

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 258 of 2025

30th October 2025

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

Sunil Kumar Sahu

*(D. No: 201, Devinarayan MGN Enclave
Poonthottam, 1st Street, Nanganallur, Chennai,
Pin: 600114)*

...Complainant

Versus

M/s Jayathri Infrastructures India Pvt Ltd.

*(Rep by Managing Director Kakarla Srinivas)
(Plot No: 140/141, Eminent Plaza, 6th Phase,
KPHB Colony, Kukatpally, Hyderabad, Pin: 500085)*

...Respondent

The present matter filed by the Complainant herein came up for hearing before this Authority in the presence of the Complainant's authorised representative, Mr. Bikash Ranjan Sahu, and none appeared on behalf of the Respondents despite service of notice; hence, set ex parte and upon hearing the submissions of the Complainant, this Authority proceeds to pass the following **ORDER**:

2. The present Complaint has been filed by the Complainant under Section 31 of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred to as the "Act") read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the "Rules") seeking appropriate relief(s) against the Respondents.

A. Brief facts of the case:

3. The Complainant has submitted that he had booked a flat under a pre-launch offer by M/s Jayathri Infrastructures India Private Limited for the project titled "Hilton". At the time of booking and subsequent payments, the Complainant sought information from the Respondent regarding the ownership of the project land, the procedure for registration, and the completion

of necessary formalities such as execution of the sale deed. However, the Respondent failed to furnish any response or documentary proof establishing ownership or development rights over the said land. It is further submitted that on 05.06.2022, the Complainant received a communication from the Respondent stipulating that, unless the remaining balance amount was paid on or before 08.06.2022, the booking would stand cancelled without any further notice.

4. The Complainant submitted that, thereafter, the Respondent, without prior intimation or consent, had allegedly delegated the development and sale activities concerning the said flats to another entity, *Raja Developers*. Subsequently, signage of “Raja Developers” appeared at Block No. 5 of the project site, indicating that they were undertaking construction and sale of flats therein. The Complainant submitted that, upon seeking clarification from *M/s Jayathri Infrastructures India Pvt. Ltd.* regarding this development and ownership of the project land, no response was forthcoming despite repeated representations.

5. The Complainant submitted that they have received a letter from *M/s Janapriya Townships Pvt Ltd.*, categorically stating that Blocks 2B, 5, and 6 of Janapriya Nile Valley had not been sold to any developer and would be developed by Janapriya itself. They also warned potential buyers against booking properties in these towers with any developer, particularly *M/S Jayatri Infrastructure India Pvt Ltd*, as such sales under the Hilton are considered illegal.

6. The Complainant submitted that upon discovering that the “Hilton” project was being marketed and sold without lawful rights, the Complainant approached the Respondent for the refund of the amounts paid to the Respondent. The Respondent thereafter issued the following cheques towards refund and settlement of including an interest amount of Rs. 16,35,000/-

The details of the cheque as follows;

1. Cheque No. 000204(Bandhan Bank) for the amount of Rs. 16,35,000/- dated 16.10.2022.

7. The Complainant has submitted that the above Cheque was dishonoured upon presentation due to insufficient funds. Despite informing the Respondent about the dishonour, no remedial action was taken.

8. Thereafter, both of the parties have entered into Refund-cum-Cancellation Agreement on 03.05.2023, wherein the Respondent undertook to refund the remaining principal amount of ₹15,00,000/- on or before 15.06.2023, failing which the Respondent would be liable to pay the said amount along with interest at 12% per annum. However, the Respondent failed to

comply with the said terms. As a result, the total outstanding amount, inclusive of interest, has accumulated to Rs. 21,38,795/- as on 19.04.2025.

9. In view of the Respondent's continued default and failure to honour the terms of the Refund-cum-Cancellation Agreement, the Complainant approached this Authority seeking redressal and refund of the said amount along with applicable interest under the provisions of the Real Estate (Regulation and Development) Act, 2016.

B. Relief sought

10. Accordingly, the Complainant sought the following reliefs:

Direct the Respondent to refund the total amount with interest.

C. Points to be determined:

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

Whether the Complainant is entitled to the reliefs sought?

D. Observations of the Authority:

12. Before further adjudicating on the matter, this Authority takes due note of the repeated non-compliance by the Respondents, who have failed to appear before this Authority despite service of multiple notices and affording sufficient opportunities. In view of their continued absence, the Respondents are hereby set ex parte on 17.07.2025, and the matter is being adjudicated based on the pleadings, documents, and submissions placed on record by the Complainant.

13. Upon perusal of the available documents before this authority submitted by the Complainant, it is evident that the Complainant have paid Rs. 15,00,000/- for the purchase of a flat in the "Hilton" project, flat no. 719, on the 7th floor, Block – 5.

14. The Complainant paid a sum of ₹5,00,000/- each on 19.09.2021, 26.09.2021, and 20.10.2021, aggregating to ₹15,00,000/-, which was duly acknowledged by the Respondent through payment receipts. Furthermore, the Respondent had issued a cheque in favour of the Complainant as a refund of the said amount; however, the cheque was dishonoured upon presentation with the endorsement "Funds Insufficient." The Complainant brought this fact to the notice of the Respondent, yet no corrective measures were taken thereafter. It is also noted

that a *Refund-cum-Cancellation Agreement* dated 03.05.2023 was executed between the parties, wherein the Respondent undertook to refund the amount with interest within the stipulated time. However, the Respondent failed to honour the said terms, thereby compounding the default and causing continued hardship to the Complainant.

15. However, despite receiving the said consideration, the Respondent neither commenced any construction activity in the “Hilton” project nor demonstrated any bona fide intention to fulfil its contractual obligations. Such continued inaction, even after collecting substantial amounts from the Complainant, establishes a deliberate and dishonest course of conduct on the part of the Respondent, amounting to deficiency in service and breach of the obligations imposed under the Act.

16. In these circumstances, under Section 18(1) of the RE(R&D) Act, 2016, it extends a clear statutory right to an allottee to seek a refund along with interest where the promoter/Respondents either fail to complete the project or are unable to hand over possession within the stipulated timeframe. So, the allottee is entitled to a refund of the amount paid along with applicable interest. In the present case, the issue is not merely one of delay; it is a case of complete inaction on the part of the Respondents.

17. In light of the above foregoing observations, this Authority notes that the Complainant is entitled for relief as mentioned in the main complaint under Section 18(1)(a) of the Real Estate (Regulation and Development) Act, 2016, which reads as follows:

(1) If the promoter fails to complete or is unable to give possession of an apartment, plot or building,

(a) in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or

(b) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason, he shall be liable on demand to the allottees, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act:

18. In the present case, the Respondent neither completed the project nor initiated the mandatory statutory processes required for lawful execution of the project. The continued failure to commence the construction clearly amounts to a violation of the provisions of the RE(R&D) Act, 2016.

19. Consequently, in light of the respondent's failure to fulfil its obligations and the complainants' clear intention to withdraw, this Authority holds that the respondent is liable to refund the entire amounts collected from the complainants along with interest, as mandated under Section 18(1)(a) of the RE(R&D) Act.

20. The interest shall be computed from the respective dates of receipt of payments made by the complainant to the respondent.

21. The Complainant has also alleged that the Respondent had unauthorisedly delegated the development and sale activities relating to the said flats to another entity, *Raja Developers*. However, it is noted that the said entity has not been impleaded as a party to the present proceedings, nor has any specific relief been sought against it. Accordingly, this Authority confines its adjudication to the Respondent alone.

22. It is pertinent to note that this Authority has already adjudicated similar complaints arising out of the same project, "Jaya Hilton Project", promoted by M/s Jayathri Infrastructures India Pvt. Ltd., Complaint No. 163 of 2025 & Ors (Jaya Hilton Batch II). In those matters as well, the Authority had observed identical patterns of non-compliance, inter alia, the collection of substantial amounts from allottees under a pre-launch offer and failure to commence construction within a reasonable period. The Authority had further recorded findings that M/s Jayathri Infrastructures India Pvt. Ltd., without holding an unencumbered and marketable title over the subject tower, had nevertheless proceeded to enter into subsequent Memoranda of Understanding with third parties. It is also significant to note that in the said proceedings, the Respondent therein, M/s Jayathri Infrastructures India Pvt Ltd., acknowledged the lapses and agreed to refund the amounts collected from the respective allottees. The said findings, observations, and undertakings are therefore squarely applicable and relevant to the facts and circumstances of the present case.

23. Accordingly, the Complainant entitled for Refund of the amount paid by him to the Respondents and also with the interest at the rate prescribed under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, i.e., the State Bank of India's Marginal

Cost of Lending Rate (MCLR) plus 2% per annum (i.e., 8.75% + 2%), calculated from the from the respective dates of receipt of payments made by the complainant to the respondent.

F. Directions of the Authority:

24. In view of the foregoing findings and in exercise of the powers conferred under the Real Estate (Regulation and Development) Act, 2016, the Authority issues the following directions:

a) The respondent, M/s Jayathri Infrastructures Pvt Ltd., is hereby directed to refund the entire amount collected from the Complainant, i.e., 15,00,000, along with interest at the rate of 10.75% per annum (SBI MCLR of 8.75% + 2%) within Thirty (30) days from the date of receipt of this order.

b) The said interest shall be calculated from the respective dates of receipt of each payment made by the complainant to the respondent until full refund is made.

25. Failure to comply with the above directions by the Respondent shall attract a penalty in accordance with Section 63 of the RE(R&D) Act, 2016.

26. As a result, the complaint is disposed of accordingly. 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