BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 67 of 2026

Dated: 17th November, 2026

Quorum: **Sri. K.S. Sreenivasa Raju, I.A.S., (Retd.), Hon'ble Chairperson**
Sri Laxmi Narayana Jannu, Hon'ble Member
Sri K. Srinivasa Rao, Hon'ble Member

Between:

Javvadi Kumar Ganesh Krishna Chaitanya
Rep. by his General Power of Attorney holder
and father, Javvadi Ramakrishna,
R/o. H. No. Flat No.302, Dhanunjaya Block,
4 Seasons Township, Bhimavaram,
West Godavari District, Andhra Pradesh. …**Complainant**

Versus

1) **M/s. Tripura Constructions**
Rep. by its Managing Partner, Smt. Pasupuleti Suguna
O/a. 2nd Floor, Mahaveer Radiance, Plot Nos. 53, 54,
57 & 58, Guttala Begumpet, Kavuri Hills, Hyderabad.

2) **Smt. Pasupuleti Suguna**
3) **Sri. P. Sudhakar**
Both R/o. D.No.8-2- 293/82/J111/394, Plot No.394,
Road No.81, Jubilee Hills, Hyderabad, Telangana ..**Respondents**

The present matter filed by the Complainant mentioned herein above came up for hearing on 30.10.2026, before this Authority in the presence of the Complainant and counsel for the Respondents. Upon hearing the submissions of both parties, this Authority proceeds to pass the following **ORDER**:

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

A. Brief facts of the case as per Form M filed by the Complainant:

3. The Complainant submitted that M/s Tripura Constructions, represented by its partners, proposed to develop a gated residential high-rise project called "Tripura Nirvana" at Tellapur. The Respondent No.2 is a partner of the firm, and the Respondent No.3, who is the husband of the Respondent No.2, also acted on behalf of the firm in the transaction.

4. The Respondents offered to sell a flat in the said project to the Complainant, J.K.G.K. Chaitanya, for a total consideration of Rs.83,70,000/-. The Complainant accepted the offer and

paid Rs.41,85,500 as part of the purchase consideration through three SBI cheques dated 03-11-2023, 20-11-2023, and 11-12-2023. The remaining amount of Rs.41,85,000 was intended to be paid through a bank loan according to the construction-linked payment stages. A Memorandum of Understanding (MoU) was executed on 24th January 2024 to formalize the arrangement.

5. As per the MoU, the Respondents agreed to start construction within two months and complete the flat within the agreed timeline. However, despite the agreement, the Respondents failed to begin construction even after one year had passed. The Complainant and his son repeatedly approached the Respondents requesting them to start and complete the construction, but the Respondents kept postponing the work on various pretexts.

6. Eventually, on 02-11-2024, the Complainant informed the Respondents via email that he was willing to cancel the MoU since they were not proceeding with the project and requested a refund of the Rs.41,85,500 already paid. Although the Respondents asked the Complainant to visit their office to resolve the matter, he was repeatedly made to wait for long hours and asked to return on other days without any resolution. The Complainant later sent formal letters on 24-02-2025, 12-04-2025, and 21-04-2025 demanding a refund. Despite receiving these communications, the Respondents did not refund the amount.

7. After repeated demands, the Respondent No.3 issued a cheque for Rs.10,00,000/- dated 20-07-2025, drawn on ICICI Bank, Manikonda Branch, as part payment and promised to pay the remaining amount shortly with interest. However, when the Complainant presented the cheque for collection through Union Bank of India, Bhimavaram, it was returned unpaid with the remark “Account Blocked.”

8. The Complainant contends that issuing a cheque without ensuring funds constitutes an offence under Section 138 of the Negotiable Instruments Act, 1881. He further states that the Respondents’ failure to refund the money despite repeated requests amounts to a breach of the Memorandum of Understanding, deficiency in service, and an unfair trade practice.

9. Therefore, the Complainant has filed a complaint under Section 31 of the RE(R&D) Act,2016, seeking refund of the amount paid along with interest and appropriate action against the Respondents.

B. Relief(s) Sought:

10. In view of the above-mentioned facts and circumstances, the Complainant has humbly prayed for the following reliefs:

> 1. To Direct the Respondents to refund to the purchaser, Mr. J.K.G.K. Chaitanya, the amount of Rs.41,85,500/- paid towards the allotment/purchase of a flat in the project "Tripura Nirvana", together with interest at the rate of 24% per annum from the respective dates of payment until the date of realization.
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> 2. To initiate appropriate proceedings under Section 31 of the RE(R&D) Act, 2016, against the Respondents for their failure to comply with the terms of the Memorandum of Understanding, and for engaging in deficiency of service and unfair trade practices.
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> 3. To take necessary action under Section 138 of the Negotiable Instruments Act, 1881, in respect of the dishonour of cheque dated 20-07-2025 bearing No. 004765, drawn on ICICI Bank, Manikonda Branch.
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> 4. To award the costs of this complaint in favour of the Complainant.

C. Counter filed by the Respondent

11. The Respondent, represented by its Managing Partner, submitted a Counter Affidavit raising primary objections to the jurisdiction and maintainability of the complaint, asserting that the proceedings under Section 31 of the RERA Act are vague, misconceived, and instituted solely to exert pressure and extract funds. The Respondent contends that the dispute arises purely out of mutual contractual obligations under a civil contract, which requires trial and appreciation of evidence under the Indian Evidence Act before a competent civil court rather than adjudication before this Authority. Furthermore, the Respondent raises a preliminary objection that the Authority's jurisdiction can only be invoked upon project registration, whereas the complainant approached the Authority prematurely while the project was at an initial, pre-registration stage.

12. On the merits of the transaction, the Respondent states that the parties entered into a Memorandum of Understanding (MoU) dated 24.01.2024, whereby the complainant voluntarily paid an advance for reserving a flat with full knowledge that sanctions from HMDA/RERA were pending and construction had not begun. Under the agreed MoU terms, flat allocation was contingent upon obtaining approvals, and specific clauses governed buy-back or cancellation options at management-determined prices with agreed interest. Consequently, the advance cannot be categorized as a simple deposit, and the Respondent puts the complainant to strict proof regarding allegations of dishonored refund cheques or assurances.

13. The Respondent affirms that it diligently pursued and secured the necessary permissions and sanctions, but the complainant rushed to file this complaint without prior notice, unfairly stalling the project and causing reputational damage. The Respondent specifically denies shifting the project location or causing inconvenience to the complainant, rejecting the refund claim of Rs. 41,85,500/- along with interest as false, fabricated, and outside the regulatory scope of this Authority, and accordingly prays for the outright dismissal of the complaint.

D. Rejoinder filed by the Complainant

14. The Complainant respectfully submits this rejoinder to the Counter Affidavit filed by the Respondents, denying all preliminary objections and asserting that the promoter's non-registration and breach of statutory mandates cannot oust the regulatory jurisdiction of this Authority under Section 31 of the RERA Act. The Complainant clarifies that the actual aggregate amount paid towards the booking of a flat in the "Tripura Nirvana" project was Rs. 41,85,000/- (via three separate cheques between November and December 2023), and that the figure of Rs. 41,85,500/- recorded in the MoU dated 24.01.2024 was merely a typographical error. The Complainant unequivocally refutes allegations of "unclean hands" or harassment, establishing through contemporaneous email records that the complaint was instituted only after prolonged, futile attempts at amicable resolution and repeated office visits by his aging father.

15. The Complainant emphasizes that the promoter cannot convert its own statutory non-compliance into an absolute shield against regulatory scrutiny. By collecting 50% of the total sale consideration (Rs. 41,85,000/- out of Rs. 83,70,000/-) prior to executing and registering an Agreement for Sale, the Respondents committed a direct violation of Section 13(1) of the Act. Furthermore, marketing and taking advance consideration for an unregistered project contravenes Sections 3 and 4. Knowledge of pending approvals at the time of signing the MoU cannot be construed as an allottee's perpetual consent to indefinite fund retention, total absence of construction progress, or failure to allot a flat number. Relying on settled Supreme Court precedents (*Newtech Promoters* and *Imperia Structures*) as well as TG-RERA orders, the Complainant affirms that the right to withdraw and claim an absolute refund with statutory interest under Section 18(1)(a) is fully maintainable.

16. The Complainant places strong corroborative reliance on the Respondents' own conduct, noting that following refund demands, Respondent No. 3 issued a part-payment

cheque of Rs. 10,00,000/- dated 20.07.2025, which was subsequently dishonoured with the bank endorsement "Account Blocked". While reserving separate remedies for cheque dishonour and compensation under Section 71 before the Adjudicating Officer, the Complainant asserts the joint and several liability of the firm and its active partners (Respondent Nos. 2 and 3) under Section 25 of the Indian Partnership Act.

E. Points for consideration

17. After considering the facts stated and submissions made by both parties, the following questions arise before this Authority:

i. Whether the Complainant is entitled to relief sought? If so, to what extent?

F. Observations of the Authority

18. The matter was heard on 30.10.2026. The learned counsel for the Respondent and Complainant in person appeared before this Authority. During the course of hearing, the parties informed this Authority that they were willing to resolve the dispute amicably and the Respondent agreed to refund the amount paid by the Complainant, in instalments.

19. This Authority has carefully considered the pleadings, the documents on record and the submissions made on behalf of both parties. It is not in dispute that the Complainant and the Respondent entered into a Memorandum of Understanding (MOU) dated 24.01.2024, pursuant to which the Complainant paid a sum of Rs. 41,85,000/- out of total sale consideration of Rs. 83,70,000/- towards the purchase of a flat in the project “Tripura Nirvana” at Tellapur, Ramachandrapuram, Sangareddy District, Telangana. The MOU stipulates Rs. 41,85,500/- has been paid by the Complainant, however, the payment receipts enclosed and submissions made by Complainant in his rejoinder, concludes that Rs. 41,85,000/- has been paid and the same is sought for refund. It is also undisputed that the possession of said flat was promised only after securing the requisite approvals from HMDA and registration with RERA.

20. The Respondent contended that the Complainant paid the advance voluntarily, with full knowledge that the approvals were pending and that construction had not commenced. This contention cannot be accepted as a defence to the claim for refund. Knowledge of the pendency of approvals at the time of executing the MOU cannot be construed as the consent of the Complainant to the indefinite retention of his money by the promoter, without any progress in the project. The promoter who accepts substantial consideration on the strength of a promise

to secure approvals and deliver possession is bound to fulfil that promise within a reasonable time.

21. In the present case, a reasonable time has long elapsed from the date of the MOU. The Respondent has neither secured the approvals nor commenced the construction, and the Complainant, despite having paid a substantial part of the sale consideration, has not been handed over possession of the flat. The Complainant was, therefore, justified in choosing to withdraw from the project. Moreover, the email correspondence filed by the Complainant and the subsequent letters demanding refund, as well as the part-payment cheque of Rs. 10 lakhs issued on behalf of the Respondent, supports the claim of the Complainant.

22. The objection of the Respondent that the jurisdiction of this Authority can be invoked only upon registration of the project is untenable. It is an admitted position that the project "Tripura Nirvana" is not registered before this Authority. The promoter, having collected substantial sums from the allottee in respect of an unregistered project, cannot be permitted to take advantage of its own default and plead its non-registration as a shield against the statutory liability to refund.

23. After duly considering the fact that the said project is unregistered before this Authority, that the construction has not commenced, and that the necessary approvals have not been obtained, the default lies on the Respondent and the Respondent therefore, is held liable to refund the total amount paid by the Complainant, along with the applicable interest.

24. Section 18 of the Act provides that an allottee has a right to withdraw from a project and to seek refund of the amount paid, along with interest, where the promoter fails to complete or is unable to give possession as per the statutory or contractual timeline. The Hon'ble Supreme Court in Newtech Promoters case [(2021)18 SCC 1], held that the said right is unconditional and absolute. Therefore, in exercise of powers under Section 18(1)(a) of the RE(R&D) Act, 2016, this Authority holds that the Complainant is entitled to withdraw from the project and seek refund of the amount paid.

25. However, during the course of proceedings, the Respondent agreed to refund Rs. 10,00,000/- on or before 10.11.2026 out of the total amount i.e., Rs. 41,85,000/- paid by the Complainant, and to pay the balance amounts in four instalments, at the end of every month commencing from November, 2026 and ending with February, 2027. Having regard to the said submissions, and in view of the lapse of agreed date for payment of Rs. 10,00,000/-, this Authority in the interest of justice and to give effect to the transactions, extends the time for

refund of Rs. 10,00,000/- to 20.11.2026, while the timeline agreed between the parties for payment of the balance amount shall remain unchanged.

26. Accordingly, the Complainant shall be refunded Rs. 41,85,000/- as per the timeline agreed by the parties, along with 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., 8.85% + 2% = 10.85%), calculated from the respective dates of payments made by the Complainant until the date of actual refund.

27. With regard to the non-registration of the project, this Authority had previously directed the Secretary, TG RERA to issue a show cause notice to the Respondent herein for non-registration of the project "Tripura Nirvana" in CC 171 of 2026 vide its order dated 24.10.2026 and to take appropriate action. Therefore, initiation of subsequent proceedings in the present case with respect to violation of Section 3 of the Act, 2016 is unwarranted.

G. Directions of the Authority:

28. In view of the findings and observations recorded hereinabove, this Authority proceeds to issue the following directions as per the powers vested under Section 37 of the RE(R&D) Act, 2016:

a. The Respondent is directed to refund the sum of Rs. 41,85,000/- paid by the Complainant towards subject flat in "Tripura Nirvana" project, along with interest at the rate of 10.85% per annum, calculated from the respective dates of payment made by the Complainant until the date of realisation, and the interest to be paid within 60 days from the date of this Order.

b. As agreed by both parties, the refund of principal amount of Rs. 41,85,000/- shall be paid by the Respondent in instalments to the Complainant, wherein Rs. 10,00,000/- shall be paid on or before 20.11.2026 and the remaining balance amounts shall be paid in 4 instalments at the end of every month starting from November, 2026 to February 2027.

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

30. 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 NarayanaJannu,
Hon'ble Member
TG RERA

Sd/-
Sri K.S. Sreenivasa Raju, IAS (Retd)
Hon'ble Chairperson
TG RERA