

TELANGANA REAL ESTATE APPELLATE TRIBUNAL: HYDERABAD
Krishna Hostel, First Floor, Dr.MCR HRDI Campus, Road No.25, MP & MLA's Colony, Jubilee Hills,
Hyderabad-500 033.

CORAM: Hon'ble Sri Justice A. Santhosh Reddy, Chairperson.
Hon'ble Sri P. Pradeep Kumar Reddy, Judicial Member.
Hon'ble Sri Vemula Sreekar, Administrative Member.

T.A.No. 37 of 2025, T.A.No. 59 of 2025 And T.A.No. 60 of 2025

T.A.No.37 of 2025

Between:

1. S.Prashantha, W/o S.Srinivas Reddy, Plot No.23/ A,
Chintha Reddy colony, Secunderabad.
 2. B.Shashi Rekha, W/o B.Indrasen Reddy,
H.No.3-6-69/B/27, Avanthi Nagar,
Basheerbagh, Hyderabad.
 3. K.Tulasi, W/o K.Sridhar, Flat No.901, KSR
Togetherments, Miyapur, Hyderabad.
- ...Appellants/Third parties

AND

1. M/s KSR Togetherments Flat Owners Mutually Aided
Co-operative Society, represented by President
P.Janardhan Reddy, Society Office, Beside Grand Hotel,
Miyapur, Hyderabad - 500 049.
2. M/s 2getherments Infra Private Limited represented
by T.Harinath Rao, R/o Plot No.15, 8-3-684/3-15,
LIC Colony, Srinagar Colony, Hyderabad.
3. Telangana Real Estate Regulatory Authority,
DTCP Buildings, Ground Floor, 640, AC Guards,
Masab Tank, Opp. PTI Building, Hyderabad.

...Respondents

Counsel for Appellants	: Mr.Chanakya Basa
Counsel for Respondent No.1	: Mr.G.Vamshi Krishna
Counsel for Respondent No. 2	: Mr.M.V.Durga Prasad

T.A.No. 59 of 2025**Between:**

KSR Togetherments Flat Owners Mutually Aided
Co-operative Society represented by President
P.Janardhan Reddy, S/o Narayana Swamy, 50 years,
Business, R/o KSR Togetherments, Miyapur,
Hyderabad – 500 049.

...Appellant/Complainant

AND

1. Telangana Real Estate Regulatory Authority,
DTCP Buildings, Ground Floor, 6409, AC Guards,
Masab Tank, Opp. PTI Building, Hyderabad.
2. M/s 2getherments Infra Private Limited represented
by T.Harinath Rao, R/o Plot No.15, 8-3-684/3-15,
LIC Colony, Srinagar Colony, Hyderabad.

...Respondents

Counsel for Appellant : Mr.G.Vamshi Krishna

Counsel for Respondent No. 2 : Mr.M.V.Durga Prasad

T.A.No. 60 of 2025**Between:**

M/s 2getherments Infra Private Limited represented
by T.Harinath Rao, R/o Plot No.15, 8-3-684/3-15,
LIC Colony, Srinagar Colony, Hyderabad.

...Appellant/Promoter

AND

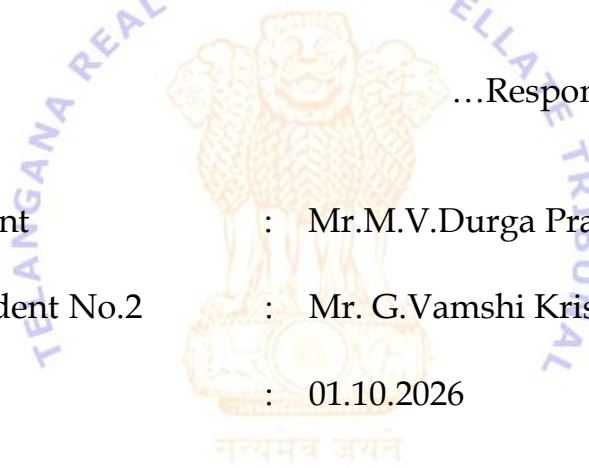
KSR Togetherments Flat Owners Mutually Aided
Co-operative Society represented by President
P.Janardhan Reddy, Society Office, Beside Sitara
Grand Hotel, Miyapur, Hyderabad

...Respondent/Complainant

Counsel for Appellant : Mr.M.V.Durga Prasad

Counsel for Respondent No.2 : Mr. G.Vamshi Krishna

Date of Decision : 01.10.2026



COMMON ORDER: (*Per Hon'ble Sri Justice A.Santhosh Reddy*)

These three appeals are being disposed of by this common Order since the parties and subject matter are one and the same and also **T.A.No.37 of 2025** filed by S.Prashantha, B.Shashi Rekha & K.Tulasi (Third parties) and **T.A.No.59 of 2025** filed by KSR Togetherments Flat Owners Mutually Aided Co-operative Society (Complainant) and also **T.A.No.60 of 2025** filed by M/s 2getherments Infra Private Limited (Promoter) are directed against the very same Order of the Telangana Real Estate Regulatory Authority, Hyderabad (for short 'the Regulatory Authority'), in Complaint No. 126 of 2024, dated 24.07.2025, whereby the complaint filed by the Complainant association has been disposed of with the following directions:

(a) The respondent (Promoter) was held liable for contravention of:

i. Section 12 of the Real Estate (Regulation & Development) Act, (for brevity 'the Act') for misrepresenting the amenities in the marketing brochure which were not delivered as part of the project; and

ii. Section 4(2)(g) of the Act, by uploading a proforma Agreement for Sale on the RERA portal that materially differs from the agreements actually executed with the allottees. Accordingly, the

Authority imposed a penalty of Rs.18,09,185/-for the above violations. The said amount shall be paid within 30 (thirty) days from the date of receipt of this order, in favour of the TG RERA FUND, either through Demand Draft or online transfer to the Account No. 50100595798191, HDFC Bank, IFSC Code: HDFC0007036.

(b) The Promoter was warned against treating such proforma submissions as symbolic or illustrative. In all future project registrations, the Promoter shall ensure that only accurate, final versions of proforma documents intended to be executed with allottees are uploaded on the RERA portal and adhered to in practice.

(c) The Authority further directed that all future brochures, advertisements, or prospectuses issued by the promoter shall strictly conform to sanctioned layouts and binding project deliverables.

(d) With regard to the maintenance charges collected:

i. The complainant association shall convene a General Body Meeting (GBM) and pass a resolution authorising the adjustment/refund of the remaining balance of maintenance fund collected by the respondent. Upon receipt of the said resolution, the promoter shall deduct only those documented and verifiable expenses incurred towards maintenance prior to handover.

ii. The remaining balance, if any, shall be refunded to the Association within 30 (thirty) days from the date of receipt of the GBM resolution.

(e) The promoter was further directed to transfer and hand over the shops situated on specific portions of the Ground and First Floors, which have received due approval as per the GHMC-sanctioned plans, endorsed proceedings, and occupation certificate, to the Association of allottees of the concerned project. These shops, forming part of the designated common amenities, are to be treated as convenience stores intended for the collective benefit of all residents. However, since the residents had not paid any substantial

amount towards such amenities at the time of purchase of their respective units, the Promoter/Developer shall be entitled to recover the proportionate cost of the said convenience stores from the Association prior to the said transfer. The handover shall be effected upon such realization, without any further delay or encumbrance, and in strict compliance with the applicable statutory provisions. The Promoter/Developer is obligated to execute the transfer in good faith and in a time-bound manner, in adherence to the regulatory framework.

(f) Recognising the statutory importance of fire safety and NOC compliance, both parties are directed to:

i. The Promoter and the Complainant Association shall jointly cooperate to obtain renewal of the Fire NOC from the Fire Department.

ii. The Association shall facilitate entry of Promoter's staff and vendors and shall not obstruct remedial works.

(g) The Promoter was further directed to actively pursue and take all necessary steps to expedite the Manjeera water connection to the project by coordinating with the HMWSSB. The Complainant Association may assist in this endeavour, if required.

Failure to comply with above said directions by the Promoter shall attract penalty in accordance with Section 63 of the Act.

2. For the sake of convenience, the parties hereinafter referred to as Complainant association and Promoter as they were arrayed before the Telangana Real Estate Regulatory Authority.

3. The case of the Complainant association, in brief, is that the Promoter committed multiple deviations from the approved sanctioned

plans, construction specifications and the promises made in the marketing brochures. The construction was not carried out in accordance with the approved layout and building plans. Open spaces were reduced, setbacks were altered, access routes were blocked and the actual flat sizes and layout did not match the approved plans. The approved parking was only 209, but the Promoter illegally increased it to 353 by encroaching upon open spaces, driveways and areas meant for service and common facilities. It was further stated that several promised amenities such as proper plumbing, electrical works, water supply arrangements and other facilities were either incomplete or entirely missing. It was further stated that even though it was mentioned in the registered sale deeds that the total sale consideration includes charges for amenities, an additional amount of Rs.8,00,000/- was collected illegally from each purchaser and that the advance maintenance charges for 24 months and corpus fund collected from the allottees were not transferred to the complainant's association bank account. It was further stated that the shops shown as part of the amenities were meant only as convenience stores for the benefit of the residents, however, the Promoter in collusion with the landlords illegally converted the amenity areas into commercial shops and attempted to sell them to third parties for their personal financial gain. All

statutory permissions from GHMC, Airport Authority, Fire Department, HMWSSB, Environmental Authority and other departments clearly describe the project as a residential building with amenities consisting of 2 cellars, ground floor and 14 upper floors. Therefore, the Complainant sought the following reliefs:

- (1) A direction to the builder to complete all the pending works as listed under the facts of the case.
- (2) If the builder fails to complete the works, direct them to pay Rs. 25 crores forthwith.
- (3) A direction to the builder to correct deviations from the approved plans and obtain re-approvals.
- (4) Compensate the society for the loss of time, efforts, and mental agony as deemed fit.

4. Promoter filed a counter, *inter alia*, contending that the GHMC had issued the Occupancy Certificate after due verification of the project and thereafter released the mortgaged portion of the property which was kept under lien at the of issuance of the permission. He had already paid entire required fees for the Manjeera water connection and the same will be provided by HMWSSB to the building by following due procedure. it is settled position that according to G.O.MS.No. 168 of GHMC, a constructor/developer must provide 33% of the built-up of residential area including visitors parking and 44% of the built-up of commercial

area including visitors parking. Further the Promoter has optimized space to yield a greater number of parking spaces without violating the relevant and existing GHMC G.Os regarding the drive ways etc., and allotted it to the flat owners duly conducting a lottery by transparent means and taken signatures on the allotment day which was recorded in the Minutes of Meeting. He had provided the transformers as per the requirement and existing laws of the TRANSCO. All agreed features that are in scope are provided or for those which were not provided the same were compensated with other amenity like Gas through pipe line and informed the residents in the General Body meeting which was accepted and raised no objections to the same. Meters were provided which operation is under Facility Management (FM) scope. Required features as per the Fire department were provided and obtained the NOC from the department. It was further contended that the Promoter entered into the agreements with the residents and provided all the agreed amenities and some extra amenities which are not mentioned even in the agreements. There are 150 residential Flats in the project and two shops in the front side and hence the number of units in total is 152 including 2 commercial entities which were sanctioned. The Promoter had already paid all the required fees and challans to the HMWSSB and the same is delayed from the HMWSSB

department and as such he cannot be held liable for the same. Natural green is maintained in places wherever possible and soft landscape is provided wherever there are structures like water tanks under it to avoid the future seepage. The Promoter had provided waste Collection and disposal process and the same have been in operational for the past two years. Rain water harvesting pit is provided as per standards. All Electrical Sub Station Works are properly done and inspected by the authorities. All Recreational Open Spaces are provided as per the sanctioned plan. The Promoter had handed over all the common areas and amenities which were done as per the standards and the authorized Society EC Members had signed the proceedings also to that effect. The Promoter had provided the Structural and Fire drawings. There were minor changes in the plan as built electrical and plumbing circuits compared to the designed plans which got done at the time of COVID pandemic. They had agreed to provide the said plan as built drawings for Electrical and Plumbing lines, but couldn't do as the entry is restricted for their staff, vendors and consultants for the past few months. The Promoter had handed over all the documents to the Complainant as part of handover process. Further the Promoter had also provided consultant and Liaoning persons contact number with the EC of the complainant for

any further requirements. The Agreement of Sale template was submitted to RERA for reference. The capacity of DG Set is designed for common areas and provided accordingly by the Promoter. Solar water heater provision is not in the scope of work of the Promoter and as such the same was not provided. Designated Two-Wheeler parking for residents is provided in Ground, Basements 1 and Basement 2 and these places are operational for the past two years. First Aid Kits are provided at Society Office, Security Gate. Operations Team has to monitor the consumables regularly and the Promoter cannot check on regular basis as the project has already been handed over to the complainant association. All Fire Safety measures taken care as per standards and accordingly the NOC was obtained after the inspection by the authorities. It is pertinent to mention herein that the Fire NoC Renewal was rejected in May-2024 when the building was under the control and maintenance of the Complainant association and not the Promoter herein. It is Society's responsibility to ensure the operational condition of fire safety systems as the hand over happened in May 2023. It was further contended that the Promoter had transferred the entire corpus amounts collected by it directly from the flat owners until November 2023 (after which EC has collected the corpus fund directly) to association account on 22.11.2023 and the same has been

intimated to Complainant vide *e-mail* dated 26.01.2024 as well. With regard to the 24 months maintenance charges collected from the 109 flat owners, Promoter had spent the same for three months until the EC has taken the charge of maintenance and thereafter for the 6 months, the Promoter had paid all the bills raised by the EC out of the said maintenance amounts collected by it and from April 2024 onwards EC has stopped collecting the payments and ceased using the leftover funds. The Promoter had no intention of withholding the transfer of funds to the association account. However, subject to following two conditions i.e., (a) Despite multiple requests EC has not facilitated contact between their CA and Promoter accountant to resolve the tax- related issues. (b) Promoter had requested consent from all the 109 flat owners who transferred 24 months' maintenance into Promoter's account. However, the Promoter could not receive the same except from few flat owners. The Promoter is open to continue with the same process of transferring the expenses and as informed earlier as soon as the aforementioned issue is resolved Promoter will transfer the balance amount lying with it immediately. In view of the above submissions the alternate relief of depositing Rs.25 crores which is hypothetical may be dismissed. With regard to the prayer No. (C), it was submitted that all the works as per approved plans were

completed without any deviations and basing on which the Occupancy Certificate was issued and as such there need not be any further directions in respect of the said relief. As per the relief of compensation is concerned, it is the promoter who has been suffering in the hands of the Complainant association in spite of completing the entire building as per specifications and obtaining Occupancy Certificate. The Promoter owned two commercial shops in the project against such shops the Complainant association illegally tried to interfere and disturb the rights of the Promoter causing him rental loss. Further, after the Promoter sold such commercial shops to prospective purchasers under Registered Sale Deeds, such illegal and unlawful acts of the Complainant did not cease and continued to disturb and intervene the rights of the purchasers. The purchasers against such acts of the Complainant had sought injunction from a competent civil Court and obtained temporary injunction against the Complainant's association by restraining them from disturbing the rights of the purchasers. The Complainant association has been enjoying the property and on the other hand unlawfully restraining the purchasers from enjoying their portion of property. Therefore, it is prayed that the complaint filed by the Complainant association is liable to be dismissed with exemplary costs.

5. After hearing the learned Counsel appearing for the complainant and the learned Counsel appearing for the promoter and perusing the entire material available on record, the learned Regulatory Authority, *vide* impugned order, dated 24.07.2025, disposed of the complaint filed by the complainant as stated supra.

6. Feeling aggrieved by the aforesaid order of the learned Regulatory Authority, dated 24.07.2025, the complainant association filed T.A.No.59 of 2025, promoter filed T.A.No.60 of 2025 and the third parties filed T.A.No.37 of 2025.

7. Learned Counsel appearing for the Complainant association submitted that the shops carved out from an amenities block are strictly 'common areas' and that a promoter cannot unilaterally recast common area as a separate saleable unit and in support of his contention, he relied upon a decision of the Hon'ble Apex Court in *Nahal Chand Laloochand Pvt. Ltd., Vs. Panchali Co-operative Housing Society Ltd.*,¹. Since the promoter had already collected the cost from all the 150 allottees, he had no further right to price or sell the shops and the complainant cannot be asked to pay afresh to receive back its own common property. He has further submitted that the penalty of Rs.18,09,185/- imposed on the promoter

¹ (2010) 9 SCC 536

against a substantiated claim of Rs.25 crores and the scale of violation, is grossly disproportionate and sets a precedent that let developer shift the cost of their own illegality onto flat buyers. He has further submitted that learned Regulatory Authority erred in observing that the promoter is entitled to recover the proportionate costs of the convenience stores from the complainant association without quantifying any amount. He has further submitted that Section 14 (2) of the Act bars the promoter from altering sanctioned plans or amenities after disclosure without the allottees written consent and as such converting part of the amenities block into saleable shops, without consent of a single allottee, is a direct violation of Section 14 (2) of the Act. Despite evidence of illegal parking expansion, missing amenities, fire-safety lapses and the illegal shops, the impugned order is silent on the complainant's claim for Rs.25 crores and in support of his contention, he relied upon a decision of the Hon'ble Supreme Court in *Wg. Cdr. Arifur Rahman Khan vs. DLF Southern Homes Pvt. Ltd* (Civil Appeal No.6239 of 2019, dated 24.08.2020), wherein it was held that allottees are entitled to just and reasonable compensation for a developer's deficiencies and such claims cannot be brushed aside. He has further submitted that the complainant's suit to protect the members of association from third-party alienation of common areas does not oust

this Tribunal's jurisdiction to decide the promoter's obligations to the association. What is being challenged is the sale of property to third parties before the Commercial Court and the subject matter herein is compensation and mischaracterisation of amenities block and as such the remedy sought before the Regulatory Authority is distinct and separate and does not conflate with the remedy sought before the Civil Court. Therefore, the Complainant prayed this Tribunal to set aside the impugned order to the extent it directs the complainant association to pay a proportionate cost for the commercial shops together with the compensation.

8. Learned Counsel for the Complainant association further submitted that the landowners (S.Prashantha, B.Shashi Rekha, K.Tulasi and another/third parties in T.A.No.37 of 2025) owned land in Sy.Nos.61-64, 66-68, Miyapur, Serilingampally Mandal, Hyderabad, and entered into a registered DAGPA with the Promoter/Builder, vide Document No.363/2016, dated 08.01.2016 and the GHMC granted building permission on 09.09.2017 for a residential building (2 basements+G+14 floors, 31,340 sq.m. built-up) including 924.93 sq.m. amenity area, and only 150 residential units, with a cap that it could not be increased without GHMC permission. He has further submitted that Occupancy Certificate

was granted on 26.04.2023, which clearly reveals that occupancy was issued to residential building with amenity building consisting of 2 cellar + Ground + 14 upper floors and, on 13.05.2023, builder delivered the flats and the ground/first floor amenity areas (now called commercial apartments) to the complainant association. He has further submitted that the GHMC had issued a show cause notice on 05.01.2024 and speaking order on 14.02.2024 declaring that the ground/first floor spaces as amenity, not saleable to third parties and the same was not challenged and as such it has become final. However, the builder had transferred the amenity area to third parties, vide registered sale deed Nos.7841-7844, dated 20.04.2024, while the complainant association was in physical possession and as such it is a transfer *pendente lite*. He has further submitted that as per Clauses 4, 5 and 20 of DAGPA, the builder, as GPA holder, alone is responsible for statutory compliance and dealings with the allottees and as such landowners are not necessary parties to the proceedings. He has further submitted that Section 11(4)(a) of the Act makes the promoter's obligations continue even after conveyance deed and the provisions of Section 14 of the Act continue to govern amenities/sanctioned plan without any Occupancy Certificate-based exception and that an Occupancy Certificate does not certify that all

subsequent acts of the promoter are lawful. In support of his contention, he relied upon a decision in *Newtech Promoters and Developers Pvt. Ltd. Vs. State of UP and others*². He has further submitted that the sanctioned plan shows only 150 apartments and 924.93 sq.mtrs. amenity with no independent commercial component and that the builder had contravened the sanctioned plan by selling amenity as commercial property and as such the complainant association seeks that the amenity as sanctioned remain amenity. He has further submitted that no commercial construction fee was ever paid to GHMMC by the promoter/builder and the GHMC had not sanctioned any commercial component and as such the builder's claim of commercial units is unsustainable.

9. Per contra, learned Counsel appearing for the Promoter submitted that the matter is *sub judice* in O.S.No.336 of 2024 filed by the allottees/purchasers of commercial apartments against the Complainant association and others before competent Civil Court, in which *ad interim injunction* was granted against the Complainant association, which is still operating. The Complainant association had also filed C.O.S.No.22 of 2025 against the Promoter and third parties in T.S.No.37 of 2025 and

² (2021) ibclaw.in 188 SC

others before the Commercial Court seeking to declare that the sale deeds executed in favour of allottees/purchasers of commercial apartment as null and void along with permanent injunction, which is pending by the date of complaint itself, and that the Complainant association suppressed the same. He has further submitted that suppression of material facts itself entails summary dismissal of any *lis* and as such the complaint is liable to be dismissed in limine and in support of his contention, he relied upon a decision of the Hon'ble Supreme Court in *Ramjas Foundation and another vs. Union of India and others*³. He has further submitted that the complaint is bad for non-joinder of affected and necessary parties, namely, landowners and purchasers/allottees of commercial apartments and that the impugned order, affecting such non-parties, whose suit is pending adjudication before competent civil Court, is illegal and without jurisdiction. He has further submitted that shops are also 'apartments' within the meaning of Section 2 (e) of the Act and the purchasers thereof are also 'allottees' having equal rights on par with any allottees of residential apartments and, therefore, the Complainant association allegedly representing a section of allottees, is illegal and had no locus to file the complaint. An apartment within the meaning of Section 2 (e) of

³ (2010) 14 SCC 38

the Act cannot be treated as amenity and the same is the fundamental flaw in the impugned order. He has further submitted that 'amenity' is not defined in the Act and that it is entirely governed by the agreements including DAGPA and as such it is a matter of Civil nature and hence the impugned order is without jurisdiction. He has further submitted that after the Occupancy Certificate and delivery of possession, the rights and liabilities of the parties are entirely of civil in nature and no regulatory function is involved. He has further submitted that the Complainant association having taken the possession of amenities after the Occupancy Certificate, without demur, and having taken the benefit of building permission and the development agreement-cum-GPA as amended by the supplementary agreement, are bound by the terms of the same and are estopped from making any claim to the contrary. The complaint is barred by delay and laches.

10. Learned Counsel for the Promoter further submitted that the internal and external development works, as defined under Section 2(w) and 2(zb) of the Act, were done as per the sanctioned plan and hence no claim for amenities can be made contrary to sanctioned plan and that in view of the Occupancy Certificate, the compliance with the sanctioned plan is certified. The complaint as to the proforma agreement does not

survive the sale deed, which subsumes the agreement and hence there is no cause of action for the complaint. He has further submitted that the Complainant association cannot be said to be aggrieved person of such proforma agreements, particularly when the allottees have acquiesced to the same and never raised any complaint and no further relief is sought in this regard. Further, Section 4 (2)(g) of the Act, which is relied upon has nothing to do with the prescribed agreement and there is no requirement to follow prescribed agreement verbatim. He has further submitted that only 3% area is to be provided for amenities under the building permission, which binds the parties, but the Promoter has provided and delivered 18% area as amenities, without any extra cost or payment and hence, there is no financial loss contemplated by Section 12 or Section 71 of the Act, which can be invoked only by or before the Adjudicating Officer under the Act.

11. Learned Counsel appearing for the third-parties in T.A.No.37 of 2025 submitted that the impugned order proceeded on an erroneous appreciation of the sanctioned building plan, Occupancy Certificate and the registered agreements that govern the allocation of units within the project. The impugned order is vitiated by non-joinder of necessary parties and by a consequent violation of principles of natural justice. The

third-parties are the absolute owners of the project land and hold rights over the GI and FI shops under a registered Joint Development Agreement-cum-GPA, dated 08.01.2016, as amended by a registered Supplementary Agreement, dated 20.11.2019. They were never impleaded as parties to Complaint No. 126 of 2024, and adverse findings materially affecting their ownership rights over the said shops were recorded without any notice or opportunity of hearing being afforded to them. It is submitted that specific and registered allocation of the commercial units between the third-parties and Promoter defeats any claim that the shops form part of the common areas of the project. Under the registered Supplementary Agreement, dated 20.11.2019, the GI and FI shops stand allotted to the third-parties and the G2 and F2 shops stand allotted to the Promoter. This allocation was made after the commencement of construction and is entirely consistent with the sanctioned plan. The Authority has, without any basis, disregarded this registered instrument and proceeded on the erroneous assumption that the shops are communal assets merely because they happen to be situated within the amenity block. It is submitted that the commercial shops in question have at no point been classified as common amenities either under the sanctioned plan or under the Occupancy Certificate.

12. Learned Counsel further submitted that the learned Regulatory Authority has, in any event, misapplied Section 17 (1) read with Section 2(n)(vii) of the Act. Section 2(n)(vii) of the Act defines common areas to include "all community and commercial facilities as provided in the real estate project". The Authority has read this expression disjunctively, as though the mere presence of a commercial facility, without more, is sufficient to bring it within the definition of common areas. It is further submitted that the statutory obligation to hand over common areas under Section 17 (1) of the Act is, in any case, confined to those areas that are actually and legally used in common by all residents. Units that stand specifically allotted to identified parties under a registered agreement fall squarely outside this obligation, and the direction to transfer such units is contrary to the settled scope of Sections 17(1) and 2 (n)(vii) of the Act. It is submitted that the Authority's reliance on the GHMC letter, dated 02.12.2024, is wholly erroneous, inasmuch as that very letter has since been set aside. The finding in the impugned order that the property is purely residential in character rests substantially on the said letter, which had Classified the as common amenities. That letter was specifically challenged in W.P. No. 992 of 2025 and was set aside by the Hon'ble High Court at Hyderabad by a common order dated 18.02.2025. It is further

submitted that the complainant association has suppressed this material fact from the Authority. The finding that the property is purely residential is thus rendered on an incomplete and misleading record, for which the complainant alone is responsible and once the foundation of the GHMC letter is removed, the entire edifice built upon it in the impugned order collapses. It is submitted that the conduct of the complainant association discloses a clear case of forum shopping, which ought to be deprecated. While Complaint No. 126 of 2024 was still pending before the Authority, the complainant association also instituted COS NO. 22 of 2025 before the Commercial Court seeking the very same relief, namely, a declaration that the registered sale deeds executed in favour of the commercial allottees are null and void, along with a permanent injunction. In paragraph 29 of the plaint in COS NO. 22 Of 2025, the complainant association has itself pleaded that the sale deeds executed in favour of the commercial allottees can be set aside only by a competent civil court and by no other statutory body, and that it is for precisely this reason that it approached the Commercial Court seeking the said relief. Having taken this categorical position before the Commercial Court that only a civil court possesses the jurisdiction to adjudicate upon and set aside the sale deeds, the complainant association is estopped from simultaneously invoking the

jurisdiction of the Authority to obtain, in substance, the very same relief. It is submitted that the subject matter of the dispute being *sub judice* before a competent civil court, the findings recorded in the impugned order are barred by the principle of *res judicata* and amounts to an impermissible interference with the proceedings pending before that Court. The title, ownership and possession of the very same commercial units are the subject matter of the pending civil Suit. It is further submitted that the impugned order itself records that COS No. 22 of 2025 came to be dealt with along with W.P.No.27344 of 2024 by a common order. Notwithstanding this acknowledged overlap with parallel civil and Writ proceedings touching the very same subject matter, the Authority proceeded to render definitive findings on the question of title and ownership. The Authority, in doing so, has trenched upon territory that lies exclusively within the domain of the civil court, and a regulatory authority constituted under a special statute cannot be permitted to pre-empt or override the civil court's eventual adjudication of title. It is further submitted that the Authority, in any event, lacked the jurisdiction to adjudicate upon questions of title in the manner that it has purported to do. Questions of title flowing from registered instruments of this nature are questions of civil right, triable exclusively by a civil court of competent

jurisdiction. RERA, being a special forum created for limited regulatory functions, cannot assume jurisdiction to decide, much less displace, title once the project has reached the stage of Occupancy Certificate and delivery of possession to the allottees. It is submitted that the third-parties, being landowners and not promoters within the meaning of the Act cannot be compelled to surrender their allotted commercial units pursuant to the impugned order. The obligations sought to be enforced under the impugned order are, by the very scheme of the Act, obligations cast upon promoters. The third-parties, holding specifically allotted units under registered instruments in their capacity as landowners cannot be divested of those units on the strength of a regulatory finding that has failed to take into account their independent and registered rights. It is submitted that the complainant association's locus to maintain the complaint, and the scope of relief available to it are both circumscribed by the Act and do not extend to the reliefs granted in the impugned order. A shop constitutes an apartment within the meaning of Section 2(e) of the Act, and the purchaser of such a shop is an "allottee" possessed of rights equal to those of any allottee of a residential apartment. The statutory rights conferred upon the association under Sections 8, 14 and 17 of the Act do not extend to asserting a claim of individual ownership over units

that stand allotted to identified persons under registered deeds. The association, in truth, has no independent right, title or interest whatsoever in the G1, G2, F1 and F2 shops and could not have maintained a complaint seeking their transfer. It is submitted that the complaint is, in any event liable to be rejected on the ground of delay, laches and estoppel. Possession of the amenities in the project was taken over by the residents and, subsequently, by the association after the issuance of the Occupancy Certificate, without any protest or demur at that time. The benefit of the sanctioned building permission and of the development agreement, as amended by the registered Supplementary Agreement, was availed of by the residents and the association without objection. Having taken the benefit of that arrangement, the complainant cannot now be permitted to turn around and dispute the very allocation under which possession was originally delivered to it, and the complaint is liable to be dismissed on this ground as well. It is submitted that no case of financial loss or statutory violation has been made out so as to attract Sections 12 or 71 of the Act. Under the sanctioned building permission, only 3% of the total area was required to be provided towards amenities, whereas 18% of the area has, in fact, been provided and delivered to the residents, without any additional cost or payment being demanded from them. In these

circumstances, no financial loss of the kind contemplated under Section 12 or Section 71 of the Act has been pleaded or established by the complainant, and the reliance placed on these provisions in the impugned order is wholly misconceived and unsustainable in law. It is further submitted that the title of the third parties to the G1 and F1 shops being backed by registered agreements and a valid Occupancy Certificate, is liable to be upheld, and the impugned order is set aside accordingly.

13. In the light of the aforesaid rival submissions and the material placed on record, the point that arises for consideration in these appeals is as under:

Whether the impugned order, dated 24.07.2025, passed by the learned Regulatory Authority legally sustainable in law?

POINT:

14. This Tribunal carefully considered the rival submissions advanced by the learned counsel appearing for the complainant association, the promoter and the third parties, and have perused the material placed on record.

15. The main contention of the learned senior Counsel appearing on behalf of the Promoter is that once the Occupancy Certificate was granted,

the obligations of the Promoter are under Section 17 of the Act to transfer and deliver the apartment/building/plot to the allottee and the common areas to the association and once this is done, the promoter exits from the project and, therefore, the learned Regulatory Authority cannot have any regulatory power after the Occupancy Certificate, as the construction or development is complete. With great respect to the learned senior Counsel, we are of the considered view that the said contention is not tenable. If we look at Section 34(f) of the Act, it is the function of the Regulatory Authority to ensure compliance of the obligations cast upon the promoters, the allottees and the real estate agents under this Act and the rules and regulations made thereunder. Therefore, if the promoter fails to discharge his duties imposed upon him by the Act, the Regulatory Authority has got jurisdiction to rectify it. We are also of the view that under Section 31 of the Act, any aggrieved person can file a complaint with the Authority or the Adjudicating Officer, as the case may be, against any promoter, allottee or real estate agent, as the case may be, if they violate or contravene any of the provisions of this Act or the Rules and Regulations made thereunder. Therefore, if a cause of action arises which gives a right in favour of the aggrieved person and creates obligation or liability on promoter, allottee or real estate agent as per the provisions of

the Act, the Authority retains its jurisdiction because Section 79 of the Act bars the jurisdiction of the Civil Court from entertaining any suit or proceeding in respect of any matter which the Authority or the Adjudicating Officer or the Appellate Tribunal is empowered by or under the Act, to determine. Therefore, the jurisdiction of the Regulatory Authority is not lost only because of receipt of Occupancy Certificate or on completion of the project.

16. Learned senior Counsel for the Promoter further submitted that the Complainant association had filed C.O.S.No.22 of 2025 against the Promoter and third parties in T.S.No.37 of 2025 along with others before the Commercial Court seeking to declare that the sale deeds executed in favour of the allottees/purchasers of commercial apartment as null and void along with permanent injunction and the same is pending by the date of complaint itself and that the Complainant association has suppressed the material facts and as such the complaint is liable to be dismissed in limine. The material available on record discloses that the complaint was filed by the Complainant association on 18.07.2024, whereas C.O.S.No.22 of 2025 was filed in the month of April, 2025. Since the Complainant association filed the complaint in the month of July, 2024, whereas he instituted the aforesaid Suit in the month of April, 2025,

well after the filing of the complaint. Therefore, the contention that material facts were suppressed by the Complainant association is untenable.

17. The controversy essentially concerns the nature and character of the Ground and First Floor shops situated in the amenity block, the effect of the sanctioned building plan and Occupancy Certificate, the registered agreements relied upon by the third parties/landowners and promoter, and the extent to which the Regulatory Authority could issue directions affecting the rights of persons who were not parties to the original complaint.

18. The record discloses that the project was developed pursuant to the registered Development Agreement-cum-General Power of Attorney, dated 08.01.2016, and the subsequent registered Supplementary Agreement, dated 20.11.2019, which were executed between the third parties and the Promoter, whereunder, the G1 and F1 shops stand allotted to the third parties/appellants in T.A.No.37 of 2025 and G2 and F2 shops stand allotted to the Promoter, after commencement of the construction and the same were consistent with the sanctioned plan. However, the third parties claim rights in respect of the subject commercial units on the basis of the said registered instruments. The material placed before us,

therefore, demonstrates that the dispute relating to the ownership, allocation and transfer of the subject shops is not merely a regulatory dispute between the promoter and the complainant association, but also involves independent rights claimed by the landowners and subsequent purchasers.

19. It is significant that the third parties, whose rights were directly affected by the directions contained in the impugned order, were not impleaded before the Regulatory Authority. The impugned order directs transfer of the subject shops to the complainant association, notwithstanding that the landowners and purchasers of the concerned commercial units were not before the Authority and were not afforded an opportunity to establish their respective rights.

20. The principles of natural justice require that no adverse order affecting the proprietary or contractual rights of a person should ordinarily be passed without giving such person an effective opportunity of hearing. In the present case, the direction concerning the transfer of the shops directly affects the rights claimed by the third parties under registered instruments. Therefore, such direction could not have been effectively adjudicated in their absence.

21. The complainant association has placed considerable reliance upon the sanctioned building plan, Occupancy Certificate and subsequent communications of the municipal authorities to contend that the subject portions constitute amenities/common areas and cannot be treated as independently saleable commercial units. On the other hand, the promoter and third parties rely upon the aforesaid registered Development Agreement-cum-GPA, Supplementary Agreement and the allocation of the respective units thereunder.

22. The question whether the subject shops constitute common areas forming part of the rights of allottees, or whether they constitute separately allotted commercial units belonging to identified persons, necessarily requires examination of the sanctioned plan, registered instruments, municipal permissions, Occupancy Certificate, subsequent transactions and the rights of the affected purchasers. Such determination cannot be made merely on the basis of the description of the property in one document while ignoring the other registered instruments placed on record.

23. This Tribunal also take note of the fact that the dispute concerning the subject commercial units was already the subject matter of proceedings before the competent Civil/Commercial Courts.

Undisputedly, the subject matter is *sub judice* in O.S.No.336 of 2024 filed by the allottees/purchasers of commercial apartments against the Complainant association and others before competent Civil Court, in which *ad interim injunction* was granted against the Complainant association, which is still operating. The Complainant association had also filed C.O.S.No.22 of 2025 against the Promoter and the third parties in T.A.No.37 of 2025 and others before the Commercial Court seeking to declare that the sale deeds executed in favour of allottees/purchasers of commercial apartment as null and void and the said suits are pending. The complainant association itself has sought adjudication concerning the validity of the registered sale deeds and the rights of the purchasers of the commercial units. Therefore, questions relating to declaration of title, validity of registered conveyances and consequential proprietary rights are matters which are in the exclusive domain of competent Civil Courts.

24. The jurisdiction of the Regulatory Authority under the Real Estate (Regulation and Development) Act is undoubtedly wide in relation to regulatory obligations of promoters, compliance with sanctioned plans, disclosure requirements, protection of allottees and other matters specifically falling within the statute. However, such regulatory jurisdiction cannot be extended to conclusively determine complicated

questions of title and proprietary rights between persons who are not parties to the proceedings, particularly when such rights are founded upon registered instruments and are already the subject matter of proceedings before a competent Court.

25. The pendency of civil proceedings does not, by itself, bar every proceeding under the RERA Act. Nevertheless, where the relief sought before the Regulatory Authority substantially requires determination of the validity of registered sale deeds, title or ownership rights of third parties, the Authority must exercise caution and confine its adjudication to matters falling within its statutory jurisdiction. The remedies available under the Act cannot be utilised as a substitute for a declaration of title by a competent civil Court.

26. The contention of the learned Counsel for the Complainant association that the subject shops form part of the common areas also requires examination in the light of Section 2(n) and Section 17 of the Act. The mere existence of a commercial facility within a project does not, without examination of the relevant sanctioned plans, registered documents and actual legal character of the concerned units, automatically establish that each such unit constitutes a common area incapable of separate allotment.

27. The registered Supplementary Agreement relied upon by the third parties specifically deals with the allocation of the commercial units between the landowners and the promoter. Whether such allocation is legally valid and whether the subsequent registered sale deeds are liable to be set aside are matters which cannot appropriately be finally determined in proceedings in which the persons claiming under those instruments were not parties.

28. The Occupancy Certificate issued by the competent municipal authority is also a relevant circumstance which cannot be disregarded. At the same time, the grant of an Occupancy Certificate by itself cannot be treated as conclusive adjudication of every subsequent proprietary or contractual dispute. Its relevance is confined to the matters certified by the competent authority. The Regulatory Authority, therefore, ought to have considered the Occupancy Certificate along with the sanctioned plan and registered instruments rather than treating any one document in isolation.

29. This Tribunal further find substance in the objection regarding the effect of the municipal communications relied upon by the complainant association. The third parties have brought on record that the communication, dated 02.12.2024, relied upon in support of the

classification of the subject property had subsequently been challenged by the Promoter in W.P.No.992 of 2025 and the same was set aside by the Hon'ble High Court, vide common Order, dated 18.02.2025. Therefore, once the foundation upon which a particular factual conclusion is based has itself been set aside, such communication could not have been treated as conclusive without considering its subsequent legal status.

30. As regards the alleged deviations, deficiencies in amenities, parking, fire-safety arrangements, water connection and other project-related issues, the record contains substantially conflicting assertions from the complainant association and promoter. The promoter has relied upon the Occupancy Certificate, inspection by competent authorities, Fire NOC, handover of the project and completion of the works, whereas the complainant has alleged deviations and deficiencies. In such circumstances, the Regulatory Authority was required to examine each alleged statutory violation with reference to the specific evidence and statutory provision applicable to it. A general allegation of deviation or deficiency, without establishing the precise statutory obligation breached and the corresponding relief available under the Act, cannot automatically result in an order directing transfer of property belonging to the persons claiming independent rights under registered instruments.

31. With regard to the maintenance amounts, the record indicates that the promoter admits receipt of maintenance amounts and asserts that amounts were utilised towards maintenance expenses and that the balance was available for reconciliation. The impugned order, therefore, appropriately required the complainant association to pass a General Body resolution authorising the adjustment/refund of the remaining balance of maintenance fund collected by the Promoter and upon receipt of resolution, permitted the promoter to deduct only of documented and verifiable maintenance expenses prior to handover. Such a direction seeks to reconcile the accounts rather than determine an unsubstantiated monetary claim.

32. Further, the monetary claim of Rs.25 crores raised by the complainant association cannot be allowed merely on the basis of the amount claimed. Compensation must be founded upon an established statutory breach and the evidence demonstrating the loss or injury for which compensation is legally recoverable. The mere assertion of a large monetary claim does not dispense with the requirement of establishing the statutory basis and evidentiary foundation for such compensation.

33. Similarly, the issue relating to Manjeera water connection has to be considered in the context of the promoter's contention that the requisite

charges had already been paid and that the connection depended upon action by HMWSSB. The direction requiring the promoter to actively pursue the connection and coordinate with the concerned authority is regulatory and facilitative in nature and does not amount to holding the promoter solely responsible for an act exclusively within the control of another statutory authority.

34. Fire-safety compliance stands on a different footing because it involves an ongoing statutory obligation concerning the safety of occupants. The directions requiring cooperation between the promoter and complainant association for renewal of the Fire NOC, and requiring the association to facilitate access for remedial works, are, therefore, intended to ensure compliance rather than determine proprietary rights.

35. The principal difficulty with the impugned order, however, lies in the direction requiring the transfer of the subject shops to the complainant association. Such a direction has the effect of determining or substantially affecting proprietary rights claimed by the third parties/ landowners and purchasers, who were not parties to the original complaint. The Authority could not, consistent with principles of natural justice, conclusively determine those rights without hearing the affected parties. The complainant association is undoubtedly entitled to enforce the statutory

rights available to it under the RERA Act. However, that statutory standing cannot automatically confer upon its ownership or proprietary interest in individual units which are claimed by identified persons under registered instruments. The association's statutory rights in common areas cannot be equated with an independent title to every commercial unit situated within the project.

36. This Tribunal is of the considered opinion that the Regulatory Authority was justified in examining and issuing regulatory directions concerning established statutory violations, maintenance reconciliation, safety compliance and project-related obligations. However, the Regulatory Authority exceeded the permissible scope of such regulatory adjudication and erroneously directed transfer of the disputed commercial units without impleading and hearing the persons claiming rights over those units and without leaving the question of title and validity of the registered conveyances to the competent civil Courts. The proper course, in the circumstances, is to preserve the statutory findings and directions which fall within the regulatory jurisdiction of the Authority, while refraining from finally determining proprietary rights which are the subject matter of pending civil/commercial proceedings.

37. The regulatory directions concerning established statutory violations, accurate disclosure of project documents, maintenance reconciliation, fire-safety compliance and pursuing the water connection may be maintained to the extent they fall within the statutory jurisdiction of the Regulatory Authority and are supported by the material on record.

38. With regard to the alleged misrepresentation in the marketing material and the proforma Agreement for Sale uploaded on the RERA portal, the Regulatory Authority has recorded specific findings and imposed a penalty of Rs.18,09,185/- on the Promoter for violations of provisions of Sections 12 and 4(2)(g) of the Act. However, the Regulatory Authority has lost sight of the issuance of the Occupancy Certificate evidencing the completion of the project and imposed such an exorbitant penalty, which is not justified and is liable to be set aside, keeping in view the facts and circumstances of the case. The Regulatory Authority has, *in fact*, rightly advised the promoter to ensure that accurate and final documents are uploaded in future and that future brochures and advertisements conform to the sanctioned plans and project deliverables. These directions are regulatory in nature and fall within the statutory scope of the Act.

39. In view of the foregoing discussion, we are of the considered view that the challenge raised by the third parties in T.A.No.37 of 2025 deserves to be accepted as their rights were adversely affected without joining them as necessary parties and also on improper appreciation of the sanctioned permissions, documents and registered instruments. Accordingly, the finding recorded by the learned Regulatory Authority at Paragraph No.41 (e) of the impugned order, dated 24.07.2025, in Complaint No.126 of 2024, is set aside. Further, the appeal filed by the complainant association in T.A.No.59 of 2025 is required to be dealt with in the light of the above findings and the directions. So far as the appeal filed by the Promoter in T.A.No.60 of 2025 is concerned, the penalty of Rs.18,09,185/- imposed on the Promoter for alleged violations of the provisions of Sections 12 and 4(2)(g) of the Act is set aside, keeping in view that the Occupancy Certificate was already obtained and most of the obligations have been complied with by the Promoter and accordingly, the finding of the learned Regulatory Authority at Paragraph No.41 (a)(i)&(ii) is set aside. Except these modifications, the other directions contained at Paragraph No.41 of the impugned order of the learned Regulatory Authority are hereby confirmed.

40. In the result, T.A.No.37 of 2025 filed by the third parties is allowed. T.A.No.59 of 2025 filed by the Complainant association and T.A.No.60 of 2025 filed by the Promoter are disposed of with the aforesaid findings and observations. There shall be no order as to costs.

Pending miscellaneous applications, if any, shall stand closed.

The Registry shall transmit a copy of this order to the Regulatory Authority and to the parties in accordance with Section 44(4) of the Act.



Sd/-

A. SANTHOSH REDDY, J
(CHAIRPERSON)

Sd/-

DEMULA SREEKAR
(ADMINISTRATIVE MEMBER)

01.10.2026
GSN.

Per Hon'ble Sri P. Pradeep Kumar Reddy:

1. While fully concurring with the ultimate outcome to dispose of **T.A. No. 37 of 2025, T.A. No. 59 of 2025, and T.A. No. 60 of 2025**, as opined by the Hon'ble Chairperson, I find it imperative to place on record the distinct legal boundaries governing regulatory jurisdiction of RERA vis-à-vis Civil Court competence, the mandatory adherence to the **principles of natural justice**, and the limitations of the **Real Estate (Regulation and Development) Act, 2016** when confronting complex title and property disputes.
2. Under Section 79 of the RERA Act, civil courts are barred from entertaining suits or proceedings in respect of matters that the Regulatory Authority, Adjudicating Officer, or the Appellate Tribunal is empowered to determine. However, this statutory bar does **not** extend to questions of intricate title, ownership declarations, or the cancellation of registered conveyance/sale deeds, which fall exclusively within the domain of competent civil court.
3. On the issue of Occupancy Certificate, I would like to state that the Regulatory Authority does not automatically forfeit its regulatory

oversight merely because an Occupancy Certificate has been issued or a project has reached physical completion. In the State of Telangana, the validity of a renewed Fire NOC for residential buildings (classified as medium or low-risk occupancies depending on height) typically spans up to **5 years**. The Telangana Fire Department utilizes computer-generated random selection processes to audit properties and issue renewals. Further, I would state that the web updated reports as available with the Fire Department, be uploaded by the Promoter on the web portal pertaining to the project as per the circulars & rules as issued by the State Government through HYDRAA. The paramount safety of home buyers living in proximity is an accrued right of individual and shall not be compromised in any other way. In accordance with the fire department rules, the officers shall inspect on their own either by the fire wing or HYDRAA as the case may be, as the project permission remain commercial cum residential, as accorded by the competent authority and the same is not in dispute except regarding the pending complaints.

4. Promoter and also the Association of Allottees is bound by these directions as the safety norms being of paramount consideration

and the same ought not to be compromised by both the stakeholders, who are bound by directions issued by TG RERA and requires to comply the same from time to time as per law.

5. Pursuant to Sections 31 and 34(f) of the Act, the Regulatory Authority retains complete jurisdiction to ensure ongoing compliance with statutory obligations, civic infrastructure standards, and internal basic project structuring.
6. The Regulatory Authority committed a fundamental error in issuing directions for the transfer of disputed commercial shops and amenity blocks to the flat owners' association without proper joinder of affected third parties, landowners, and registered commercial unit allottees. In *Bunga Daniel Babu vs M/s. Sri Vasudeva Constructions (2016) 8 SCC 429*, The Hon'ble Supreme Court has clearly laid down that a landowner who enters into development agreement with a builder for the construction of a building and shares the finished flats or built-up area is a consumer.
7. Relying on the said precedent, it can be stated that the landowners in the present project, who are the Appellants in **T.A. No. 37/2025**, would require to be treated as allottees in lieu of the DAGPA entered with the developer/promoter, wherein there is a clear

sharing criterion as to the constructed units/flats between the landowners and the promoter. As per the same, 44% of the units/flats in the project fell to the share of the landowners including the said commercial units. When such is the case, adjudicating on the aspect of whether there are legally any permissible commercial units in the project would amount to affecting the proprietary rights and without affording an opportunity of hearing to the persons affected therein, and merely hearing the response of the promoter on the complaint of the Association of Allottees is a gross violation of the **core principles of natural justice** and constitutional safeguards.

8. Further, given that parallel proceedings (such as O.S. No. 336 of 2024 and C.O.S. No. 22 of 2025) involving the title, validity of registered sale deeds, and injunctions were actively pending before competent Civil and Commercial Courts, the Regulatory Authority could not pre-empt, override, or substitute those ongoing judicial inquiries.
9. In the end, I would state that the directions concerning basic civic infrastructure, internal integral amenities, maintenance accounts reconciliation, fire-safety compliance (including obtaining Fire

NOC), and municipal utility coordination (such as Manjeera water connection from HMWSSB) are well within the statutory purview of the Act and remain legally sustainable.

10. The promoter's ongoing duties under Section 11 and related regulatory framework require transparent handling of basic structural and safety elements. I further state that the Promoter obtained the Registration Certificate from the Regulatory Authority for the present project and it is subject to the terms and conditions mentioned therein, which are required to be mandatorily complied with. The promoter is under a promissory estoppel and cannot be allowed to go against the terms of the Registration Certificate. This Appellate Tribunal cannot turn a blind eye towards the defaults of the promoter, if any. This Appellate Tribunal is empowered amply to look into the affairs of the promoter and the same was the view expressed by the Hon'ble Supreme Court that the promoter, at no cost, can escape the liabilities imposed on him by the Act.

11. Further, Section 11 of the Act clearly enumerates what a promoter is obliged to do and non-adherence to the same would definitely attract the jurisdiction of the Authorities under the Act. In *Swaranpreet Kaur and Anr vs DLF Home Developers Ltd & Ors.*,

Civil Appeal No. 8043/2023 dated 18.08.2026, the Hon'ble Supreme Court have clearly stated that housing project must be built as per the brochure given to the homebuyers, thereby reminding the compliance of mandatory obligations by the developer owed towards an allottee.

12. But at the same time, imposing disproportionate penalties such as the penalty of Rs. 18,09,185/- imposed by the Regulatory Authority under Sections 12 and 4(2)(g)) of the Act, on the face of an issued Occupancy Certificate and substantial compliance is uncalled for.
13. Further, the specific direction for the transfer of commercial units/amenities block requires to be set aside, leaving all questions of title, ownership, and the validity of registered instruments strictly to the competent civil courts.
14. In the upscale of the above legal principles, statutory interpretation, and established judicial precedents, I direct as follows:

- (i). **T.A. No. 37 of 2025** filed by the third-party landowners is here-by allowed. **[Accordingly, the case is remanded to TG RERA for conducting a detailed hearing by impleading the Appellants in T.A. No. 37 of 2025 in the complaint proceedings therein.]*

* The italicized portion is deleted vide Corrigendum dated 08.10.2026.

- (ii). The finding and direction of the Regulatory Authority contained in **Paragraph No.41(e)** directing the transfer of commercial shops/amenity blocks is hereby **set aside**.
- (iii). The penalty imposed on the Promoter under **Paragraph No.41(a)(i) & (ii)** is **set aside**.
- (iv). All other valid regulatory directions concerning safety compliance, maintenance reconciliation, and utility coordination under Paragraph 41 are **confirmed**.
- (v). The Registry is hereby directed to mark a copy, including e-copy of this order to the parties along with the Competent Authority, and also fire safety officials through secured source.
- (vi). The said Competent Authority shall report compliance of such directions; The Secretary, TG RERA is directed to report compliance to the Registry of this Tribunal.

Sd/-

P. PRADEEP KUMAR REDDY
(JUDICIAL MEMBER)

**TELANGANA REAL ESTATE APPELLATE TRIBUNAL,
HYDERABAD**

CORRIGENDUM

Date: 08.10.2026

T.A.No. 37 of 2025, T.A.No. 59 of 2025 And T.A.No. 60 of 2025

To the Order dated 01.10.2026 passed in T.A. No. 37 of 2025, T.A. No. 59 of 2025, T.A. No. 60 of 2025, in the operative portion of the order dated 01.10.2026, at Page No. 49, Paragraph No. 14:

FOR:

“(i) **T.A. No. 37 of 2025** filed by the third-party landowners is here-by allowed. Accordingly, the case is remanded to TG RERA for conducting a detailed hearing by impleading the Appellants in T.A. No. 37 of 2025 in the complaint proceedings therein.”

READ:

“(i). **T.A. No. 37 of 2025** filed by the third-party landowners is here-by allowed.”

The original order stands rectified and modified to the extent indicated above.

The remaining portions of the order dated 01.10.2026 remain unaltered.

BY ORDER,

Sd/-

REGISTRAR.