

TELANGANA REAL ESTATE APPELLATE TRIBUNAL: HYDERABAD  
Krishna Block, First Floor, Ground Floor, Dr.MCR HRDI Campus, Road No.25, MP & MLA's Colony,  
Jubilee Hills, Hyderabad-500 033.

**CORAM:** Hon'ble Sri Justice A. Santhosh Reddy, Chairperson.  
Hon'ble Sri P. Pradeep Kumar Reddy, Judicial Member.

**T.A.No. 46 of 2025 AND T.A.No.47 of 2025**

**T.A.No.46 of 2025**

**Between:**

M/s Parijatha Homes & Developers Pvt. Ltd.,  
Represented by its Managing Director T.Naresh Kumar,  
Aged about 46 years, having its Office at First Floor,  
Meenakshi House, Road No.07, Banjara Hills,  
Hyderabad - 500 034.

...Appellant/Promoter

AND

Chouti Bhoomaiah, S/o Chouti Chinnaiah,  
Aged about 60 years, R/o H.No.11-1-1777/1,  
Maruthi Nagar, Kanteshwar, Nizamabad,  
Telangana State - 503002.

...Respondent/Complainant

Counsel for the Appellant : Mr.Rajender Kumar

Counsel for Respondent : Mr.G.K.Kishore

**T.A.No.47 of 2025****Between:**

M/s Parijatha Homes & Developers Pvt. Ltd.,  
Represented by its Managing Director T.Naresh Kumar,  
Aged about 46 years, having its Office at First Floor,  
Meenakshi House, Road No.07, Banjara Hills,  
Hyderabad - 500 034.

...Appellant/Promoter

AND

Chowki Ramesh, S/o Chowki Nagender,  
Aged about 55 years, R/o H.No.1-1-304,  
Bheemuni Dubba, Korutla village,  
Jagityal District, Telangana State - 505326.

...Respondent/Complainant

Counsel for the Appellant : Mr.Rajender Kumar

Counsel for Respondent : Mr.G.K.Kishore

Date of Decision : 18.05.2026

**COMMON ORDER:** *(Per Hon'ble Sri Justice A.Santhosh Reddy)*

These two appeals are being disposed of by this common Order since the parties and the point involved in these appeals are one and the same and also T.A.No.46 of 2025 and T.A.No.47 of 2025 filed by the appellant/M/s Parijatha Homes and Developers Private Limited are directed against the very same Common Order of the Telangana Real Estate Regulatory Authority, Hyderabad (for short 'the Regulatory Authority'), in Complaint Nos.395 and 396 of 2023, dated 31.05.2024, whereby the complaints filed by the Complainants were allowed with the following directions:

- (i). The appellant/promoter is directed to pay a penalty of Rs.4,47,930/- for contravention of Section 3 of the Real Estate (Regulation and Development) Act, 2016 (for short 'the Act'), under Section 59 of the Act, for marketing/selling villas of the project without registering the project, in favour of TG RERA FUND through a Demand Draft or online payment to A/c No. 50100595798191, HDFC Bank, IFSC Code: HDFC0007036, within 30 days of receipt of the Order. Further, the appellant/promoter is directed to register the project before the Regulatory Authority, within 30 days of receipt of a copy of the Order, and

to comply with the provisions of Section 3 read with Section 14(3) of the Act.

(ii). The appellant/promoter is also directed to refund the entire amount paid by the complainants for the concerned units in the project "Parijatha ICON-II" along with interest @ 10.20% per annum from the due date of memorandum, dated 21.12.2023, filed with the authority assuring that the amount will be repaid, till the date of the Order, within a period of 60 days from the date of the Order.

(iii). The appellant/promoter is hereby informed that non-compliance of directions of the Authority shall attract penalty under Sections 63 of the Act.

2. Feeling aggrieved by the aforesaid Common Order of the learned Regulatory Authority, dated 31.05.2024, the appellant/promoter filed the present appeals.

3. During the pendency of the appeals, with the intervention of elders and well-wishers, both the parties have amicably settled the matter outside the Court and arrived at a mutual settlement with an intention to avoid prolonged litigation and to maintain cordial relations. Accordingly, both the parties have filed Joint Memorandums of Compromise in both the appeals specifying the

terms and conditions agreed upon between both the parties, which were signed by the parties and their Counsel. The terms of compromise are as follows:

(i) That the respondents/complainants filed Complaint Nos.395 and 396 of 2023 before the Regulatory Authority alleging non-delivery of flats and refund of amounts paid by them.

(ii) That the transaction between the parties was purely financial in nature and the agreements of sale were not of buyer and seller contract and as such on ill-advice, the said agreements of sale were prepared to file the cases against the appellant/promoter.

(iii) That much prior to the pronouncement of the Order by the Regulatory Authority, the appellant had already repaid the entire hand loan amount received from the respondents/complainants and the parties had amicably settled the matter and before withdrawing the complaints by the complainants, the Regulatory Authority passed the impugned common order.

(iv) That the respondents/complainants hereby acknowledge receipt of entire amount from the appellant/promoter and there are no dues and that the

appellant is not dealing with any real estate project as claimed by the complainants.

(v) That the respondents/complainants further stated that they have filed the complaints before the Regulatory Authority on ill-advice even though there is no buyer and seller contract and that no real estate project existed so as to attract the provisions of Section 3 of the Act.

(vi) Both parties jointly submit that continuation of proceedings would serve no useful purpose and would only result in unnecessary hardship and multiplicity of litigation.

(vii) Therefore, both the parties requested this Tribunal to dispose of the appeals as per the terms of the Joint Memorandums of Compromise by setting aside the impugned Common Order, dated 31.05.2024, passed by the learned Regulatory Authority in Complaint Nos.395 and 396 of 2023.

4. We have perused the aforesaid Joint Memorandums of Compromise along with affidavits/receipt of full and final settlement of claims filed by the complainants. According to the learned Counsel for the parties, the terms and conditions of the Joint Memorandums of Compromise as well as the affidavits have been explained to the parties and they have expressed their willingness to

abide by the terms and conditions of the compromise and they have signed this compromise on their own volition without coercion, fraud or undue influence.

5. In view of the above, since the appellant/promoter had refunded the entire amount to the respondents/complainants and the respondents/complainants acknowledged the receipt of the same and that no amount is due by the appellant to the complainants, the Compromise entered into between the parties is hereby recorded insofar as the second direction issued by the learned Regulatory Authority, vide impugned Common Order, dated 31.05.2024.

6. Coming to the first direction issued by the learned Regulatory Authority i.e., imposition of penalty of Rs.4,47,930/- on the appellant/promoter for contravention of provisions of Section 3 of the Act is concerned, it is stated by the parties in the Joint Memorandums of Compromise that the transaction between the parties was purely financial in nature and the agreements of sale were executed only as security to the loan transaction and that the transaction was never a sale transaction and as such imposition of such huge penalty for non-registration of the project is arbitrary and illegal. However, in the agreements of sale, nowhere it was stated that the transaction between the parties was financial in nature. Further, the appellant/promoter has not filed any counter/reply to the complaints filed by the respondents/complainants, despite a direction by the learned Regulatory Authority.

7. A perusal of the record would disclose that the project "Parijatha ICON II" was not registered under RERA by the appellant/promoter and that he has engaged in marketing/selling/advertising the flats and thereupon offered to sell a Flat bearing No.408 (East facing) for a total sale consideration of Rs.27,90,000/- and the complainant (Chouti Bhoomaiah) has agreed to purchase the same and that an agreement of sale, dated 08.04.2021, has been entered into between the parties. Likewise, the appellant/promoter has offered to sell a Flat No.308 (East facing) in the said project for a total sale consideration of Rs.29,45,000/- and the complainant (Chowki Ramesh) has agreed to purchase the same and that an agreement of sale, dated 08.04.2021, has been entered into between the parties. Thus, the transaction between the parties is a sale transaction, but not a loan transaction as contended by the parties. The appellant has not obtained prior registration of real estate project with the Real Estate Regulatory Authority and thereby contravened the provisions of Section 3 of the Act. Therefore, the learned Regulatory Authority has imposed a penalty of Rs.4,47,930/- on the appellant/promoter for contravention of provisions of Section 3 of the Act.

8. However, keeping in view the Compromise entered into between the parties and since the appellant/promoter has repaid the entire amount due to the respondents/complainants as directed by the learned Regulatory Authority and also having regard to the facts and circumstances of the case, we are of the

considered view that the penalty of Rs.4,47,930/- is to be reduced to Rs.2,23,965/-, which would meet the ends of justice.

9. For the foregoing reasons, both the appeals are disposed of as under:

(a) The penalty of Rs.4,47,930/- imposed by the learned Regulatory Authority on the appellant/promoter, vide direction No.1 of the impugned common order, dated 31.05.2024, is modified by reducing it to Rs.2,23,965/- for contravention of provisions of Section 3 of the Act. The amount of Rs.1,34,400/- already paid by the appellant/promoter towards pre-deposit under Section 43 (5) of the Act shall be excluded from the said amount and the appellant/promoter is directed to deposit the remaining balance amount, within a period of 30 days from the date of receipt of a copy of this order.

(b) Insofar as the 2<sup>nd</sup> direction issued by the learned Regulatory Authority to the appellant/promoter, i.e., refund of the entire amount paid by the complainants, vide impugned Common Order, dated 31.05.2024, the Compromise is hereby recorded in terms of the Joint Memorandum of Compromise entered into between the parties.

(c) The impugned order, dated 31.05.2024, passed in Complaint Nos.395 and 396 of 2023, by the learned Regulatory Authority is modified accordingly.

(d) There shall be no order as to costs.

(e) The Joint Memorandum of Compromise shall form part of the record.

(f) Pending miscellaneous applications, if any, shall stand closed.

(g) Registry is hereby directed to transmit a copy of this order to the parties and the Regulatory Authority as per section 44 (4) of the Act.

Pronounced on this the 18<sup>th</sup> day of May, 2026.

Sd/-

**A. SANTHOSH REDDY, J**  
**(CHAIRPERSON)**

Sd/-

**P. PRADEEP KUMAR REDDY**  
**(JUDICIAL MEMBER)**

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