

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY
[Under the Real Estate (Regulation and Development) Act, 2016]
16th October 2025

Coram: Dr. N. Satyanarayana, IAS (Retd.), Hon'ble Chairperson
Sri Laxminarayana Jannu, Hon'ble Member
Sri K. Srinivasa Rao, Hon'ble Member

COMPLAINT NO.163 OF 2024

Between
Nayani Rakesh Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.
.... Respondent

COMPLAINT NO.164 OF 2024

Between
Rama Krishna Konakandla Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.
.... Respondent

COMPLAINT NO.165 OF 2024

Between
Vamsi Krishna Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hitton Project”, rep by Sri Srinivas.
.... Respondent

COMPLAINT NO.167 OF 2024

Between
Shiva Prasad Karnala Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.
.... Respondent

COMPLAINT NO.168 OF 2024

Between
P. Chalasani and Srinivasa Rao Kalpana Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

COMPLAINT NO. 171 OF 2024

Between

Balaji Kolluru

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

COMPLAINT NO.172 OF 2024

Between

Sandeep Naik

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

COMPLAINT NO.173 OF 2024

Between

Chidurala Rajesh

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

COMPLAINT NO.174 OF 2024

Between

Sahu Kalyani Kumari

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

COMPLAINT NO.175 OF 2024

Between

Sainath Reddy

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

COMPLAINT NO.176 OF 2024

Between

K Sai Charan

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

COMPLAINT NO.805 OF 2023

Between

Suryanaryana Murthy

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

COMPLAINT NO.873 OF 2023

Between

B Sai Charan

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

COMPLAINT NO.967 OF 2023

Between

U Raveendra Babu

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

COMPLAINT NO.1560 OF 2023

Between

Shaik Nishad

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

COMPLAINT NO.1567 OF 2023

Between

Arshiya Nikhat

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

COMPLAINT NO.1642 OF 2023

Between

Prateek Panigraphy

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

COMPLAINT NO.108 OF 2023

Between

Abhishek Velpula

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

COMPLAINT NO.109 OF 2023

Between

Balaji Ram Rao Kotalwar

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

COMPLAINT NO.164 OF 2023

Between

Neelakanti Abhiteja

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

COMPLAINT NO.165 OF 2024

Between

Gundra Nooka Raju

.... Complainant

AND

M/s Jayathri Infrastructures India Pvt Ltd.– “Jaya Hilton Project”, rep by Sri Srinivas.

.... Respondent

The present batch of complaints, filed by the complainants under Section 31 of the Real Estate (Regulation and 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 TG RE(R&D) Rules”), came up for hearing before this Authority.

2. The complainants appeared in person, and for Respondent learned counsel, Sri Rambika. The learned counsel for the respondent was present during the initial stage of hearing; however,

despite due service of notices on subsequent occasions, the respondent failed to appear before this Authority. Accordingly, the respondent was set ex parte.

3. Upon perusal of the material available on record, and after hearing the submissions advanced on behalf of the complainants, the matter was reserved for consideration. Having duly considered the pleadings, documents, and submissions, this Authority proceeds to pass the following order.

4. It is pertinent to record that the present matter comprises multiple complaints pertaining to the same project and involving identical questions of fact and law. Considering the commonality of issues involved, and in view of the specific request made by the Complainants, coupled with the absence of any objection from the respondent, all the captioned complaints have been clubbed together and are being adjudicated by way of this common order.

A. Brief Facts of the Case (As Submitted by the Complainants):

5. The present batch of complaints has been filed by the respective allottees of the project titled “Jaya Hilton”, proposed to be developed by the Respondent, M/s Jayathri Infrastructures Pvt. Ltd.

6. The complainants have submitted that the Respondent entered into individual Memoranda of Understanding (MOUs) with them during the period between 2020 and 2022, under a pre-launch offer, thereby collecting substantial amounts towards the consideration of the respective units. As per the terms of the said MOUs, the Respondent undertook to obtain necessary statutory permissions and hand over possession of the booked units to the complainants on or before December 2023, failing which the Respondent was to be liable for payment of compensation in accordance with the provisions of the Real Estate (Regulation and Development) Act, 2016.

7. The complainants have further averred that they have collectively paid substantial sums, with several of them having paid more than 30% of the total sale consideration, and a few having paid the entire amount towards their allotted units. Despite the lapse of more than two years since execution of the respective MOUs, the complainants contend that the Respondent has failed to adhere to the committed timelines, and that there has been no visible progress in the development or construction of the said project.

B. Relief(s) Sought:

8. It is recorded that, in their respective Form ‘M’, a few of the complainants had initially sought directions for completion of the project and delivery of possession after due registration. However, during the course of proceedings, all the complainants unanimously submitted that

they no longer desire continuation in the project and have sought refund of the amounts paid along with applicable interest, in accordance with the provisions of the RE(R&D) Act.

9. The same has been duly recorded by this Authority, and the matter is accordingly being considered with respect to the claim for refund of the amounts deposited along with interest.

C. Respondent reply:

10. The Respondent, M/s Jayathri Infrastructures Pvt. Ltd., in its written statement, has acknowledged having entered into MOUs with the complainants. The Respondent has submitted that it had earlier executed an MOU dated 02.02.2021 with M/s Janapriya Engineer Syndicate Pvt. Ltd. (“Janapriya”), whereby Janapriya had conferred upon the Respondent certain development rights pertaining to specific towers within a residential project known as “Nile Valley Project”. Based on the said arrangement, the Respondent claims to have marketed and sold units to the complainants under the pre-launch scheme.

11. However, the Respondent has contended that the said arrangement with M/s Janapriya could not be implemented owing to financial constraints and insufficiency of cash flow on the part of the Respondent. Consequently, both parties entered into a cancellation agreement, under which it was agreed that the advance amount earlier paid by the Respondent to Janapriya would be adjusted by allotting 48 units in the Janapriya Township Project to the Respondent’s customers.

12. The Respondent has further submitted that out of the said 48 allottees, 43 allottees have already provided their consent to shift to the Janapriya Township Project, and the process of transfer has been initiated and accepted by M/s Janapriya Township Pvt. Ltd. The remaining customers, who have opted for cancellation, are stated to be entitled for refund, which, according to the Respondent, shall be effected through adjustment of property in lieu of the amounts received.

D. Proceedings:

13. Upon perusal of the material on record and the written submissions of the Respondent, this Authority, in order to obtain greater clarity regarding the nature and extent of rights allegedly acquired by the Respondent M/s Jayathri Infrastructures Pvt. Ltd. over certain towers forming part of the “Nile Valley Project” of M/s Janapriya Township Pvt. Ltd., exercised its powers under Section 35 of the Real Estate (Regulation and Development) Act, 2016 and called upon M/s Janapriya Engineer Syndicate Pvt. Ltd. (JESPL) to submit its written explanation.

14. In response, M/s Janapriya Engineer Syndicate Pvt. Ltd. filed its reply, wherein it was stated inter alia as follows:

- a. At the outset, the MOUs executed by M/s Jayathri Infrastructures Pvt. Ltd. with the proposed purchasers in the project styled “Jaya Hilton” are independent transactions between Jayathri and such intending purchasers, executed without the involvement or consent of JESPL. Hence, JESPL has no connection whatsoever with such transactions or with any consideration amounts received by Jayathri from the said purchasers.
- b. With respect to the alleged proposal for relocation or accommodation of the said purchasers, JESPL submitted that no such plan presently exists. Discussions with Jayathri are still at a preliminary stage, particularly in light of Jayathri’s communication dated 18.08.2023, wherein they terminated the MOU dated 02.02.2021 and expressed their intention to exit from the project.
- c. It was further stated that several obligations under the said MOU dated 02.02.2021 remain unfulfilled by Jayathri, and that JESPL is in the process of working out modalities to facilitate Jayathri’s smooth exit from the project. However, the reply was submitted without prejudice to JESPL’s rights and obligations, and it was clarified that the same shall not be construed as either consent or commitment to accommodate Jayathri’s purchasers. JESPL sought a period of 4–6 months to furnish a comprehensive reply after further internal deliberations.
- d. Considering that neither of the parties had provided complete clarity regarding their respective roles and obligations, this Authority, in exercise of its powers under Section 35 of the Act, further directed Engineering Staff College of India (ESCI) to conduct a third-party inspection and submit a detailed technical and financial status report of the project.

Findings of the ESCI Report:

15. The ESCI, after inspection and examination of the documents, submitted a comprehensive report, wherein the following key findings were recorded:

1. The landowners had executed a Development and General Power of Attorney (DGPA) in favour of M/s Janapriya Township Pvt. Ltd. (JTPL) for development of a residential project titled “Nile Valley Project” over the scheduled land. The developer obtained revised technical approval for construction of a multi-storeyed building comprising 14 blocks (2 cellars + ground + 10 upper floors).
2. M/s Janapriya Engineers Township Ltd. (JETL) was constituted by Janapriya Engineers Syndicate Ltd. (JESL) in collaboration with Aniket SA Investment LLC to undertake the development. A Securities and Shareholders Agreement dated 22.08.2008 was executed,

under which Aniket SA invested approximately ₹78 crore in JTPL by subscribing to equity and preference shares.

3. Subsequently, JESL proposed to acquire Aniket SA's stake in JTPL for ₹69 crore, and M/s Jayathri Infrastructures Pvt. Ltd. approached JESL proposing to purchase an undivided share of land and development rights to construct and sell a built-up area admeasuring 9,57,260 sq. ft., along with an undivided share of 28,547 sq. yards of land in Blocks 4, 5, and 8 of the Nile Valley Project.
4. The total consideration payable by Jayathri under the said MOU was ₹119.6575 crore, which included ₹95.726 crore towards approved FSI and ₹23.9315 crore towards Transferable Development Rights (TDR) for additional floors. On the date of execution of the MOU, Jayathri had paid ₹4 crore towards TDR and ₹15 crore towards FSI. The balance amount of ₹105.6575 crore was to be paid on or before 31.07.2021, failing which JESL reserved the right to restrict the transaction to only Blocks 4 and 5.
5. The construction of Block 5 had been entrusted to M/s Raja Developers by the principal developer, JESL Pvt. Ltd.
6. The current stage of construction as per inspection is as follows:
 - a. Block 4(A) & 4(B): 0% work completed
 - b. Block 5: 27% work completed
 - c. Block 8(A): 1% work completed
 - d. Block 8(B): 1% work completed

16. Further, based on the above findings and in view of the submissions made, this Authority directed the complainants to file Interlocutory Applications (IAs) for impleading M/s Janapriya Engineer Syndicate Pvt. Ltd. as a necessary party (Respondent No. 2) to ensure complete adjudication of the matter. Despite being granted multiple opportunities, the complainants failed to comply with the said directions.

17. On the final date of hearing, the complainants submitted that they did not wish to make any further submissions and requested this Authority to proceed to decide the matter based on the material available on record, reiterating their prayer for refund of the amounts paid along with interest.

18. Accordingly, noting the complainants' unwillingness to pursue impleadment of M/s Janapriya Engineer Syndicate Pvt. Ltd. and their request to proceed with the matter as it stands, this Authority decided to hear and adjudicate the complaints b on the pleadings, documents, and material available on record, for the captioned complainants.

E. Observations of the authority:

19. Upon careful examination of the pleadings, documents, and submissions made by the parties, as well as the technical and financial report submitted by the Engineering Staff College of India (ESCI), this Authority proceeds to record its observations and findings as follows:

20. The complainants, despite being granted multiple opportunities by this Authority to implead M/s Janapriya Engineer Syndicate Pvt. Ltd. as a necessary party in the proceedings, have chosen not to pursue the same. In view of their explicit unwillingness to implead JESPL, as recorded during the final hearing, this Authority is constrained to adjudicate the matter based solely on the pleadings, documents, and material available on record, without delving into the transactions or obligations involving JESPL. Consequently, this Authority refrains from entering into the merits of the transactions or arrangements between M/s Jayathri Infrastructures Pvt. Ltd. and JESPL, including the MOU dated 02.02.2021 or the subsequent cancellation agreement, as JESPL is not a party to the present proceedings.

21. It is pertinent to note that the observations and findings recorded herein are strictly confined to the captioned complaints filed by the present batch of complainants. These observations shall have no bearing or applicability to other batches of complainants (Batch 1 and Batch 3) currently under adjudication before this Authority in relation to the same “Jaya Hilton and Nile Valley” projects. In those matters, JESPL has been impleaded as a party, and the adjudication involves distinct facts and considerations. Therefore, the Respondent, M/s Jayathri Infrastructures Pvt. Ltd., or any other party, including JESPL, shall not rely upon or construe the findings or orders in the present matter as having any precedent, influence, or applicability to the pending adjudication of other batches of complaints.

22. Coming to the factual matrix, it is an admitted position that the complainants entered into individual MOUs with M/s Jayathri Infrastructures Pvt. Ltd. between 2020 and 2022 under a pre-launch offer for units in the project titled “Jaya Hilton.” The complainants collectively paid substantial amounts—some having remitted over 30% of the sale consideration, while others have paid the entire amount. The respondent has admitted the execution of the MOUs and the receipt of payments but attributes its inability to perform its obligations to alleged financial constraints and the termination of its arrangement with JESPL.

23. Initially, certain complainants had sought completion of the project; however, during the course of proceedings, they unanimously expressed their intention to withdraw from the project and sought refund of the amounts paid along with applicable interest as per the provisions of the Real Estate (Regulation and Development) Act, 2016

24. Section 18 of the RE(R&D) Act governs the promoter's liability in cases of delay or failure to deliver possession and provides 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:

Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed.

(2) The promoter shall compensate the allottees in case of any loss caused to him due to defective title of the land, on which the project is being developed or has been developed, in the manner as provided under this Act, and the claim for compensation under this subsection shall not be barred by limitation provided under any law for the time being in force.

(3) If the promoter fails to discharge any other obligations imposed on him under this Act or the rules or regulations made thereunder or in accordance with the terms and conditions of the agreement for sale, he shall be liable to pay such compensation to the allottees, in the manner as provided under this Act.

25. The legislative intent underlying Section 18 is to ensure that the homebuyer's investment is protected and that promoters who fail to deliver possession in accordance with their contractual obligations are held accountable. The provision operates irrespective of the reasons cited by the promoter for non-performance. Once the allottee exercises the option to withdraw from the project, the promoter is under a statutory obligation to refund the entire consideration received, together with the prescribed rate of interest, until repayment.

26. In the present case, it is evident from the material on record and the respondent's own submissions that the project has neither commenced nor progressed in any tangible manner. The respondent has admitted its inability to perform the contractual obligations under the MOU, citing loss of financial capacity and breakdown of the arrangement with JESPL. The fact remains that the project was launched, and substantial sums were collected from homebuyers under the guise of pre-launch offers, without requisite approvals or progress in execution.

27. 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.

28. The interest shall be computed from the respective dates of receipt of payments made by each complainant to the respondent. This Authority also takes note of the respondent's repeated conduct in other projects, wherein similar pre-launch collections were made from unsuspecting allottees without obtaining RERA registration or securing ownership rights over the project land. Such recurring malpractices, including abandonment of projects and misleading advertisements, have resulted in grave hardship and financial loss to homebuyers. These actions reflect a pattern of deception and disregard for statutory obligations, which this Authority cannot overlook.

29. Accordingly, considering the respondent's repeated defaults, his failure to commence construction, and his non-compliance with statutory provisions under the RE(R&D) Act, this Authority concludes that the complainants are entitled to refund of the amounts paid along with interest as prescribed under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017.

F. Directions of the Authority:

30. 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 amounts collected from each of the captioned complainants within a period of ninety (90) days from the date of this order.
- b) The refund shall carry interest at the rate prescribed under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, i.e., the current SBI Marginal Cost of Lending Rate (MCLR) plus 2% per annum (presently 8.75% + 2% = 10.75% p.a.).
- c) The said interest shall be calculated from the respective dates of receipt of each payment made by the complainants to the respondent until full refund is made.

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

32. 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. LaxminaryanaJannu,
Hon'ble Member
TG RERA

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