BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 530 of 2025

Dated: 17th November 2026

Coram: **Sri Laxmi Narayana Jannu, Hon'ble Member**
Sri K. Srinivasa Rao, Hon'ble Member

Ayyappa Sri Rasthu Association Siddipet,

(Rep by Someshwar Kasanagottu, President,
Sy. No. 1131/7/1, Near Ayyappa Temple,
Siddipet- 502103)

…Complainant

Versus

M/s. Ayyappa Builders (Regd. No. 193/2020) Represented by its Managing Partners

1. *Sri. Muramsheety Shiva Kumar,*
2. *Sri. Dundigalla Srinivas*
3. *Sri. Nagakrishna Gattu*
4. *Sri. Addagulla Ravi Kumar*
5. *Sri. Kura Manohar*
6. *Sri. Chakilam Ravi*
7. *Sri. Bogari Chandra Shekar*
8. *Sri. Aitha Shankar*
9. *Sri. Dasari Sathyanarayana*
10. *Sri. Yamsani Venkatesham*

M/s Ayyappa Builders (Regd. No. 193/2020),
R/o 1-1-02/1/1, Near New Market,
Siddipet- 502103

…Respondents

The present matter filed by the Complainant herein came up for hearing on 23.06.2026 before this Authority in presence of Complainant and their Counsel M Santhosh Reddy and Respondent Counsel; upon pursuing the material on record and on hearing arguments of the both the parties and having stood over for consideration till this day, 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. The brief facts of the case, as stated by the Complainant, are as follows:

3. The Complainants herein are the members of Ayyappa Sri Rasthu Association, who have purchased flats in Ayyappa Homes, have jointly filed this complaint against the respondent. The purchasers entered into agreements of sale with the respondent based on the brochure provided, which mentioned several promised amenities, including a drainage system, generator, CCTV on every floor, fire safety measures, execution and registration of occupancy deed, formation of association of allottees, good construction quality, provision of corpus fund, and other amenities such as lift and water motor. The respondent had also promised to provide three borewells but installed only two.

4. Even after more than two years of possession, several of these promised amenities have not been provided, and the construction suffers from cracks and leakages. Despite repeated requests, the respondent has failed to fulfill the assurances, due to which the complainants have approached this Authority seeking necessary action. Photographs showing the issues faced by the complainants were also attached along with the complainant.

B. Relief sought:

The complainants seeking a direction against the respondents to provide the following amenities:

1. *Provide Drainage System*
2. *Provide Generator*
3. *Install CCTV in Every Floor*
4. *Meet Mandatory Fire Safety Requirements*
5. *Execute & Register Occupancy Deed*
6. *Form Association of Allottees*
7. *Provide Good Construction so many Cracks & Leakages in Construction*
8. *Provide Corpus Funds for Association*
9. *Provide Quality Amenities Like Lift, Water Motor*
10. *To provide the third borewell as promised*

C. Reply of the Respondent:

5. The Respondent has filed a detailed reply denying all the material allegations made in the complaint. The Respondents, deny all allegations made in the complaint except those specifically admitted, and submit that the complaint is frivolous, baseless, and filed with an ulterior motive to harass them, despite the fact that all obligations under the agreements of sale, the registered sale deeds, and the provisions of the Real Estate (Regulation and Development) Act, 2016 have long been fulfilled.

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6. It is stated that the project “Sri Rasthu” (Registration No. P013000003068, valid up to 17.12.2026), situated at Lingareddypally, Siddipet Mandal, Siddipet District, was fully completed much prior to the filing of the present complaint, and that the Occupancy Certificate and Form IA (Architect’s Certificate) were duly obtained and submitted to the RERA Authority, confirming adherence to all statutory requirements.

7. The Respondents admit the purchases made by the Complainants, namely, Sri Someshwar Kasanagottu, Sri Uppala Krishna Murthy, Sri Mulugu Ramesh, Sri Garipally Srinivas, and Sri Gajawada Sai Teja, under their respective registered sale deeds, but submit that all such purchases were made strictly in accordance with the terms of the executed agreements, which were entered into after full disclosure. It is stated that the brochure relied upon by the Complainants was merely promotional in nature and fully aligned with what was actually delivered and any interpretation beyond the written contractual terms is misconceived and not binding upon the Respondents.

8. The Respondents specifically deny the allegations regarding unfulfilled promises and submit that all essential amenities have been provided and functional for over two years. It is stated that septic tanks have been duly constructed, and wastewater is being released into the neighbouring land with the landowner’s consent, who uses the same for agricultural purposes, and that once municipal sewerage lines are laid, the project shall be duly connected. A fully functional generator has been provided for common area backup power, and CCTV cameras have been installed across all floors and common areas. The Respondents assert that statutory fire safety requirements are not applicable to the project, however, fire extinguishers have been provided as an additional safety measure. It is further submitted that occupancy deeds were executed and handed over to all purchasers upon completion. The Association of Allottees has already been formed and is functioning, which itself disproves the allegation regarding non-formation.

9. The construction quality is stated to be robust, without any structural cracks or leakages reported either during inspections or thereafter, and any minor issues observed are due to ordinary wear and tear or resident misuse. The Respondents also clarify that no corpus fund was collected at any point, and no such obligation arises either from the agreements or from the applicable legal framework. Quality amenities such as lift systems and water motors were procured from reputed manufacturers, remain under warranty, and are periodically serviced. Three borewells were promised and all three have been provided, contrary to the Complainants’ claim of only two.

10. It is submitted that after handover, the Complainants did not raise any formal or genuine grievances for more than two years, nor did they issue any prior notice regarding the deficiencies now alleged. The Respondents contend that the allegations of “severe inconvenience” are exaggerated, unsupported by evidence, and raised only as an afterthought. The Respondents reiterate that the

project is fully compliant with Sections 11, 14, and 18 of the Act and the Telangana RERA Rules, 2017, and that all statutory approvals were duly obtained and the project has been handed over to the Association, which is now responsible for ongoing maintenance. It is submitted that filing the complaint without first approaching the Respondents or even the Association constitutes an abuse of process.

11. The Respondents have enclosed photographs demonstrating the amenities provided, along with a copy of the Occupancy Certificate in support of their contentions.

D. Rejoinder filed by Complainant

12. The complainant had filed a detailed rejoinder denying all the material allegations made in the reply. Complainant submitted that the Respondents have not only denied the original allegations but have also introduced new and misleading claims regarding the status and quality of construction of "Ayyappa Sri Rasthu" apartments, all of which are specifically denied.

13. At the outset, the Complainant disputes the Respondents' claim that the project was completed in all respects prior to the filing of the complaint and that a valid Occupation Certificate (OC) and Form 1A were obtained. It is asserted that the photographic evidence already placed on record clearly reflects the incomplete and deficient condition of the project, thereby contradicting the Respondents' assertions.

14. The Complainant further submits that the Respondents have, in effect, admitted deviations from the brochure specifications, particularly with respect to essential amenities such as drainage, generator backup, and construction quality. It is emphasized that such amenities constitute basic and non-negotiable requirements, and any deviation therein amounts to deficiency in service.

15. With regard to infrastructure and facilities, the Complainant highlights several serious deficiencies. The drainage system is alleged to be improperly managed through septic tanks with wastewater being discharged onto a neighbouring property, creating a potential health hazard for residents in the future. The assurance of providing individual generators for Blocks A and B is stated to be unfulfilled. Claims relating to installation and maintenance of CCTV cameras were denied, asserting that such installations were undertaken by the flat owners themselves. The Respondents' assertion regarding compliance with fire safety norms is also disputed, with the Complainant stating that even basic fire extinguishers are not available at the premises.

16. The Complainant also denies that occupancy documents were duly handed over to allottees, stating that knowledge of the Occupation Certificate itself arose only upon its filing before this Authority. Allegations of high construction quality are termed vague and unsubstantiated, with the

Respondents being put to strict proof regarding claims that defects arose due to misuse by residents. Further, it is contended that essential utilities such as lifts and borewell systems are either non-functional or require frequent repairs, contrary to the Respondents' claims of proper installation and maintenance. The assertion that three borewells were provided is specifically denied, with the Complainant stating that only two were dug and both are presently non-functional.

17. The Complainant reiterates that despite repeated follow-ups, the Respondents failed to address these issues. A legal notice dated 23.06.2025 was issued to the Respondents, which was duly received but remained unanswered. It is further submitted that under Section 14(3) of the Real Estate (Regulation and Development) Act, 2016, the Complainant is entitled to seek rectification of such defects within the defect liability period of five years.

18. Lastly, the Complainant contends that the Respondents' reliance on the Occupation Certificate and Form 1A is misplaced, as such certifications pertain only to compliance with sanctioned plans and not to the quality of construction or adherence to promised specifications. The reply filed by the Respondents is characterized as being unsupported by material evidence and consisting of unsustainable claims.

D. Issues:

Upon a careful perusal of the material available on record, including the pleadings and documents filed by both parties, the core issues that arises for consideration before this Authority are:

1. *Whether the complainants have the authority to represent the association without a properly executed resolution?*
2. *Whether the Complainant Association is entitled to the reliefs sought in the present complaint under the provisions of the Real Estate (Regulation and Development) Act, 2016?*

E. Observations of the Authority:

Issue No. 1: ***Whether the complainants have the authority to represent the association without a properly executed resolution?***

19. At the outset, this Authority notes that the complaint is filed in the name of Ayyappa Sri Rasthu Association, Siddipet, but it is signed by only five of the twenty members of the association. The resolution filed with the complaint is also not signed by all the members. So, the authority of these five persons to act for the whole association is not fully established.

20. The Respondents then filed a joint representation signed by 11 residents/allottees of the Sri Rasthu project, developed by M/s. Ayyappa Builders. They state that the project was completed, that the statutory approvals including the OC and Form 1A were obtained, and that possession and maintenance were handed over to the Association more than two years ago. They contend that all the agreed amenities, including generator backup, CCTV, borewells, lifts, drainage and fire safety

facilities, have been provided and are working satisfactorily. The joint representation points out that only one generator was installed instead of two. They further allege that the complaint was filed by the Ayyappa Sri Rasthu Association without consulting the residents or getting the consent of the majority, and that it is motivated by mala fide intention. They deny the allegations made in the complaint.

21. In reply to this representation, the Complainant filed an additional written statement. It denies that the project was formally handed over or that all the promised amenities were provided. It points out that the CCTV cameras were installed only after these proceedings began. It states that the Association continues to manage the day-to-day maintenance, and that it has filed bills, records, photographs and an expert report in support. The Complainant also questions the credibility of the representation signed by 11 persons. It points to differences in the ownership and occupancy of the 20 flats, saying that 7 flats are owned by the builder and 8 are unoccupied, and that the Association has only five resident owners. According to the Complainant, the representation does not show the views of genuine residents.

22. As directed by this Authority, the Complainant filed the minutes of the general body meeting held on 14.06.2026. The minutes are signed by only 10 of the 20 members. That is only half of the members and not a majority and the minutes do not mention this complaint, the structural stability certificate, the inspection report, or any of the defects and amenities raised in the complaint. No issue was taken up on whether to file or continue a complaint before this Authority, and no member is recorded as having been asked about it. Hence the meeting cannot be treated as validly held.

23. It is seen that there is a serious difference of opinion among the members of the association. Even so, the complainants are not asking for any money. They only ask for the amenities assured to them at the time of purchasing units, which are basic needs for living peacefully in a house.

24. In respect of the submissions made by respondents, it is pertinent to record that Section 31 of the Act allows “any aggrieved person” to file a complaint before this Authority, and the Explanation to Section 31(1) says that “person” includes an association of allottees. The five persons who signed the complaint are allottees of this project, and the Respondents themselves admit their purchases in the reply. They are directly affected by the defects they complain about. These defects are in the building and its common facilities, and they affect all the flat owners alike. The Respondents have also replied to the complaint on merits. So, the lack of a proper resolution is only a procedural defect. It does not stop this Authority from hearing the complaint. The Act is a beneficial legislation. Refusing to hear the five residents before us, who are aggrieved by the non-provision of facilities promised to them at the time of buying, would defeat the purpose of the Act.

25. In such circumstances, the authority cannot mechanically reject the complaint or consider them having no locus standi at prima facie on account of absence of signature of remaining members of association. Such an approach would elevate the procedural requirement over substantive justice and undermine the protective intent of the legislation.

26. Accordingly, we are of the view that the complaint filed before us, deserves consideration on merits. Issue No. 1 is answered accordingly.

Issue No. 2: ***Whether the Complainant Association is entitled to the reliefs sought in the present complaint under the provisions of the Real Estate (Regulation and Development) Act, 2016?***

27. The Complainant herein are seeking the respondents to complete or provide certain amenities that were promised in the brochure. To prove its case, the Complainant has filed photographs, a structural stability certificate and a complete inspection report of the apartment building prepared by a structural engineer.

28. This Authority has gone through the pleadings, the photographs and the inspection report. The Complainant has asked for many reliefs, such as drainage, generator, CCTV, fire safety, occupancy deed, formation of an association, repair of cracks and leakages, corpus fund, lift and water motor, and a third borewell. As seen under Issue No. 1, the members of the Association are divided, and the minutes of the general body meeting held on 14.06.2026 do not mention the complaint or any of the defects and amenities raised in it. In these circumstances, this Authority finds it proper to limit this order to the matters that affect the health and safety of every resident of the building and are clearly recorded in the inspection report. These are the septic tank, drainage and the generator.

29. The inspection report records the following on these matters:

a) The drainage is not installed properly. The drainage lines are unfinished and open into the neighbour's open land. This may cause inconvenience to the residents of the apartment and to people passing by.
b) The site has no septic tank and no adequate drainage line system, as required.
c) An unfinished outlet drain pipeline was found at the parking area ceiling, and there is water leakage at the joints of the unfinished pipeline plastering.
d) No generator has been installed at the site, as required.
e) Proper earthing is not provided for the electrical meters serving the whole apartment building.

30. The Respondents state that the project was fully completed, that the OC and Form 1A were obtained, and that all amenities were provided. An OC only shows that the building has been built as per the sanctioned plan. It does not prove that the quality of work is good, or that the amenities and

specifications promised to the allottees were actually provided. The photographs and the OC filed by the Respondents do not answer the findings recorded above, which are based on the inspection report.

31. The Respondents also say that the minor issues seen are due to ordinary wear and tear or misuse by the residents. This cannot be accepted for the matters dealt with in this order. A missing septic tank, a missing generator and unfinished drain pipelines are faults in construction and in providing the facilities. They are not the result of use.

32. The Respondents say that the brochure was only promotional. The Supreme Court in *Swarnpreet Kaur & Anr. v. DLF Home Developers Ltd. & Ors*., Civil Appeal No. 8049 of 2023 and connected matters, has reiterated that promises made in project brochures cannot be dismissed as mere marketing material, holding that a developer must construct and deliver a project in strict conformity with the representations made to prospective homebuyers subject to sanction plan.

33. On the septic tank and drainage, the Respondents say that septic tanks have been built, that waste water is let out into the neighbouring land with the landowner's consent, and that the project will be connected to the municipal sewer line once it is laid. But the report records that the site has no septic tank and no adequate drainage line system, and that the drainage lines are unfinished and open into the neighbour's land. The reply of the Respondents itself shows that the waste water is not going into a proper drainage system.

34. Letting waste water into a neighbour's land is not a proper drainage arrangement for an apartment building. Even if the neighbour has agreed, it is only a private arrangement which can be withdrawn at any time, and the reply does not say that the municipality or any other competent authority has approved it. This arrangement has also caused drain water to collect in the parking area. Waste water on open land can affect the health of the residents and of people nearby. The municipal sewer line is a matter for the future, and the residents cannot be left without a proper septic tank and drainage till then. The Respondents must therefore provide a proper septic tank and a complete drainage system for the building, and must finish the unfinished drain pipelines, including the outlet drain pipeline in the parking area.

35. On the generator, the Respondents say that a fully working generator has been provided for backup power in the common areas. The report says that no generator has been installed at the site. The Complainant says that generators were promised for Block A and Block B. The joint representation filed by the Respondents, signed by 11 residents, itself says that only one generator was installed instead of two. So, on any view, the generator arrangement is not complete as promised. The Respondents must install the generators promised for Block A and Block B. If one generator is already installed and working, they need to install only the remaining one.

36. Section 14(3) of the Act says that if any structural defect, or any other defect in workmanship, quality or provision of services, is brought to the notice of the promoter within five years from the date of handing over possession, the promoter must fix it free of charge within thirty days. In this case, possession was handed over more than two years ago, so the five-year period is still running. The Respondents say that the Complainants raised no grievance for more than two years after handover. That is not a defence, as the five-year period is still running. Under the proviso to Section 11(4)(a), this responsibility of the promoter continues even after the sale deeds are executed.

37. The Respondents also say that the project has been handed over to the Association, which is now responsible for maintenance. Day-to-day maintenance after handover is the Association's job. But this does not free the promoter from its duty to verify construction defects as per the provisions of this Act and to provide the promised amenities as per sanction plan.

38. As to the other reliefs, namely CCTV, fire safety, execution and registration of the occupancy deed, repair of cracks, leakages and other construction defects, lift and water motor along with warranty papers, and the third borewell, this Authority does not decide them in this order, for the reason stated above. If the Association wishes to pursue them, it may file a fresh complaint after passing a proper resolution at a general body meeting held with notice to all the members.

39. The prayers for formation of an association of allottees and for a corpus fund are not granted. The Association has already been formed and is working, and the Complainant itself is that Association. Further in regards to corpus fund, the Complainant has not shown any clause in the agreements of sale/sale deed under which it state that respondents have collected corpus fund from the allottees of the concerned project or that allottees have paid any amount towards corpus fund to which respondents are liable to handover to the association.

F. Directions of the Authority:

40. Based on the facts, the evidence on record and the findings given above, this Authority holds that the Complainant is entitled to the reliefs only as stated below. In exercise of the powers under Sections 37 and 38 of the Real Estate (Regulation and Development) Act, 2016, the Respondents are directed as follows:

a. To construct a proper septic tank with a complete drainage system for the building, and to attend to the unfinished drainage pipelines, including the outlet drain pipeline in the parking area, so that waste water is no longer let out into the neighbouring land. The work shall be done as per the sanctioned plan and the requirements of the local authority, within sixty (60) days from the date of this order.

b. To install the generators for both the blocks separately or one generator to satisfy the requirement for the two blocks with power backup within sixty (60) days from the date of this order.

c. All the above works shall be done at the Respondents' own cost, without charging the allottees or the Association anything. The Association and its members shall allow the Respondents access to carry out the works.

The Respondents are hereby cautioned that if they do not comply with the above directions, they shall be liable for penalty under Section 63 of the Real Estate (Regulation and Development) Act, 2016.

41. The complaint stands disposed of in the above terms. There shall be 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

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