

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 126 of 2024
Dated this 24th day of July 2025

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

M/s KSR Togethements Flat Owners Mutually Aided Co-operative Society

(Rep by President P.Jawardhan Reddy, Society office beside Sitara Grand Hotel, Miyapur, Hyd- 500049) **...Complainant**

Versus

M/s 2getherments Infra Private Ltd rep by Sri T Harinath Rao

(Rep by T-Harinathrao, Plot no.15,8-3-684/3-15, LIC Colony, Srinagar Colony, Hyderabad, Colony Hyderabad – 500073)

...Respondent

The present Complaint came up for hearing on 13.02.2025 before this Authority in the presence of the Complainants, who appeared in person, and their Counsels S/Shri V. Laxmi Narasimha Rao, K. Sunil Singh, and K. Dheeraj, and for the Respondent, Counsels Ms. Jyothisri Vankina and Mr. Midhu Kumar Allu. Upon hearing the arguments advanced by both sides and the matter having been reserved for consideration, this Authority now proceeds to pronounce the present order on the Complaint.

ORDER

2. The Complainant has filed complaint on hand 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 "Rules"), alleging commission of violation and contravening of the provisions of the said Act and Rules and sought for the appropriate reliefs against the Respondent.

A. The Brief facts of the case as per allegations/averments contained in the complaint are as follows:

3. The present complaint has been filed by the Complainant Association, a registered society comprising residents of the project “KSR’s Togetherments,” which is a RERA-

registered project bearing Registration No. P02400000101. The Association has alleged multiple deviations by the Respondent–Promoter from the approved sanctioned plans, construction specifications, and the promises made in the marketing brochures.

4. The specific allegations raised by the Complainant are categorized and summarized as follows:

I. Deviations from Sanctioned Plans:

- a. The designated Open Space Reservation (OSR) area has been reduced from what was originally approved.
- b. Setbacks were reduced, resulting in an encroachment of approximately 6.4 meters into the front driveway.
- c. The entry and exit gates constructed on-site are not in accordance with the Greater Hyderabad Municipal Corporation (GHMC) approved plans.
- d. There are inconsistencies between the built-up area as recorded in the registered sale deeds and that shown in the GHMC approved drawings.
- e. The building has not been constructed as per the GHMC-sanctioned drawings.
- f. Water connections, as promised to the allottees, have not been provided.
- g. The number of car parking slots was increased from 209 (as per approved plans) to 350 without requisite approvals, leading to unauthorized parking in driveway areas. Additionally, Mechanical Car Parking Units were installed post-approval without obtaining fresh sanctions from competent authorities.

II. Deviations from Construction Specifications:

- a. The exterior was not painted with weatherproof emulsion as promised.
- b. Transformers with On Load Tap Changers and Automatic Voltage Correction systems were not installed.
- c. Sub-meters for individual flats were not provided.
- d. The installed solar power capacity is insufficient to meet the electricity requirements of common areas.
- e. Promised facilities such as Wi-Fi, internet, DTH, and intercom have not been made available.
- f. Both water and electricity supply connections are either incomplete or absent.

- g. Entry barriers for visitors, fire alarms, and public address systems were not installed.
- h. Several promised amenities such as a grand entrance lounge, car wash facility, basketball and tennis courts, and rooftop garden were not developed.

III. Amenities Promised in Marketing Brochure but Not Provided:

- a. Basketball court
- b. Console gaming area
- c. Bicycle stands
- d. “Dhaba Lounge” and “Terrace Dhaba”
- e. Football ground
- f. Lawn Tennis Court
- g. “Madras Café” and “Organic Restaurant”
- h. North-East Gate Arch
- i. Outdoor Gym
- j. Public kitchen/pantry areas
- k. Rock and rope climbing areas
- l. Rooftop garden
- m. Gym and reading room for senior citizens
- n. Traditional board games arena
- o. Yoga deck
- p. Signage for parking areas in B1, B2, and BTennikot

IV. Observations from GHMC Proceedings:

- a. Failure to provide 10% of open space through a registered deed.
- b. Tot-lot area has not been fenced.
- c. Garbage house not constructed.
- d. Service road in front of the building not developed.
- e. Facilities for differently abled (PH) persons not provided.
- f. Three-year insurance coverage documentation has not been submitted.
- g. Rain Water Harvesting (RWH) units have not been installed as mandated by GHMC.

V. Deviations from RERA Guidelines:

- a. Number of residential units increased from 150 to 152, contrary to the approved plan.
- b. Undivided Share (UDS) for each flat was reduced.
- c. Development works mandated under RERA such as stormwater drains, solid waste management, rainwater harvesting, and electrical receiving stations remain incomplete or unexecuted.
- d. Common areas and amenities were not handed over through a registered deed as required under Section 17 of the RERA Act.
- e. Important statutory documents, including synchronization reports, test certificates, CEIG/CEA approvals, were not furnished.
- f. Possession letters were not issued to individual flat owners.
- g. Invoices and warranty documentation for installed equipment were not handed over.
- h. The Agreement for Sale executed was not in the format prescribed under the RERA Act. Further, units were not handed over within the timelines committed in the agreement, and delay compensation was not paid.

VI. Non-Compliance with State Environmental and Safety Guidelines:

a. As per Telangana State Environment Assessment and Impact Board norms, the following provisions are deficient or missing:

- i. DG Sets: Required capacity was 500 KVA + 250 KVA, but only 200 KVA was provided.
- ii. Stack height does not conform to CPCB norms.
- iii. Acoustic enclosures for DG sets were not provided.
- iv. Solar water heating systems were not installed.
- v. Two-wheeler parking spaces were not developed.
- vi. First aid room has not been provided.
- vii. Rainwater harvesting pits not constructed.
- viii. Garbage house not provided.

VII. Fire Safety Violations:

- a. Fire safety measures, as per applicable building and fire safety norms, were not provided.
- b. Post-issuance of the GHMC Occupancy Certificate, the fire safety system was reportedly damaged, and unauthorized Mechanical Car Parking Units were installed in the basement without approval.
- c. Fire NOC renewal was rejected by the Fire Department in May 2024.

VIII. Unjust Financial Demands and Irregularities:

- a. An additional amount of ₹8,00,000/- was collected from each allottee toward mandatory amenities, such as TSSPDCL infrastructure, HMWSSB connection, DG Sets, STP, and car parking, over and above the sale consideration.
- b. The developer availed a loan of ₹60 crore in April 2022 against the project land, including already sold flats, which were also mortgaged to GHMC.
- c. Advance maintenance charges for 24 months and corpus funds collected from the allottees were not transferred to the Association's bank account.

IX. Inferior Quality of Construction:

- a. Persistent water seepages and leakages are reported in flats and common areas.
- b. Damages caused by wind and rain have not been rectified despite repeated requests.

B. Relief Sought:

5. The complainant has sought the following reliefs:
- (1) Direct the builder to complete all the pending works as listed under the facts of the case.
 - (2) If the builder fails to complete the works, direct them to pay Rs. 25 crore immediately.
 - (3) Direct the builder to correct deviations from the approved plans and obtain re-approvals.
 - (4) Compensate the society for the loss of time, efforts, and mental agony as deemed fit.

C. Respondent Reply:

6. It is submitted that the above Complaint filed by the Complainant against the Respondent is not maintainable either in law or on facts and same is liable to be dismissed. The allegations which are not specifically admitted herein are hereby denied.

7. The appropriate reply for every allegations point wise is as follows: -

a) Deviations against to GHMC approvals:

- i. GHMC verified and issued OC which makes it clear that there is no reduction in OSR area.
- ii. There are few steps protruded into the front set back got removed as such there are no encroachments
- iii. As per the approved plan there is a single entry and exit which were provided.
- iv. Mis-match of Built-up areas w.r.t sale deed & GHMC approved plans happened because the Respondent has constructed lessor balcony area than the sanctioned plan and all purchasers have reviewed the same and signed the agreements and thereafter executed the sale deeds accordingly. Further no complaints has been received from any of the purchaser till now and only the Petitioner herein is coming up with this allegation which has no base with mala fide intentions of claiming money from the Respondent.

- v. It is evident that the GHMC has issued the Occupancy Certificate which is done only after thorough review and due verification of the project and thereafter released the mortgaged portion of the property which was kept under lien at the of issuance of the permission.
- vi. The Respondent herein has already paid entire required fees for the manjeera connection and the same will be provided by HMWSSB to the building by following due procedure.
- vii. it is settle position according to GO 168 of GHMC that a constructor/Developer must provide 33% of the built-up of residential area including visitors parking and 44% of the built-up of commercial area including visitors parking. Accordingly the Respondent the same. Further the Respondent has optimized space to yield a greater number of parking spaces without violating the relevant and existing GHMC GOs regarding the drive ways etc.,and allotted it to the flat owners duly conducting a lottery by transparent means and taken signatures on the allotment day which was recorded in Minutes of Meeting.
- viii. It is false to say that Respondent has not provided it as the Respondent has provide the top quality and top branded Weather proof emulsion painting texture and also applied weather proof paint over it again for further safety.
- ix. The Respondent has provided the transformers as per the requirement and existing laws of the TRANSCO
- x. The Respondent instead of sub meters which will result in escalating bill, has provided all flats with separate TSSPDCL meters and the billing and payments are being done accordingly for the past 2 years. Further there is no complaint from any of the purchases in respect of the same till now.
- xi. The Respondent provided 96 kw as per the design and which constitutes 80% of the total contracted load of 120 KVA as per existing norm. This information is also shared through emails and has duly been explained. Further the Respondent on regular bases communicated that the sanctioned load is 120 KVA, But according to government norms, Respondent is allowed to install the plant with 80% of the contracted load which Respondent has already did. The consumption is more than the designed capacity of the plant. The consumption is to be balanced. The further complication of increasing the contracted load and the consequences of that has already been explained to the representative of the then EC. The Respondent has installed the plant only by following the government norms duly. Therefore, the Respondent will not be held

liable for the extra charges Petitioner is mentioning. However, Respondent herein is ready to work with the current EC and cooperate if any help or upgradation required and such is under the hands of the Respondent.

- xii. All agreed features that are in scope are provided or for those which were not provided the same were compensated with other amenity like Gas through pipe line and informed the residents in the General Body meeting which was accepted and raised no objections to the same.
- xiii. Meters are provided which operation is under Facility Management (FM) scope.
- xiv. The Respondent has provided Boom Barriers.
- xv. Required features as per the Fire department were provided and obtained the NOC from the dept
- xvi. It is false to say that Cash wash provision is not provided as the respondent has specifically provided with a place for car wash exclusively.
- xvii. The Respondent has provided a Grand Entrance Lounge i in the ground floor and the same is also being used by the residents as celebration place for all kind of festivals.
- xviii. Marketing broacher is symbolic representation of the project which was mentioned in the same sheet. The same cannot be legally looked into. The Respondents entered into the agreements with the residents and provided all the agreed amenities and some extra amenities which are not mentioned even in the agreements.
- xix. The GHMC had reviewed and issued OC duly verifying the project and released the mortgaged portion of the property which was kept under lien at the of issuance of the permission. If the said 10% provision is not complied with then the said GHMC would not have issued the permission it had granted. As such the above allegation is false and baseless.
- xx. TOT lot area is fenced and Respondent has provided as per the settled standards.
- xxi. The Respondent had proved as a Place for Garbage Collection which was designated. The operations Team is using the same for the past 2 years. Thus the above claim cannot sustain.
- xxii. The above allegation cannot legally sustain as the project/building is facing the national highway. Thus, the non- provision of service road is not in the hands of this Respondent.
- xxiii. Facilities to PH personnel have been provided as per the settled standards.
- xxiv. 3 years insurance copy not provided allegation is false and denied as the GHMC only after a thorough review and duly verifying the project has issued the OC and released

the mortgaged portion of the property which was kept under lien at the of issuance of the permission.

- xxv. RWH units not being provided cannot sustain legally as the laws of GHMC makes it clear that for RWH units to be provided the project in question has to be residential building made in a land of or more than Ac. 2-00gts. in the present case, the residential building was building in less than Ac. 2-00gts land as such the RWH units cannot be provided.
- xxvi. There are 150 residential Flats in the project and 2 shops in the front side. Hence the number of units in total is 152 including 2 commercial entities which are sanctioned.
- xxvii. The Respondent has not reduced any UDS.
- xxviii. The Respondent has already paid all the required fees and challans to the HMWSSB and the same is delayed from the HMWSSB department and the same is in the hands of the HMWSSB and this Respondent cannot be held liable for the same.
- xxix. Natural green is maintained in places where ever possible and soft landscape is provided wherever there are structures like water tanks under it to avoid the future seepage. Thus for the said reasons mentioned there is a usage of artificial grass in some places.
- xxx. The Respondent has provided waste Collection and disposal process and the same have been in operational for the past 2 years. The Complainant herein is making all false allegations against this Respondent which is illegal and unlawful.
- xxxi. Waste water management process (STP) is provided where the water is being treated and the same is being used for Flushing and Terrace Gardening. Rain water harvesting pit is provided as per standards.
- xxxii. All Electrical Sub Station Works are properly done and inspected by authorities.
- xxxiii. All EB related works are done as per standards.
- xxxiv. All Recreational Open Spaces are provided as per the sanctioned plan.
- xxxv. The Respondent has handed over all the common areas and amenities which were done as per the standards and the authorized Society EC Members had signed the proceedings also to that effect.
- xxxvi. The Respondent has provided the Structural and Fire drawings. There were minor changes in the plan as built electrical and plumbing circuits compared to the designed plans which got done at the time of COVID pandemic. We have agreed to provide the said plan as built drawings for Electrical and Plumbing lines, but couldn't do as the entry is restricted for our staff, vendors and consultants for the past few months.

- xxxvii. The Respondent herein has handed over all standar documents to the Complainant as part of handover process. Further Respondent has also provided consultant and Liaoning persons contact number with the EC of the complainant for any further requirements.
- xxxviii. The Agreement of Sale template was submitted to RERA for reference.
- xxxix. The capacity of DG Set is designed for common areas and provided accordingly by this Respondent.
- xl. Solar water heater provision is not in the scope of work of the Respondent. Thus the same was not provided.
- xli. Designated Two Wheeler parking for Residents are provided in Ground, Basements 1 and Basement 2. These places are operational for the past 2 years.
- xlii. First Aid Kits are provided at Society Office, Security Gate. Operations Team has to monitor the consumables regularly and this Respondent cannot check on regular basis as the project has already been handed over to the Petitioners.
- xliii. Rain Water harvesting process is provided as per standards
- xliv. Waste Collection and disposal process has been in place. It is operational for the past 2 years.
- xlvi. All Fire Safety measures taken care as per standards and accordingly the NOC were obtained after the inspection by authorities. After obtaining the GHMC occupancy certificate, builder damaged the Fire Safety System and installed the Mechanical Car Parking units in the basement which does not have any approvals It was false and baseless allegation. It was Society's Operations Team's responsibility to ensure the condition of the fire safety system. It is pertinent mention here that the Fire NoC Renewal was rejected in May-2024 when the building was under the control and maintainance of the Petitioner and not the Respondent herein. It is Society's responsibility to ensure the operational condition of fire safety systems as the hand over happened in May 2023. The Respondent herein agreed to facilitate the process which Respondent could not undertake as the entry for Respondent's staff, vendors and consultants were restricted by the EC of the Complainant. Therefore, this Respondent is not liable for the same.
- xlvi. Amounts were collected for the provisions of mandatory amenities, and the same were provided, infact more than what was agreed by the Respondent.
- xlvi. The seepages and leakages (If any) were being addressed by us before handing over the building to the and during our period of maintenance as and when the flat owners

requested us. We could not attend few as our staff and vendors entry is restricted by EC.

xlvi. Respondent addressed the issue faced by one of the residents as soon as Respondent received the request. Later, the Respondent's staff's entry was restricted by EC due to which the Respondent was unable to attend the issues in common areas.

xlix. It was false and baseless allegation which the complainant is put to strict proof of the same. The mortgage process was legitimately undertaken and the Financial Institution who financed the project confirmed it. None of the sold flats are mortgaged.

1. The Respondent has transferred the entire corpus amounts collected by it directly from the flat owners until November 2023 (after which EC has collected the corpus fund directly) to association account on 22.11.2023 and the same has been intimated to Complainant vide email dated 26.01.2024 as well. With regard to the 24 months maintenance charges collected from the 109 flat owners, Respondent has spent the same for three months until the EC has taken the charge of maintenance and thereafter for the 6 months, the Respondent has paid all the bills raised by the EC out of the said maintenance amounts collected by it and from April 2024 onwards EC has stopped collecting the payments and ceased using the leftover funds for the reasons mentioned below. The Respondent has no intention of withholding the transfer of funds to the association account. However, subject to following two conditions:

a) Despite multiple requests EC has not facilitated contact between their CA and Respondent accountant to resolve the tax- related issues.

b) Respondent has requested consent from all 109 flat owners who transferred 24 months' maintenance into Respondent's account. Respondent could not receive the same except from few flat owners.

The Respondent is open to continue with the same process of transferring the expenses and as informed earlier as soon as the aforementioned issue is resolved Respondent will transfer the balance amount lying with it immediately.

8. It is further submitted that the Complainant has sought similar interim relief and final relief which according to law is wrong. As such the relief sought cannot be maintainable and the same is liable to be dismissed. Further it is clearly submitted above that there is no incomplete or pending works which can be pointed out. This Respondent is prepared to follow the directions of this Hon'ble Authority in case if any pending works are found by this Authority and accordingly appropriate directions may be passed.

9. In view of the above submissions the alternate relief of depositing Rs. 25 crores which is hypothetical may be dismissed. With regards to the prayer no. C it is submitted that all the works as per approved plans are completed without any deviations and basing on which the Occupancy Certificate is issued. Therefore, it is submitted that there need not be any further directions in respect of the above relief.

10. As per the relief of compensation is concerned it is the Respondent who is suffering in the hands of the Petitioner inspite of completing the total building as per specifications and obtaining Occupancy Certificate. The Respondent herein owned 2 commercial shops in the project against such shops the Petitioners illegally tried to interfere and disturb the rights of the Respondent herein causing him rental loss. Further after the Respondent sold such commercial shops to prospective purchaser under Regd. Sale Deeds, such illegal and unlawful acts of the Petitioner did not cease and continued to disturb and intervene the rights of the purchaser. The purchasers against such acts of the Petitioner have sought injunction from a competent civil court and such Hon'ble court has also passed temporary injunction against the Petitioners by restraining them from disturbing the rights of the purchasers. In spite of the same as the Petitioner violating the orders contempt Petitioners are filed which are also pending. Therefore, it is Respondent, purchasers who have to get compensation/damages against the deliberate acts of the Petitioners in restraining the enjoyment of the portions belonged to Respondent and presently belonging to the purchasers. The Petitioners are enjoying the property and on the other hand unlawfully restraining the purchasers from enjoying their portion of property. The Respondent reserves their right to claim damages in appropriate manner against the Petitioner for making false allegations, causing disturbance and wasting time of the Respondent who is presently staying in Bangalore. Therefore, the above relief also sought is not maintainable and the same is liable to be dismissed.

11. Therefore, it is prayed that this Authority that it may be pleased to dismiss the above complainant with exemplary cost in the interest of justice and pass such other order and orders as this Hon'ble Court deem fit and proper in the interest of justice.

D. Observations of the Authority:

12. Upon hearing both parties at length, and upon a comprehensive perusal of the material placed on record including the written submissions, registered project documents, and relevant correspondence between the parties, the Authority proceeds to examine the following key issues raised in the present matter:

13. The Complainant Association has raised serious concerns regarding multiple deviations from the sanctioned plan, inter alia alleging that (i) the Open Space Reservation (OSR) area has been compromised, (ii) the entry and exit points differ from the sanctioned layout, and (iii) the built-up area and internal configuration are inconsistent with the GHMC sanctioned drawings. The Authority notes that the Respondent has placed reliance on the Occupancy Certificate (OC) issued by the GHMC, dated 26.04.2023 bearing proceeding No. 1036/GHMC/SLP/2023-OC, and denies all allegations of deviation.

14. The Authority observes that an Occupancy Certificate issued by the Competent Authority is a prima facie evidence that the construction has been completed in accordance with the sanctioned building plans and prevailing norms. The Complainants have sought to controvert the same by submitting an inspection report obtained from a private entity, which lacks a clear date of inspection and was admittedly conducted unilaterally, without the presence or participation of the Respondent.

15. This Authority is of the considered opinion that such unilateral inspections, not jointly conducted or endorsed by the Competent Authority, lack probative value. Therefore, the said report cannot be relied upon to invalidate a duly issued Occupancy Certificate.

16. Accordingly, in light of the subsistence of a valid OC, and in absence of credible counter-evidence, the Authority is inclined to accept the Respondent's contention that the construction was in accordance with the sanctioned plan. However, the Complainant Association, if still aggrieved by the alleged deviations, is advised to approach the planning authority or the municipal authority with appropriate evidence to seek redressal

17. The Complainants have alleged that various amenities showcased in the marketing brochure have not been provided. The Respondent contends that the brochure was merely symbolic and illustrative in nature, and the binding obligations flow only from the registered Agreement for Sale executed with the respective allottees.

18. This Authority is not persuaded by the Respondent's submission. Section 12 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter "the Act") provides a clear remedy for misrepresentation in advertisements and prospectuses. Section 12 reads as under:

Where any person makes an advance or a deposit on the basis of the information contained in the notice, advertisement or prospectus, or on the basis of any model apartment, plot or building, as the case may be, and sustains any loss or damage by reason of any incorrect, false statement included therein, he shall be compensated by the promoter in the manner as provided under this Act:

19. Further, Section 2(zl) of the RE(R&D) Act defines a “prospectus” to include any advertisement or document inviting offers from the public for sale of apartments or plots. Therefore, it is evident that the marketing brochure forms part of the representations made by the promoter and cannot be brushed aside as symbolic.

20. The Authority finds that portraying amenities in brochures which are not implemented in the sanctioned plan or the project execution constitutes an act of inducement and amounts to violation of Section 12 of the RE(R&D) Act. The Respondent is accordingly held to be in breach of statutory obligations under the RE(R&D) Act.

21. The Authority accordingly cautions the Respondent from making unsubstantiated representations in any future promotional material or marketing literature which may mislead allottees or raise expectations inconsistent with sanctioned plans or deliverables. The Authority reiterates that a “prospectus” cannot be treated as mere promotional literature; it creates a binding expectation as per the legislative intent.

22. The Complainant Association has alleged non-compliance with Section 17 of the RE(R&D) Act, particularly with regard to the execution of a registered conveyance deed and handover of common areas. The Respondent, however, has submitted that conveyance has been effectuated and that the Executive Committee (EC) of the Association has acknowledged the same.

23. The Authority observes that Section 17(1) mandates that the promoter shall execute a registered conveyance deed in favour of the Association of allottees or Competent Authority as the case may be and hand over the physical possession of the common areas. A perusal of the correspondence on record, specifically the letter dated 22.11.2023 from the Respondent addressed to the President of the Association enclosing a cheque towards corpus fund (acknowledged by the Association on the same date), indicates that certain aspects of handover have been carried out.

24. However, the real dispute lies in the management and refund of 24 months’ advance maintenance charges collected by the Respondent. The Respondent asserts that it utilized these funds during the interim maintenance period and thereafter reimbursed six months of expenses incurred by the EC. The Respondent further states that it has not received collective consent from all 109 flat owners for refund or adjustment of the balance.

25. This Authority holds that such a process requiring individual consents is impractical and inconsistent with the collective nature of apartment ownership. The Association, being the collective representative body, is competent to take a resolution in its General Body Meeting (GBM) regarding the refund and adjustment of maintenance funds.

26. Accordingly, the Complainant Association is directed to conduct a GBM and pass a resolution regarding the utilization/refund of the balance maintenance funds. Upon receipt of the said resolution, the Respondent shall deduct the validly incurred expenses with supporting bills and refund the remaining balance within 30 days thereof.

27. The Complainants allege that the Respondent is unjustifiably withholding possession of two commercial shops, which, as per the sanctioned project design, form an integral part of the residential amenities. Upon examination of the building permit obtained by the Respondent vide Permit No. 53333/HO/WZ/Cir-12/1016 dated 09.09.2017, it is noted that permission was accorded for the construction of a multi-storied Residential-cum-Commercial Building comprising two basements for parking, a partly ground floor designated for amenities and shops, and upper floors for residential flats. The sanctioned plan further indicates that the amenity space in its entirety measures 924.93 sq. m

28. The Occupancy Certificate dated 26.04.2023, obtained by the Respondent, similarly records the structure as a Residential Building with Amenity Building consisting of 2 cellars + Ground Floor + 14 upper floors. A conjoint reading of both the building permit and the occupancy certificate reveals that the shops are subsumed within the total amenity space as approved, and are not carved out as separate, independent commercial units. This structural and functional integration of shops within the amenity block establishes their character as part of the common amenities intended for the benefit of all allottees.

29. Section 2(n)(vii) of the Real Estate (Regulation and Development) Act, 2016 clearly includes “all community and commercial facilities as provided in the real estate project” within the definition of common areas. This statutory definition leaves no ambiguity in holding that where commercial spaces are designated as part of the amenity block in the sanctioned plan, they assume the character of common facilities and are thus subject to the rights of allottees collectively.

30. Furthermore, Sections 11(4)(f) and 17(1) of the RE(R&D) Act cast a binding statutory obligation upon the Promoter to transfer the undivided share in all common areas, including commercial and community facilities, to the Association of Allottees or competent authority as

the case maybe. This is not a matter of contractual liberty but a statutory compulsion. Any attempt to circumvent this obligation whether through private arrangements, internal adjustments, or otherwise is patently illegal and unsustainable in law. The Authority, in its consistent jurisprudence, has held that no contractual term or private understanding can override the express provisions of the RE(R&D) Act, 2016 or the sanctioned plan approved by the competent Planning Authority. In cases of conflict between the RE(R&D) Act and private contractual terms, the statutory mandate shall always prevail.

31. In this context, the Authority takes note of the proceedings issued by the GHMC vide Letter No. 1017/CP/SLPZ/GHMC/2024 dated 02.12.2024, which unambiguously state that the project is approved solely for residential purposes and that the shops form part of the common assets. This official clarification from the authority reinforces the legal position that the said commercial shops cannot be withheld or dealt with as exclusive property of the Promoter, and must be handed over in accordance with the statutory scheme envisaged under the RE(R&D) Act, 2016. Accordingly, the said shops shall be construed as “convenience stores” falling within the ambit of common facilities.

32. In view of the foregoing, it is hereby unequivocally declared that the aforesaid shops are liable to be transferred and handed over by the Promoter/Developer to the respective Association of Allottees of the project. However, as at the time of purchase of individual units, the residents did not make any specific or proportionate payment towards these commercial/common facilities, the Respondent shall be entitled to recover the corresponding cost from the Association of Allottees prior to effecting such transfer.

33. The transfer shall be effected upon realization of the proportionate cost, in a manner that ensures full compliance with the statutory obligations under the RE(R&D) Act, 2016, and other applicable local regulations, and without further delay or obstruction. The Respondent is duty-bound to complete this handover in good faith, in a time-bound manner, and in consonance with the principles of transparency, accountability, and the applicable regulatory framework.

34. The Complainants have raised an important concern regarding the rejection of Fire NOC renewal in May 2024, allegedly due to mechanical car parking units being installed post-OC and fire safety systems being rendered inoperative. The Respondent contends that post-handover, maintenance of the fire systems is the Association’s responsibility and that it was unable to enter the premises due to restrictions imposed by the EC.

35. This Authority holds that fire safety compliance is a non-negotiable statutory obligation and both the promoter and the Association must act jointly to ensure safety compliance and renewal of Fire NOC. Accordingly, both parties are directed to cooperate in obtaining the renewed Fire NOC. The Respondent shall undertake necessary rectifications at its cost, and the Association shall permit entry of personnel and vendors for this limited purpose.

36. On the issue of assured Manjeera water supply, the Respondent has placed on record HMWSSB receipt bearing No. HDFCR520230922898207 dated 22.09.2023, evidencing payment. The Authority directs the Respondent to take proactive steps to expedite the provision of Manjeera water connection. The Complainant Association may accompany the Respondent in approaching HMWSSB for timely resolution.

37. The Complainants have alleged that the executed Agreements for Sale differ substantially from the template uploaded on the RERA portal. The Respondent has claimed that the uploaded template was only indicative and submitted for reference.

38. This Authority is constrained to note that such a submission is wholly untenable. Section 4(2)(g) of the Act clearly mandates that the proforma of the allotment letter, agreement for sale, and the conveyance deed proposed to be signed with the allottees shall be submitted at the time of registration. The legislative intention is unambiguous that the proforma is not a mere sample but a representation of the document to be executed. Any material deviation without due disclosure constitutes regulatory non-compliance.

39. The Authority, therefore, holds that the Respondent has contravened Section 4(2)(g) of the Act by executing substantially different agreements with the allottees without revising or disclosing the same at the time of project registration. The Authority issues a stern warning to the Respondent to refrain from such practices in future projects and to ensure that only accurate and finalised versions of proforma documents are uploaded on the RERA portal.

40. As regards the Complainants' prayer for compensation for construction deficiencies, the Authority observes that such reliefs fall within the exclusive domain of the Adjudicating Officer appointed under Section 71 of the Act, read with Rule 35(1) of the Telangana RERA Rules, 2017. The Complainants are accordingly advised to approach the Adjudicating Officer by filing a complaint in Form 'N' for adjudication of such claims.

E. Directions of the Authority:

41. In light of the foregoing observations and findings, and in exercise of the powers conferred upon the Authority under Sections 37 & 38 of the Real Estate (Regulation and Development) Act, 2016, the following directions are issued:

- a) The Respondent is held liable for contravention of:
 - i. Section 12 of the RE(R&D)Act, for misrepresenting amenities in the marketing brochure which were not delivered as part of the project; and
 - ii. Section 4(2)(g) of the RE(R&D) Act, by uploading a proforma Agreement for Sale on the RERA portal that materially differs from the agreements actually executed with the allottees.
 - iii. Accordingly, the Authority imposes a penalty of Rs.18,09,185/-(Rupees eighteen lakhs nine thousand one and eighty five only) for the above violations. The said amount shall be paid within 30 (thirty) days from the date of receipt of this order, in favour of the TGRERA FUND, either through Demand Draft or online transfer to: Account No. 50100595798191, HDFC Bank, IFSC Code: HDFC0007036.
- b) The Respondent is hereby warned against treating such proforma submissions as symbolic or illustrative. In all future project registrations, the Respondent shall ensure that only accurate, final versions of proforma documents intended to be executed with allottees are uploaded on the RERA portal and adhered to in practice.
- c) The Authority further directs that all future brochures, advertisements, or prospectuses issued by the Respondent shall strictly conform to sanctioned layouts and binding project deliverables.
- d) With regard to the maintenance charges collected:
 - i. The Complainant Association shall convene a General Body Meeting (GBM) and pass a resolution authorising the adjustment/refund of the remaining balance of maintenance fund collected by the Respondent. Upon receipt of the said resolution, the Respondent shall deduct only those documented and verifiable expenses incurred towards maintenance prior to handover.
 - ii. The remaining balance, if any, shall be refunded to the Association within 30 (thirty) days from the date of receipt of the GBM resolution.
- e) The Respondent is hereby directed to transfer and hand over the shops situated on specific portions of the Ground and First Floors, which have received due approval as per the GHMC-sanctioned plans, endorsed proceedings, and occupation certificate, to the Association of Allottees of the concerned project. These shops, forming part of the

designated common amenities, are to be treated as convenience stores intended for the collective benefit of all residents. However, since the residents had not paid any substantial amount towards such amenities at the time of purchase of their respective units, the Promoter/Developer shall be entitled to recover the proportionate cost of the said convenience stores from the Association prior to the said transfer. The handover shall be effected upon such realization, without any further delay or encumbrance, and in strict compliance with the applicable statutory provisions. The Promoter/Developer is obligated to execute the transfer in good faith and in a time-bound manner, in adherence to the regulatory framework.

- f) Recognising the statutory importance of fire safety and NOC compliance, both parties are directed to:
- i. The Respondent and the Complainant Association shall jointly cooperate to obtain renewal of the Fire NOC from the Fire Department
 - ii. The Association shall facilitate entry of Respondent's staff and vendors and shall not obstruct remedial works.
- g) The Respondent is directed to actively pursue and take all necessary steps to expedite the Manjeera water connection to the project by coordinating with the HMWSSB. The Complainant Association may assist in this endeavour, if required

42. 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.

43. The complaint accordingly stands disposed of. No order as to costs.

Sd-
Sri. K. Srinivas Rao,
Hon'ble Member
TG RERA

Sd-
Sri. Laxmi NaryanaJannu,
Hon'ble Member
TG RERA

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