

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

**Complaint No. 162 of 2024**

***Dated: 09<sup>th</sup> May 2025***

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

**Purshottam Ketepally**

*(R/o 12-13-1126, Flat no.201, C-Block, Kala Kriti Apartments, Street no.11, Shirdi Sai Nagar, Near Vijaya Diary, Tarnaka, Secundrabad, Lallaguda, Hyd – 500017))*

***...Complainant***

***Versus***

**M/s BVR Infra Developers Pvt.Ltd**

*(Rep by its Managing Director Sri BainaboinaVenkateswarlu, H.no. 8-15-120/C/31FF, 1<sup>st</sup> floor, Above Raymonds Showroom, beside Spencer's, Chintalkunta, LB Nagar, Hyd- 500 074))*

***...Respondent***

The present matter filed by the Complainants herein came up for hearing on 03.12.2024 before this Authority wherein Counsel J.Venugopal and M.Mahesh for the Complainant and. Despite service of notice, the Respondent failed to appear, and as such, was set ex parte vide order dated 03.12.2024, and after hearing the Complainant, this Authority passes 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. Briefs facts of the case:**

3.        The present complaint has been filed by the Complainant, alleging non-execution of sale deed and failure to deliver possession of the agreed plot by the RespondentBuilder in the project “SV Golden City 5”.

4.        As per the averments made, the Complainant had initially booked Plot No. 92 in the above-mentioned project on 31-10-2022 by paying an advance amount of Rs. 1,08,000/-.

5. Subsequently, on 07-12-2022, the Complainant entered into an Agreement of Sale with the Respondent after making an additional payment of Rs. 4,09,000/-. It is further submitted that, at the time of executing the said agreement, the Complainant came to know that Plot No. 92 was under mortgage.

6. The Complainant contends that he waited for a period of approximately six months for the Respondent to resolve the issue, following which, the Respondent agreed to register an alternate plot in lieu of Plot No. 92. The Complainant asserts that, based on such assurance, he made a further payment of Rs. 10,00,000/-, with the understanding that the balance consideration would be paid at the time of registration.

7. However, despite repeated follow-ups, the Respondent has allegedly failed to respond or take steps to execute the sale deed for the alternate plot as promised. Aggrieved by the inaction of the Respondent, the Complainant has approached this Authority seeking redressal.

#### **B. Relief(s) Sought:**

8. The Complainant has sought the following reliefs:

- a) That the Respondent be directed to register either the originally allotted Plot No. 92 or any other alternate plot as agreed upon at the time of payment of Rs. 10,00,000/-;
- b) In the alternative, if the Respondent is unwilling or unable to register the said plot, the Complainant seeks a direction to refund the entire amount paid along with interest thereon.

#### **C. Observation of the Authority:**

##### **Points for consideration:**

1. Whether the Respondent has failed to fulfil their obligations under the Agreement of Sale and whether the Complainant is entitled to registration of the plot or refund of the amount paid with interest.

9. The records show that the Complainant initially booked Plot No. 92 in the project “SV Golden City 5” and paid an advance of ₹1,08,000/- on 31.10.2022. Subsequently, on 07.12.2022, an Agreement of Sale was executed after further payment of ₹4,09,000/-.

However, it came to the Complainant's knowledge that the said plot was mortgaged to local body as conditioned of planning regulation.

10. It is the case of the Complainant that upon raising this concern, the Respondent gave an assurance that an alternate, unencumbered plot would be allotted in lieu of the originally agreed mortgaged plot. Relying upon this assurance, the Complainant paid an additional ₹10,00,000/-, aggregating to a total sum of ₹15,17,000/-, with the understanding that registration of the alternate plot would be completed shortly thereafter.

11. Despite several follow-ups, there is nothing on record to indicate that either the originally agreed plot or an alternate plot was registered in the name of the Complainant. No allotment letter for an alternate plot has been issued. The Respondent has failed to respond to notices issued by this Authority, despite due service as evidenced by the acknowledgments received. The Respondent was, therefore, proceeded *ex parte*.

12. This Authority observes that the Agreement of Sale entered into between the parties is not just a private contract but falls within the regulatory purview of the Act. Section 11(4)(a) of the Real Estate (Regulation and Development) Act, 2016 mandates the promoter to discharge all obligations under the agreement for sale executed with the allottee. A promoter cannot renege from such obligations merely by offering verbal assurances without ensuring actual conveyance of title or lawful possession.

13. This Authority notes that unilateral and conditional clauses in builder-buyer agreements such as allotment being subject to mortgage clearance or administrative discretion are fundamentally opposed to the principle of contractual parity. In this context, reliance is placed on the judgment of the Hon'ble Supreme Court in **Civil Appeal No. 12238 of 2018 with Civil Appeal No. 1677 of 2019** has held in para 6.7 & 7 as under:-

"6.7. A term of a contract will not be final and binding if it is shown that the flat purchasers had no option but to sign on the dotted line, on a contract framed by the builder

The contractual terms of the Agreement dated 08.05.2012 are ex-facie one-sided, unfair and unreasonable. The incorporation of such one-sided clauses in an agreement constitutes an unfair trade practice as per Section 2(r) of the Consumer Protection Act, 1986 since it adopts unfair methods or practices for the purpose of selling the flats by the Builder. 7. In view of the above discussion, we have no hesitation in holding that

the terms of the Apartment Buyer's Agreement dated 08.05.2012 were wholly one-sided and unfair to the Respondent Flat Purchaser. The Appellant- Builder could not seek to bind the Respondent with such one-sided contractual terms."

14. In the present case, the Respondent has not only failed to register the originally allotted plot, which is under mortgage, but has also failed to honour the assurance of providing an alternate plot. However, the Complainant has not placed any material on record to establish the availability of alternate, unencumbered plots within the project. Nevertheless, considering the substantial payments made by the Complainant and in the interest of justice and equity, this Authority deems it appropriate to direct the Respondent to register a suitable, habitable, and unencumbered alternate plot in favour of the Complainant, if such a plot is available within the same project.

15. In the event that no such alternate plot is available either because all plots have already been sold or the originally allotted plot continues to remain under mortgage the Complainant shall be entitled to a refund of the entire amount paid, along with interest at the rate specified below, calculated from the respective dates of each payment made.

16. Furthermore, under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, the rate of interest payable in such cases is to be computed at the rate of the State Bank of India's highest Marginal Cost of Lending Rate (MCLR) plus two percent. Accordingly, the applicable rate stands at 11% per annum.

#### **D. Directions of the Authority:**

17. Based on the facts submitted, evidence on record, and the findings given thereon by us as discussed herein above, this Authority holds that the complainant is entitled to the relief as prayed by him, and the same is allowed in his favour, and the Respondent is hereby directed as follow:

1. The Respondent shall, within 30 days from the date of this Order, register the said plot or an alternative, habitable, and unencumbered plot in favor of the Complainant in the same project, subject to the Complainant's acceptance.
2. In the event that such alternative plot is not available or not registered within the stipulated period for the above reasons stated, the Respondent shall refund the entire amount collected from the Complainant, i.e., Rs. 15,17,000/-, along with interest at

the rate of 11% per annum (9% current SBI MCLR + 2%) from the respective dates of each payment made by the Complainant, within the same 30-day period.

3. Respondent is hereby informed that failure to comply with this order shall attract Section 63 of the RE(R&D) Act.

18. The complaint is disposed of with these directions. There shall be no order as to costs.

**Sd-  
Sri. K. Srinivas Rao,  
Hon'ble Member  
TG RERA**

**Sd-  
Sri. Laxmi NaryanaJannu,  
Hon'ble Member  
TG RERA**

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

