unwillingness to accept the refund and stated her intention to proceed with registration of Flat

No. 212 on the ground that the booking had taken place in November, 2023. The Respondent submits that the refund cheque had already been prepared based on the Complainant's earlier request, and therefore Respondent No. 01 cannot be made liable to pay interest on the said amount.

23. The Respondent further submits that the present Complaint was filed on 12/11/2024. Notwithstanding the pendency of the proceedings, the Complainant, after nearly one year from the last payment made on 29/11/2023, made further payment towards sale consideration on 13/12/2024 and thereafter executed the registered Sale Deed on 29/01/2025 in respect of Flat No. 212. It is stated that there was no delay on the part of Respondent No. 01 in delivering the flat and, having regard to the sequence of events and the conduct of the Complainant, there exists no basis for claiming interest on the amounts paid.

24. It is also submitted that during pendency of the proceedings, the Complainant voluntarily remitted the entire sale consideration, executed the registered Sale Deed dated 29/01/2025, and subsequently accepted vacant possession of the flat on 10/02/2025. Hence, the Respondent submits that the reliefs sought in the Complaint have become infructuous and the Complaint deserves dismissal at the threshold. The Respondent prays that the Complaint be dismissed as being devoid of merit.

D. Points to be determined:

12. Based on the facts and circumstances placed before this Authority, the following questions arise for adjudication:

- I. Whether the present complaint is maintainable before this Authority under Section 31 of the Real Estate (Regulation and Development) Act, 2016?
- II. Whether the Complainant is entitled to the relief sought? If so, to what extent?

E. Observations of the Authority:

Point I:

13. The Respondent No.1 has raised a preliminary objection to the maintainability of the present complaint, contending that this Authority lacks jurisdiction to entertain the same. The principal contention advanced by Respondent No.1 is that the project in question, namely "Provident Kenworth", is not registered under the Real Estate (Regulation and Development) Act, 2016, and that the jurisdiction of this Authority extends only to projects registered under the Act. It is further contended that the entire development of the project, including Tower No.13,

stood completed and that an Occupancy Certificate dated 01.09.2023 was issued by the Greater Hyderabad Municipal Corporation prior to the filing of the present complaint. On this basis, the Respondent asserts that the project does not qualify as an “ongoing project” and, therefore, falls outside the regulatory ambit of this Authority.

14. The aforesaid contention of the Respondent necessitates an examination of whether the project was statutorily required to be registered under the RE(R&D) Act and, consequently, whether this Authority possesses jurisdiction to adjudicate the present complaint. The record discloses that the building permission for the project was obtained on 29.12.2015 vide Permit No. 47286/HO/SZ/Cir-6/2015. The Occupancy Certificates for various towers were obtained on different dates, namely:

- a) Towers 7, 8, 9, 10, 11, 14, 15, 16 and 17 on 16.09.2020;
- b) Towers 1, 4 and 6 on 14.12.2021;
- c) Towers 2, 3 and 5 on 29.08.2022; and
- d) Towers 12 and 13 lastly on 01.09.2023.

15. At this stage, it is necessary to refer to Section 3(1) of the RE(R&D) Act, which mandates registration of all real estate projects prior to advertising, marketing, booking or sale, and further provides that projects which were ongoing on the date of commencement of the said Act and for which the Completion Certificate had not been issued are required to be registered within the prescribed period. A plain and purposive reading of Section 3(1) unequivocally establishes that the applicability of the RE(R&D) Act is determined not by the date of grant of building permission, but by the status of completion of the project as on the date of commencement of the RE(R&D) Act.

16. Coming to the second limb of the objection, that an Occupancy Certificate for Tower 13 was issued on 01.09.2023 and therefore the project cannot be treated as an ongoing project, the said contention is also unsustainable.

17. It is necessary to refer to the plain language of Section 3(1) of the Real Estate (Regulation and Development) Act, 2016, which reads as follows:

“No promoter shall advertise, market, book, sell or offer for sale, or invite persons to purchase in any manner any plot, apartment or building, as the case may be, in any real estate project or part of it, in any planning area, without registering the real estate project with the Real Estate Regulatory Authority established under this Act:

Provided that projects that are ongoing on the date of commencement of this Act and for which the completion certificate has not been issued, the promoter shall make an application to the Authority for registration of the said project within a period of three months from the date of commencement of this Act:

Provided further that if the Authority thinks necessary, in the interest of allottees, for projects which are developed beyond the planning area but with the requisite permission of the local authority, it may, by order, direct the promoter of such project to register with the Authority, and the provisions of this Act or the rules and regulations made thereunder, shall apply to such projects from that stage of registration.”

18. It is, therefore, abundantly clear that any project for which a Completion Certificate or Occupancy Certificate had not been issued as on the date of commencement of the RE(R&D) Act is deemed to be an “ongoing project” and squarely falls within the regulatory framework of this Authority. In the present case, admittedly, no Occupancy Certificate had been issued for several towers of the project as on the commencement of the RE(R&D) Act, and even thereafter, Occupancy Certificates were obtained in a phased manner, with the final towers receiving such certification only on 01.09.2023. The project, therefore, undeniably bore the character of an ongoing project for the purposes of Section 3 of the RE(R&D) Act.

19. This Authority also takes note of the fact that Rule 2(1)(j) of the Telangana Real Estate (Regulation and Development) Rules, 2017, as originally notified under G.O.Ms.No.202 dated 31.07.2017, had defined “ongoing project” in a manner that excluded projects having building permission prior to 01.01.2017. However, the said definition was inconsistent with the parent statute. Recognising this inconsistency, the Government of Telangana, vide G.O.Ms.No.60 dated 04.03.2025, amended Rule 2(1)(j) to bring it in conformity with the RE(R&D) Act, defining an ongoing project as one where development is in progress and for which the Occupancy Certificate or Completion Certificate had not been issued as on the commencement of the RE(R&D) Act.

20. It is a settled principle of law that the provisions of the parent Act shall prevail over subordinate legislation. Accordingly, the statutory obligation of the Respondent to register the project under Section 3 of the RE(E&D) Act cannot be negated merely on the basis of the erstwhile unamended Rule. However, considering the ambiguity that prevailed due to the earlier definition under Rule 2(1)(j), and taking into account that Occupancy Certificates have now been obtained for all towers, this Authority, in the peculiar facts of the case, refrains from imposing penalty under Section 59 of the RE(R&D) Act for non-registration of the project.

21. That said, the existence of such ambiguity cannot be permitted to defeat the rights of allottees or to oust the jurisdiction of this Authority. The project, having been an ongoing project within the meaning of Section 3 of the RE(R&D) Act at the relevant time, squarely falls within the jurisdiction of this Authority. Consequently, the preliminary objection raised by Respondent No.1 is devoid of merit and is hereby rejected.

22. Accordingly, this Authority holds that the present complaint is maintainable and liable to be adjudicated on merits.

Point No. I is answered accordingly.

Point II

23. This Authority has carefully examined the pleadings, documents and submissions placed on record by both parties. The Complainant submits that she agreed to purchase Flat No. 212 in Tower-13 of the project "Provident Kenworth" for a total sale consideration of ₹82,42,309/-. It is her case that she paid ₹2,00,000/- on 12.11.2023 towards booking of the said flat and a further sum of ₹11,20,000/- on 20.11.2023 towards part sale consideration. The Complainant further asserts that she had issued three cheques for amounts of ₹30,00,000/-, ₹30,00,000/- and ₹13,50,000/- dated 28.11.2023. It is alleged that the Respondent orally assured delivery of possession by January 2024, but failed to honour the said assurance and instead attempted to cancel the booking and refund the amount. On this basis, the Complainant seeks interest on ₹86,00,000/- allegedly paid, delivery of possession, execution of Sale Deed, encashment of cheques and compensation for harassment and mental agony.

24. The Respondent, per contra, submits that the Complainant voluntarily booked Flat No. 212 and paid ₹2,00,000/- on 15.11.2023 and subsequently an amount of ₹11,20,000/-, followed by submission of the Booking Application Form dated 29.11.2023. It is contended that Flat No. 212 was a mortgaged unit and that there was delay in obtaining mortgage clearance from the competent authority. Alternative flats were offered to the Complainant, which she initially accepted and subsequently declined. It is further stated that, at the request of the Complainant, the booking of Flat No. 212 was cancelled and a refund cheque for ₹13,20,000/- dated 20.06.2024 was prepared, which the Complainant refused to accept. The Respondent submits that upon obtaining mortgage clearance, the booking was re-initiated on 27.12.2024, and that the Complainant paid ₹43,51,839/- and ₹30,00,000/- on 13.12.2024, followed by execution of a registered Sale Deed on 29.01.2025. It is thus contended that there was no delay or default and that the reliefs sought have become infructuous.

25. It is an admitted position that the Complainant had made payments of ₹2,00,000/- and ₹11,20,000/-, aggregating to ₹13,20,000/-, for Flat No. 212. As per the Booking Application Form placed on record, the payment milestones were clearly stipulated as under:

- a) ₹2,00,000/- at the time of submitting booking form (refundable).
- b) Within 3 days of issue of allotment letter: 9.9% of agreement value, excluding amounts already paid.
- c) At the time of execution and registration of agreement to sell: 11.1% of agreement value, excluding amounts already paid.
- d) After registration of agreement for sale: Payments as per the payment plan.

26. However, despite collection of ₹13,20,000/-, it is undisputed that no Agreement for Sale was executed or registered between the parties at that stage, nor has any such agreement been placed on record. Thus, the transaction did not progress beyond the booking stage and did not culminate in the execution of the mandatory Agreement for Sale.

27. The documentary evidence further reveals a series of email communications between the parties. An email dated 25.11.2023 from the Respondent confirmed the pricing of Flat No. 212, which was acknowledged by the Complainant on 27.11.2023. Thereafter, on 04.05.2024, the Complainant sought cancellation of the booking of Flat No. 212 and requested booking of Flat No. 408, along with refund of the earlier amount. Subsequently, discussions ensued regarding substitution with Flat No. 405, which was also accepted by the Complainant in principle. However, on 12.06.2024, the Respondent informed the Complainant that since mortgage release for Flat No. 212 was still pending, refund of ₹13,20,000/- would be initiated as per internal process. The Complainant, on the same day, declined the refund and insisted on execution of Sale Deed for Flat No. 212. A refund cheque for ₹13,20,000/- was nevertheless prepared, which the Complainant admittedly refused to accept.

28. The Complainant has alleged an oral assurance of possession by January 2024. However, this Authority finds that no documentary evidence has been placed on record to substantiate such assurance. Neither the Booking Form nor the email correspondence reflects any agreed or committed date of possession.

29. At this juncture, it is necessary to examine the statutory mandate under Section 13(1) of the Real Estate (Regulation and Development) Act, 2016, which clearly stipulates that a promoter shall not accept more than ten per cent of the cost of the apartment without first entering into a

written Agreement for Sale and registering the same. In the present case, although ₹13,20,000/- was collected, no Agreement for Sale was executed at that stage, thereby constituting a technical contravention of Section 13 of the RE(R&D) Act.

30. That being said, the material on record indicates that from November 2023 until May 2024, apart from email communications relating to substitution of flats, no further payments were made by the Complainant, nor was there any insistence on execution of an Agreement for Sale. The substitution discussions arose primarily due to the Respondent having initially allotted a mortgaged unit, which admittedly could not be conveyed at that point in time. Thereafter, the Respondent initiated refund proceedings, which the Complainant declined, expressing continued interest in purchasing Flat No. 212.

31. Subsequently, upon obtaining mortgage clearance, the Respondent re-initiated booking of Flat No. 212 on 27.12.2024, and the Complainant paid ₹43,51,839/- and ₹30,00,000/- on 13.12.2024, followed by execution of the registered Sale Deed on 29.01.2025. A declaration-cum-undertaking dated 10.02.2025 placed on record evidences that the Complainant has taken possession of Flat No. 212. These subsequent transactions clearly demonstrate that the matter was ultimately resolved through mutual understanding and consent of both parties.

32. The Complainant seeks interest for alleged delay under Section 18 of the RE(R&D) Act. However, Section 18 becomes applicable only where the promoter fails to hand over possession in accordance with the terms of the Agreement for Sale or by the date specified therein. In the present case, no Agreement for Sale existed during the initial booking phase, nor was any date of possession agreed upon in writing. In the absence of a contractually stipulated date of possession, the claim for delay cannot be sustained.

33. Even otherwise, the Hon'ble Supreme Court in M/s Fortune Infrastructure & Anr. vs. Trevor D'Lima & Ors. (Civil Appeal Nos. 3533–3534 of 2017) held that, in cases where no date is specified, a reasonable period of three years may be considered for completion of construction. Applying the said principle, the Complainant's claim of delay from January 2024 is wholly untenable.

34. Further, the Complainant seeks interest on the entire sale consideration from January 2024 onwards. The record clearly establishes that the substantial portion of the consideration, namely ₹73,51,839/-, was paid only in December 2024, followed by registration of Sale Deed in January 2025. Interest cannot be claimed retrospectively on amounts that were not even paid at the relevant point of time. The said claim is therefore legally unsustainable.

35. However, this Authority cannot lose sight of the fact that the Respondent was also at fault in initially allotting a mortgaged unit to the Complainant, which is contrary to the norms of the competent authorities. Such conduct is deprecated. Nevertheless, considering the peculiar facts of the case, the subsequent voluntary completion of the transaction, and the ambiguity surrounding registration and applicability during the relevant period, this Authority takes a lenient view and refrains from imposing penalty for violations under Sections 3 and 13 of the RE(R&D) Act in this specific case alone.

36. As regards Reliefs (ii) and (iii), namely delivery of possession, execution of Sale Deed, and direction to encash the undated cheques, the material on record clearly establishes that these obligations stand fully complied with. The Sale Deed dated 29.01.2025 has been executed and registered, and possession was acknowledged by the Complainant on 10.02.2025. Therefore, these reliefs have become infructuous.

37. With respect to Relief (iv) seeking costs for harassment and mental agony, this Authority notes that jurisdiction to award compensation lies exclusively with the Adjudicating Officer under Section 71 of the RE(R&D) Act, upon filing of an application in Form 'N'. The Complainant is therefore at liberty to approach the Adjudicating Officer separately for any such claim.

Point No. II is answered accordingly.

38. 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