BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 02 of 2026

Dated: 17th November 2026

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

Between

Srinivasa Rao Gundala
(villa #137, first floor, praneeth pranavpanorama,
Ameenpur, 502032)

……Complainant(s)

Versus

M/s. Magnets Infra & Services Ltd., rep. by its MD Syed Kaleem
(6-2-27/A, 6-2-28, Downtown mall, 4th floor
Beside Lotus Hospital, Lakdikapool,
Hyderabad, 500004)

……Respondent

The present matter filed by the Complainants mentioned herein above came up for hearing before this Authority on 18.08.2026 in the presence of the Complainant, and the Respondent. Upon hearing the submissions of all the 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 & 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 Respondent.

A. ***Brief facts of the Case as per Form M filed by Complainant***

3. In September 2022, staff members of Magnets Infra, namely Haribabu and his manager Santosh, repeatedly called and visited the complainant's home, persuading the complainant and family to consider purchasing a plot in their venture "Magnets9 Venture" at Chinchode Village, Shad Nagar. They invited the complainant's family to their Jubilee Hills office and took them for a site visit. To influence the decision, they offered holiday packages, lucky draw schemes and made several false promises about returns, registration and pricing

4. During the site visit, the staff pressurised the complainant to immediately pay Rs. 3,10,000 as a blocking amount for Plot No. 22/2 (139 Sq. Yards), stating that the plot would otherwise be allotted to someone else. They assured a flexible EMI plan for five years, allowing payment at convenience. Trusting their commitments and on the representation that the venture

was approved by RERA, and planning the investment for the complainant's daughter's future, the complainant paid the initial amount.

5. Magnets Infra prepared an agreement where both parties' details were filled on the first page, while the second page was changed repeatedly based on their demands. In September 2022, the price was fixed at Rs. 8,000 per Sq. Yard and Rs. 600 per Sq. Yard as registration charges. In 2023, they claimed that the Telangana Government had increased registration charges and forced the complainant to sign a revised second page with Rs. 1,000 per Sq. Yard as registration charges. In 2024, they again manipulated the complainant, stating that charges had increased after election results and changed the total price to Rs. 9,500 per Sq. Yard including registration charges. Despite concerns, the complainant signed the revised documents because significant payments had already been made and assurances were given that registration would be completed without delay.

6. By June 2025, the complainant paid the entire amount of Rs. 13,20,500/- demanded by Magnets Infra for Plot No. 22/2 and formally requested them to complete the registration process.

7. After receiving the full payment, the staff informed the complainant that the originally allotted plot (22/2) had already been sold / registered to another branch and that they were now offering a smaller plot of 125 Sq. Yards, which the complainant refused. This made it clear that the opposite party had cheated the complainant despite accepting full payment. The complainant immediately requested a full refund.

8. Throughout June 2025, the complainant visited the Jubilee Hills office more than ten times and made 50–60 phone calls requesting a refund. Due to the complainant's medical condition (Spondylitis), frequent travel became extremely difficult. However, the staff of Magnets Infra continued to ignore the complainant, avoided meetings and did not return the money for nearly six months.

9. On 19 November 2025, when the complainant again visited the Jubilee Hills office and the opposite party once again refused to refund the payment, the complainant called 100 and a patrolling police team arrived. In the presence of the police, Magnets Infra agreed to refund the full amount by 20 November 2025 at 12:30 PM. Based on this commitment made before the police authorities, the complainant returned home believing the matter was resolved.

10. On 20 November 2025, two individuals whose entry had been approved at the security gate arrived at the complainant's residence. However, a third person, unknown to the complainant and not approved for entry, also entered without authorisation. His unprofessional appearance and behaviour caused discomfort and fear within the complainant's family.

11. During the discussion, they threatened and intimidated the complainant, stating that if a complaint was filed with RERA or if any legal action was initiated, they would use their influence and power to ensure that the complainant would "suffer for a lifetime", and claimed that even RERA would not take any action against them. They also used extremely vulgar and abusive language in front of neighbours and the complainant's family, causing fear, psychological distress and serious mental harassment.

12. At multiple stages, the complainant requested the staff of Magnets Infra to provide the contact details or an appointment with the Managing Director in order to escalate and resolve the issue. However, the staff repeatedly refused, stating that the Managing Director was "not available", "not approachable" or "not permitted to speak to customers". This deliberate denial of access prevented the complainant from resolving the dispute amicably and further demonstrates the opposite party's lack of transparency and intention to cheat

B. Reliefs sought

13. The Complainant accordingly sought the following reliefs:

i. *A direction to the Opposite Party (Magnets Infra / Magnets9 Venture) to refund the plot value as per their latest brochure price.*

ii. *As per the latest published rate of Rs. 12,999 per square yard, the value of the plot measuring 139 square yards comes to: Rs. 12,999 × 139 sq. yds = Rs. 18,06,861/- (Rupees Eighteen Lakhs Six Thousand Eight Hundred Sixty-One Only).*

iii. *An order directing the Opposite Party to refund the above amount of Rs. 18,06,861/- along with applicable interest, from the date of payment / booking till the date of actual refund.*

iv. *A direction to the Respondent to compensate the complainant for mental harassment, financial loss, misleading representations, unfair trade practices and for repeatedly refusing to provide access to the Managing Director or any authorised senior official to resolve the grievance*

v. *Imposition of penalties on the Respondent for non-compliance, misleading claims, improper grievance handling and deviation from fair business practices, as applicable under the RERA Act and relevant Telangana Rules*

vi. *Grant of any other relief(s) that this Hon'ble Authority may deem fit and proper in the interest of justice, equity and fairness.*

C. Counter

14. The Respondent submits that the allegations made in the Complaint are false, misleading and denied except those specifically admitted. The Respondent submits that it is

carrying on business under the name and style of M/s Magnets Infra And Services Limited and has an established presence in the real estate sector

15. The Respondent submits that the Complainant entered into an Agreement of Sale dated 08.10.2022 for purchase of Plot No.22/2 admeasuring 139 square yards situated at Chinchode Village, Farooqnagar Mandal, Shadnagar, Rangareddy District, Telangana, for a sale consideration of Rs.13,20,500/-. The Respondent submits that the Complainant has paid Rs.12,10,000/- and that the balance amount of Rs.1,10,500/- remains unpaid.

16. The Respondent submits that the Agreement of Sale was entered into voluntarily with the free consent of the Complainant and there was no inducement, misrepresentation or undue influence. The Respondent submits that the Complainant visited the "Magnets-9" venture and, after being satisfied with the location and other particulars, voluntarily agreed to purchase the plot.

17. The Respondent submits that the allegation that its staff pressurised the Complainant to make immediate payment is denied. The Respondent submits that the Complainant had not raised any complaint or dispute regarding the alleged pressure and had voluntarily made the payments. The Respondent further submits that, as per the Agreement of Sale, where a customer opts for EMI, the balance amount has to be paid within six months from the date of purchase, failing which the allotted plot would be released. The Respondent submits that the Agreement also records that amounts paid after the vendee has inspected and satisfied himself with the venture are non-refundable.

18. The Respondent submits that there was no scheme or proposal for a five-year EMI plan and that the payments were accepted pursuant to the requests of the Complainant. The Respondent further submits that the allegation regarding arbitrary changes in the price of the land is incorrect. The Respondent submits that the price was revised in accordance with the prevailing market value and applicable Government regulations and that the Complainant had consented to the same without raising any dispute at the relevant time.

19. The Respondent submits that the Complainant's claim of having made complete payment is incorrect. The Respondent submits that only Rs.12,10,000/- has been paid against the agreed sale consideration of Rs.13,20,500/-, leaving a balance of Rs.1,10,500/-. The Respondent submits that the Complainant is required to pay the balance sale consideration in accordance with the terms of the Agreement of Sale.

20. The Respondent submits that the allegation that the proposed plot was sold by the Respondent is incorrect. The Respondent submits that the amount paid by the Complainant is

sufficient only for the purchase of 125 square yards at the prevailing market value and that the Complainant has failed to pay the balance amount applicable to the agreed extent. The Respondent further submits that the alleged amounts shown by the Complainant as an "OFFER FROM MAGNETS" are disputed and the Complainant is put to strict proof thereof.

21. The Respondent submits that, under Section 54 of the Transfer of Property Act, 1882, an agreement of sale does not by itself create any interest or title in immovable property and that ownership is transferred through a registered instrument. The Respondent relies upon the judgments in *Suraj Lamp & Industries v. State of Haryana, Shakeel Ahmed v. Syed Akhlaq Hussain* (2023) and *Kewal Krishan v. Rajesh Kumar & Ors.*, in support of its contention regarding transfer of title and payment of consideration.

22. The Respondent submits that the allegations regarding the Complainant repeatedly visiting the Respondent's workplace and making demands despite incomplete payment are incorrect. The Respondent submits that several attempts were made to address the Complainant's grievance, but the Complainant continued threatening to initiate false proceedings and damage the reputation of the Respondent if his demands were not complied with.

23. The Respondent submits that the allegations concerning the incident at its workplace are also denied. The Respondent submits that the Complainant created disturbance by shouting and abusing the Respondent's employees and that, although the Complainant himself contacted Dial 100, the police authorities, upon enquiry, found no prima facie case and no case was registered against the Respondent.

24. The Respondent further submits that, on another occasion, the Complainant had invited the Respondent's officials to his premises and thereafter created a disturbance, called Dial 100 alleging unauthorized entry, abused the Respondent's employees and attempted to have them arrested. The Respondent submits that audio and video evidence relating to the incident has been secured and would be produced before this Hon'ble Authority, if required.

25. The Respondent submits that it remains ready and willing to register the subject property upon receipt of the outstanding balance amount of Rs.1,10,500/-. The Respondent submits that instead of clearing the balance consideration, the Complainant has filed the present Complaint seeking amounts to which he is not legally entitled.

26. The Respondent submits that the present Complaint is not maintainable and is liable to be dismissed on account of the Complainant's failure to pay the total sale consideration under the Agreement of Sale. The Respondent submits that the Complainant is required to first

discharge his outstanding contractual payment obligation before seeking any relief against the Respondent.

D. Rejoinder

27. The Complainant submits that the allegations and statements made by the Respondent in the Written Submissions dated 25.02.2026 are false, misleading and intended to evade its contractual and statutory obligations under the Real Estate (Regulation and Development) Act, 2016. The Complainant further submits that the Respondent has suppressed material facts and misrepresented the true sequence of events before the Hon'ble Authority. The complaint is based on documentary evidence, including payment proofs, agreement documents and correspondence with the Respondent.

28. The Complainant submits that the Respondent's claims regarding its reputation, Google ratings, CSR activities and other ventures are irrelevant to the present dispute. The complaint specifically concerns Plot No. 22/2 measuring 139 Sq. Yards in Magnets-9 Venture, for which substantial payment was made by the Complainant.

29. The Complainant submits that the Respondent has admitted execution of the Agreement of Sale dated **08.10.2022** for Plot No. 22/2 measuring 139 Sq. Yards. Such admission establishes the allotment of the plot and the Respondent's acceptance of the booking and consideration.

30. The Complainant denies the allegation that only **Rs. 12,10,000/-** was paid and that **Rs. 1,10,500/-** remains outstanding. The Complainant submits that a total amount of **Rs. 13,20,500/-** was paid, as reflected in the payment records and statements. The Respondent has allegedly failed to account for amounts adjusted under company offers, interest adjustments and promotional credits, which were acknowledged while receiving the payments.

31. The Complainant submits that the Respondent repeatedly altered the pricing structure and registration charges after execution of the agreement. The plot price was initially fixed at **Rs. 8,000/- per square yard**, but was subsequently increased along with other charges. The Complainant contends that such unilateral alteration of the agreed terms amounts to unfair trade practice and misrepresentation.

32. The Complainant submits that after receiving the full consideration, the Respondent informed that the originally allotted Plot No. 22/2 had already been sold or registered elsewhere and thereafter attempted to compel the Complainant to accept a smaller plot measuring 125 square yards. The Complainant contends that the Respondent thereby failed to honour the original allotment after collecting the consideration.

33. The Complainant submits that the Respondent's reliance on a clause stating that the amount paid is non-refundable cannot override the statutory protections available under the RERA Act. The Complainant contends that the Respondent is obligated either to deliver the promised property or refund the amount with applicable interest upon failure to perform its obligations.

34. The Complainant denies the allegations that the Complainant threatened the Respondent's staff or attempted to defame the company. The Complainant submits that the visits to the Respondent's office were only for seeking completion of registration or refund of the amount paid.

35. The Complainant submits that the Respondent has also misrepresented the incident involving police intervention. The Complainant states that the police were called only after the Respondent repeatedly refused to refund the amount despite earlier assurances, and that in the presence of police officials the Respondent agreed to refund the amount by **20.11.2025**, which was subsequently not honoured.

36. The Complainant submits that the complaint is maintainable under **Section 31 of the RERA Act**, which provides a right to an aggrieved person to approach the Hon'ble Authority. The Complainant therefore contends that the Respondent's objection regarding maintainability is untenable.

37. The Complainant submits that the Respondent's reliance on its alleged **4.9 Google rating** and absence of complaints is misleading and irrelevant to the present dispute. The Complainant contends that publicly available reviews contain grievances concerning non-fulfilment of promises, delay in registration, pressure for payments and lack of transparency. The Complainant reserves the right to produce copies or screenshots of such reviews, if required.

38. The Complainant further submits that although the Respondent has admitted execution of the Agreement of Sale for Plot No. 22/2, it has failed to clearly state whether the said plot is presently available for registration in favour of the Complainant. The Complainant contends that this silence raises serious doubt regarding the status of the originally allotted plot.

39. The Complainant submits that although the Respondent claims that the entire consideration was required to be paid within six months, the Respondent continued to accept payments for nearly three years, including payments made in 2024 and June 2025. The Complainant contends that by accepting such payments without objection, the Respondent effectively waived the alleged time limitation and cannot now rely upon the same to deny the Complainant's rights.

40. The Complainant denies the alleged outstanding amount of **Rs. 1,10,500/-** and submits that the allegation is inconsistent with the payment acknowledgements and adjustments made by the Respondent under promotional offers, interest adjustments and company incentives. The Complainant further submits that even assuming any minor balance was payable, the Respondent was still obligated to honour the original allotment and proceed with registration instead of altering the plot size or denying the allotment.

41. The Complainant submits that the conduct of the Respondent demonstrates misrepresentation, unfair trade practices and failure to honour its contractual commitments, causing financial loss and mental harassment to the Complainant. The Complainant therefore seeks appropriate reliefs under the RERA Act.

42. The Complainant seeks a direction to the Respondent to refund the plot value as per the latest brochure rate for 139 Sq. Yards, amounting to **Rs. 18,06,861/-**; payment of interest on the said amount from the date of payment until realization; compensation for mental harassment, financial loss and unfair trade practices; imposition of penalties for violation of the RERA Act; and such other orders as the Hon'ble Authority may deem fit in the interests of justice

E. Points for Consideration

43. After considering the facts stated and submissions made by both parties, the following question arises before this Authority:

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

F. Observations of Authority

Point I

44. This Authority proceeds to examine whether the Complainant is entitled to the reliefs sought in the present complaint.

45. It is an admitted position between the parties that the Complainant and the Respondent entered into an Agreement of Sale dated 08.10.2022 in respect of Plot No. 22/2, admeasuring 139 Sq. Yards, situated in the venture "Magnets-9" at Chinchode Village, Farooqnagar Mandal, Shadnagar, Rangareddy District, at the rate of Rs. 9,500/- per Sq. Yard, for a total sale consideration of Rs. 13,20,500/-.

46. In this regard, this Authority places significant reliance upon the email dated 16.07.2025, titled "Final Update – Plot Allotment & Balance Clarification," sent by the Respondent's own General Manager–Customer Care, Sri Naresh Kumar, to the Complainant, which has been placed on record by the Respondent itself. The said email records, in the

Respondent's own words, that the Complainant had paid an amount of Rs. 12,20,000/- towards Plot No. 22/2, that the original plot "stands released" on account of non-payment of the balance within the stipulated period, and that the Respondent was offering an alternative plot, being Plot No. 38/2, admeasuring 125 Sq. Yards, at the same rate of Rs. 9,500/- per Sq. Yard, amounting to Rs. 11,87,500/-, with the resulting excess of Rs. 32,500/- to be either adjusted against a holiday package or refunded.

47. This email, being a document voluntarily filed by the Respondent itself, constitutes a clear and unequivocal admission that the Respondent failed to deliver the plot originally allotted to the Complainant under the Agreement of Sale dated 08.10.2022, and unilaterally substituted it with a different and smaller plot of lesser extent, without the consent of the Complainant. The Complainant has consistently refused to accept this substituted plot. This admission, emanating from the Respondent's own record, directly corroborates the Complainant's case that the originally allotted plot was denied to him after collection of substantial consideration.

48. This Authority further notes a material discrepancy between the Respondent's own pleadings and its own documentary record. In the Counter Affidavit, the Respondent has stated that it received only Rs. 12,10,000/- from the Complainant, leaving a balance of Rs. 1,10,500/- outstanding. However, the very same email dated 16.07.2025, filed by the Respondent, records receipt of Rs. 12,20,000/- from the Complainant. Being a specific, contemporaneous, and customer-facing communication issued by the Respondent's own Customer Care department for the specific purpose of settling the account, this figure of Rs. 12,20,000/- is taken as the amount actually received by the Respondent, in preference to the figure pleaded in the Counter Affidavit.

49. As regards the Complainant's claim of having paid the entire sale consideration of Rs. 13,20,500/-, this Authority notes that the Complainant has not placed on record any receipt, bank statement, or other documentary proof to establish payment of any amount beyond the Rs. 12,20,000/- admitted by the Respondent in its own email. In the absence of such evidence, the Complainant's claim of having paid the full consideration of Rs. 13,20,500/- is not established on the record. What stands established, on the basis of the Respondent's own admission, is the receipt of Rs. 12,20,000/- by the Respondent from the Complainant.

50. This Authority now examines the Respondent's defence that the original plot was validly released on account of the Complainant's failure to clear the balance consideration within six months of the Agreement of Sale, as stipulated in Clause (Page 2, Note 1) thereof. In this regard, it is significant that the Respondent has, in paragraph 3 of its own Counter

Affidavit, specifically admitted that "it was on multiple request of the complainant the respondent accepted the payments made as per prevailing price rates in the open real estate market." This is an unambiguous admission by the Respondent that it knowingly and voluntarily continued to accept payments from the Complainant over a period of nearly 34 months, well beyond the six-month window stipulated in the Agreement, and that it revised the pricing and registration charges on two separate occasions, in 2023 and 2024, to accommodate the continuation of this very transaction. The Respondent, having thus consciously extended the term of performance and continued to accept the Complainant's payments and to deal with him on the basis of a subsisting allotment for nearly three years, cannot now be permitted to invoke the very six-month clause that its own conduct rendered inoperative, in order to unilaterally treat the allotment as lapsed and substitute it with a different plot.

51. It is further significant that at no point during this period of 34 months did the Respondent raise any demand for the balance consideration, issue any notice of default, or communicate to the Complainant that the original allotment stood in jeopardy. It was only by the email dated 16.07.2025, after the Respondent had already accepted substantial payments spanning nearly three years, that the Complainant was informed, that the original plot had been released and sold or allotted elsewhere

52. Having regard to the above, this Authority holds that the Respondent failed to honour the allotment of Plot No. 22/2 made in favour of the Complainant under the Agreement of Sale dated 08.10.2022, despite having accepted a substantial part of the sale consideration over an extended period with full knowledge and acquiescence. The Complainant has consistently refused to accept the alternative plot offered by the Respondent and has sought a refund, which constitutes a clear expression of his intention to withdraw from the transaction. In these circumstances, the Complainant is entitled to a refund of the amount paid by him, together with interest, under Section 18(1) of the RE (R&D) Act, 2016, which provides as follows:

> *"18. Return of amount and compensation. — (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, the promoter 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."

53. Accordingly, this Authority holds that the Complainant is entitled to a refund of Rs. 12,20,000/- (Rupees Twelve Lakhs Twenty Thousand Only), being the amount established on record as having been received by the Respondent, along with interest at the rate of 10.85% per annum, being the SBI MCLR of 8.85% plus 2% as prescribed under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, calculated from the respective dates of payment until the date of actual refund.

54. With regard to the Complainant's alternative prayer for refund computed at the "latest brochure price" of Rs. 18,06,861/-, based on a current rate of Rs. 12,999/- per Sq. Yard, this Authority finds the said claim wholly untenable. The relief available under Section 18(1) of the Act, upon withdrawal from a project, is confined to a refund of the amount actually paid by the allottee together with statutory interest, and does not extend to notional or speculative amounts computed at a subsequently prevailing market or brochure rate. This prayer is accordingly declined.

55. With regard to the Complainant's claim for compensation for mental harassment, financial loss, and unfair trade practices, this Authority observes that such claims, being compensatory in nature, fall within the exclusive jurisdiction of the Adjudicating Officer appointed under Section 71 of the RE (R&D) Act, 2016, and cannot be adjudicated by this Authority in the present proceedings. The Complainant is accordingly at liberty to approach the Adjudicating Officer for adjudication of such claims, if so advised.

56. With regard to the allegations of threats, intimidation, and abusive conduct on the part of the Respondent's representatives at the Complainant's residence on 20.11.2025, and the allegations raised by the Respondent regarding the conduct of the Complainant at its office, this Authority holds that such allegations, being in the nature of threats, intimidation, and potential criminal conduct, fall outside the regulatory and adjudicatory jurisdiction of this Authority under the Act. The parties are at liberty to seek appropriate remedies before the jurisdictional police authorities or the competent court of law in respect of such allegations, and nothing in this Order shall be construed as a finding on, or as prejudicing, any such proceedings.

57. With regard to the relief seeking imposition of penalties for "non-compliance, misleading claims, improper grievance handling and deviation from fair business practices," this Authority notes that the said prayer has been framed in general terms without identifying any specific statutory provision alleged to have been violated, such as non-registration of the

project or false advertisement. In the absence of any specific violation independently established on the record beyond the breach already addressed hereinabove, no separate direction is called for under this head.

G. Directions of the Authority

58. In light of the discussions and findings made hereinabove, this Authority, in exercise of the powers vested in it under Sections 37 and 38 of the RE (R&D) Act, 2016, issues the following directions:

i. The Respondent, M/s. Magnets Infra & Services Ltd., represented by its Managing Director Sri Syed Kaleem, is directed to refund Rs. 12,20,000/- (Rupees Twelve Lakhs Twenty Thousand Only) to the Complainant, along with interest at the rate of 10.85% per annum (SBI MCLR of 8.85% + 2%) as prescribed under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, calculated from the respective dates of payment until the date of actual refund, in accordance with Section 18(1) of the RE (R&D) Act, 2016, within a period of 45 (forty-five) days from the date of receipt of this Order.

ii. The Complainant is at liberty to approach the Adjudicating Officer under Section 71 of the RE (R&D) Act, 2016 for adjudication of his claims for compensation for mental harassment, financial loss, and unfair trade practices, if so advised.

59. Failing to comply with Direction (i) above shall attract penal action against the Respondent in accordance with Section 63 of the RE (R&D) Act, 2016.

60. In view of the above, the present complaint is disposed of. 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