

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 419 of 2025

Dated: 22nd April 2026

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

K. Rama Kumari,

*R/o. Flat 402, Sreenivasam Apartment,
New Friends Colony, Opposite Sri Chaitanya Junior College,
Upparpally, Rajendra Nagar, Hyderabad - 500048*

...Complainant

Versus

Space Vision Group,

*Represented by Madhava Reddy,
R/o. Flat 703, Tirumala Shah Apartments,
Yella Reddy Guda Road, Ameerpet X Roads, Hyderabad - 500016*

...Respondent

The present matter filed by the Complainant mentioned herein above came up for hearing on 20.01.2026 before this Authority in the presence of the Complainant in person, and respondent absent, upon hearing the submissions of both the parties, this Authority proceeds to pass 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 "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") seeking appropriate relief(s) against the Respondents.

A. Brief facts of the case:

3. The Complainant has stated that she had entered into an understanding with Space Vision Group in or around December 2019 / January 2020 for the purchase of Plot No. 851 in the project "Ambience" for a total sale consideration of ₹15,00,000/- (Rupees Fifteen Lakhs only). It is submitted that the Complainant paid an advance amount of ₹9,87,500/- to the Respondent towards the said plot, but the Respondent failed to honour the commitment and did not proceed with the registration of the plot.

4. It is submitted that, aggrieved by the inaction of the Respondent, the Complainant approached this Authority by filing Complaint No. 120 of 2022, wherein an order was passed directing the Respondent to register an alternate plot in favour of the Complainant at the earliest.

5. The Complainant submitted that, despite repeated follow-ups, the Respondent has not complied with the directions issued in the earlier order. The Complainant brought this non-compliance to the notice of this Authority through written representations dated 05.09.2023 and 20.02.2024, but the Respondent failed to take any steps to implement the same.

6. The Complainant further submitted that, in view of the persistent non-compliance and the Respondent's unwillingness to register an alternate plot for the agreed amount, she decided not to proceed with the purchase and instead sought a refund of the total amount of ₹9,87,500/- paid to the Respondent along with interest thereon.

7. It is stated that the Respondent, refused to refund the entire sum and only agreed to return ₹9,60,000/- without any interest, citing shortage of funds. The Respondent further informed that the refund would be made in three instalments. Out of the total amount of ₹9,87,500/-, the Complainant received ₹6,00,000/- in two tranches, leaving a balance of ₹3,87,500/- still unpaid.

B. Relief(s) Sought:

8. Accordingly, the Complainant sought the following reliefs:

- i. *To direct the Respondent to refund the balance amount of ₹3,87,500/- (Rupees Three Lakhs Eighty-Seven Thousand Five Hundred only), being the unpaid portion of the total payment of ₹9,87,500/- made towards Plot No. 851 in the "Ambience Venture" project;*
- ii. *To grant interest at the rate of 20% per annum on the total payment of ₹9,87,500/- from January 2020 till the date of realization, on the ground that the Respondent has utilized the Complainant's funds without honouring the understanding or completing the transaction; and*
- iii. *To award compensation of ₹5,00,000/- (Rupees Five Lakhs only) for the hardship, inconvenience, and mental agony suffered by the Complainant due to the Respondent's failure to comply with the earlier order of this Authority and for causing prolonged financial and emotional distress.*

C. Counter on behalf of the Respondents:

9. The Respondent submits that the complaint filed by the Complainant is false, misleading, and devoid of merit, and that it is not maintainable either in law or on facts. It is contended that the complaint is based on misrepresentation of facts and that the Complainant has no locus standi to file the present complaint, which is liable to be dismissed without further enquiry.

10. It is submitted that the Complainant had agreed to purchase Plot No. 851 admeasuring 250 square yards at the rate of ₹6,100/- per square yard, whereas the actual price was ₹6,499/- per square yard, as clearly reflected in the brochure filed by the Complainant herself. The allegation that the Complainant paid ₹9,87,500/- out of the total sale consideration of ₹15,25,000/- is false. The Respondent states that only ₹9,60,000/- was received, duly acknowledged by four receipts, Receipt No. 449 for ₹5,00,000/-, Receipt No. 461 for ₹4,00,000/-, Receipt No. 34 for ₹10,000/-, and Receipt No. 569 for ₹50,000/- as reflected in the ledger account maintained by the Respondent. The remaining ₹27,500/- was never received by the Respondent, as some portion of the amount was directly transferred by the Complainant to one Mr. E. Dilip Kumar, an agent, who subsequently misappropriated certain customer funds. The Respondent has filed a criminal complaint against the said individual.

11. It is further submitted that the Complainant failed to pay the balance sale consideration of ₹5,65,000/- within the stipulated period of 60 days, due to which her plot allotment was cancelled and re-allotted to third parties. Thereafter, the Complainant filed Complaint No. 120/2022 before this Authority, wherein an order dated 17.08.2023 was passed directing the Respondent to register an alternate plot on receipt of the balance sale consideration. However, the Complainant failed to comply with this direction and did not pay the balance amount to avail the alternate plot.

12. The Respondent denies that the Complainant approached them multiple times to honour the previous order. It is asserted that the Complainant refused to pay the balance sale consideration, and instead demanded that the Respondent sell the plot at ₹3,950/- per square yard, which was far below the agreed price. The original plot was sold at ₹6,100/- per square yard, already discounted from the brochure price of ₹6,499/- per square yard. The Respondent is unaware of the letters dated 05.09.2023 and 20.02.2024 allegedly addressed to this Authority. However, the contents of those letters are false, and it is the Complainant who is in default.

13. Subsequently, in May 2025, the Complainant's husband approached the Respondent and expressed their unwillingness to proceed with the alternate plot, instead requesting a refund. The Respondent, having received only ₹9,60,000/-, agreed to refund the said amount, and accordingly issued three cheques drawn on Karur Vysya Bank:

- Cheque No. 004801 dated 16.05.2025 for ₹3,00,000/-
- Cheque No. 004802 dated 27.05.2025 for ₹3,00,000/-
- Cheque No. 004803 dated 06.06.2025 for ₹3,60,000/-

14. The Complainant encashed two cheques, thereby receiving ₹6,00,000/-, towards full and final settlement of Complaint No. 120/2022/TSRERA. The Complainant's husband also issued a letter dated 10.05.2025 confirming that the Complainant did not wish to proceed with the plot purchase, and agreed that the final cheque would be honoured after closure of the case before this Authority, and that he will not execute the orders in the said case and that the Respondent is discharged from their liability.

15. The Respondent submits that two cheques were duly honoured and ₹6,00,000/- was paid. However, the Complainant failed to fulfil her corresponding obligation to file a compromise memo before this Authority stating that the matter was settled amicably, thereby enabling the Respondent to release the third cheque. Instead, to the Respondent's surprise, the Complainant filed the present complaint claiming ₹3,87,500/-, as against the agreed balance of ₹3,60,000/-, which the Respondent contends amounts to an attempt to unfairly enrich herself and harass the Respondent.

16. The demand for 20% interest on ₹9,87,500/- from January 2020 and compensation of ₹5,00,000/- is baseless, as the Complainant has already received part refund under the agreed terms of settlement.

17. The Respondent reiterates that they are ready and willing to honour the third cheque (No. 004803 for ₹3,60,000/-), subject to the Complainant complying with her obligation to file a compromise memo before this Authority, declaring that both Complaint No. 120/2022/TSRERA and the present Complaint No. 419/2025 are settled out of court upon receipt of the said amounts.

18. The Respondent therefore submits that the Complainant has not approached this Authority with clean hands and has suppressed material facts. The present complaint, arising out of the same cause of action as Complaint No. 120/2022/TSRERA, is barred and not maintainable, as the matter was already compromised and partly settled between the parties.

19. In light of the above, the Respondent prays that this Hon'ble Authority may be pleased to direct the Complainant to accept the balance amount of ₹3,60,000/- as per the

agreed settlement, record that the dispute arising out of Complaint No. 120/2022/TSRERA and Complaint No. 419/2025 has been settled, dismiss the present complaint as devoid of merit and barred by settlement; and pass such other orders as this Hon'ble Authority may deem fit and proper in the interest of justice.

C. Rejoinder by Complainant:

20. It is submitted that the Respondent's counter shows irresponsibility and denial of facts, in addition to disobedience of the rules set by the TG RERA.

21. The Complainant submits that the alleged misappropriation of funds by Mr. E. Dilip Kumar, agent of the Respondent, does not exempt the Respondent from accountability, as the said agent was employed by and acted on behalf of the Respondent. Further, the ledger account statements referred to by the Respondent are prepared by the Respondent himself and cannot be treated as proof of funds received from the Complainant. The Complainant states that no cash transactions were ever made with the Respondent as mentioned in the ledger.

22. The Respondent's claim that the allotted plot was cancelled due to non-payment of balance amount is unlawful, as the balance payment is required to be made only at the time of registration of the plot. Clearly, the Respondent has not complied with or learned from the judgment in CC 120/2022/TSRERA passed by this Hon'ble Authority. If the Complainant had failed to pay the balance amount at the time of registration, the Complainant requests this Hon'ble Authority to direct the Respondent to provide details of the registration slot booked, the sale deed prepared and submitted with the concerned Sub-Registrar, and any statement from the Registrar showing that the registration was cancelled for the reasons stated by the Respondent. Otherwise, the Respondent's action is contrary to TG RERA norms, which stipulate that advance payment shall not exceed 10% of the total agreement consideration.

23. The Complainant further states that it is incorrect for the Respondent to allege that no attempt was made by her. The Complainant's brother, Mr. Prasad, had approached Mr. Anjaneya Reddy and discussed the issue of alternate plot registration even before filing CC 120/2022/TSRERA before this Hon'ble Authority. The Complainant further clarifies that her husband never had any interaction with the Respondent regarding any kind of settlement or compromise. It was always the Complainant's brother, Mr. Prasad, who interacted with the Respondent. The document produced by the Respondent is false, contains fabricated statements, and was forced upon the Complainant's brother in exchange for the three cheques

issued towards partial refund of the advance payment. There was no mutual settlement, and the said document was not prepared by her brother.

D. Points to be determined:

24. Based on the facts and circumstances placed before this Authority, the following questions arise for adjudication:

- I. *Whether the present Complaint is maintainable before this Authority under the provisions of the RE (R&D) Act, 2016?*
- II. *Whether the Complainant is entitled to the relief sought? If so, to what extent?*

E. Observations of the Authority:

Point I

25. At the outset, this Authority addresses the Respondent's objection that the present complaint is not maintainable, being allegedly barred by the purported settlement arising out of Complaint No. 120/2022/TSRERA and by the principle of res judicata.

26. A careful perusal of the record reveals that Complaint No. 120/2022/TSRERA culminated in an order dated 17.08.2023 directing the Respondent to register an alternate plot in favour of the Complainant upon receipt of the balance sale consideration. It is an admitted fact that the said order has not been complied with by the Respondent. The present complaint has been filed consequent to such persistent non-compliance, seeking refund of amounts paid, as the Complainant has understandably lost confidence in the Respondent's ability or willingness to honour its obligations.

27. The doctrine of res judicata, as recognised under Section 11 of the Code of Civil Procedure, 1908, operates to bar the re-litigation of matters that have been directly and substantially decided between the same parties in a former proceeding. However, the bar of res judicata does not apply where the earlier order has not been executed or complied with, and the subsequent complaint arises from fresh cause of action rooted in that non-compliance. The order in Complaint No. 120/2022/TSRERA directed registration of an alternate plot, a relief that remains unimplemented. The present complaint seeking refund, consequent to such non-compliance, constitutes a distinct and subsequent cause of action, and is not barred by the earlier proceedings.

28. Accordingly, Point I is answered in favour of maintainability. The present complaint is held to be maintainable before this Authority.

Point II:

29. This Authority now proceeds to examine the substantive issues arising on the facts of this case.

30. The Respondent has placed on record a letter dated 10.05.2025, purportedly signed by the Complainant's husband, acknowledging acceptance of ₹9,60,000/- as full and final settlement of Complaint No. 120/2022/TSRERA and undertaking not to execute the orders therein. This document forms the cornerstone of the Respondent's defence.

31. The registered owner of the plot and the party to both complaints is the Complainant herself. The Respondent has not produced any power of attorney, authorization letter, or any other instrument in writing establishing that the Complainant's husband was duly empowered to enter into a settlement on behalf of the Complainant or to execute any document binding upon her. It is a well-settled principle of law that a settlement entered into by an unauthorized third party does not bind the principal. The Complainant has categorically denied that her husband had any authority to act on her behalf in this transaction. The Complainant has alleged that the document was fabricated and extracted under duress, in exchange for the three cheques issued towards partial refund. The Respondent has not produced any corroborating evidence or any confirmation by the Complainant herself to establish the voluntariness and authenticity of the said document. It is the Complainant, and not her husband, who is the allottee, the payee of amounts in question, and the party on record. A settlement in a statutory proceeding before a regulatory authority must be concluded by or with the explicit authorisation of the party on record, and cannot be effected through a family member absent written authority.

32. For the foregoing reasons, the letter dated 10.05.2025 is held to be neither a valid settlement agreement nor a binding compromise, and cannot operate to extinguish the Complainant's statutory rights under the RE(R&D) Act, 2016.

33. There is a factual dispute between the parties as to whether the Complainant paid ₹9,87,500/- or only ₹9,60,000/- to the Respondent. The Respondent relies upon four receipts totalling ₹9,60,000/-, while the Complainant claims that an additional ₹27,500/- was also paid. The Respondent's position is that the said ₹27,500/- was paid directly to one Mr. E. Dilip Kumar, an agent, who allegedly misappropriated the same.

34. From the records and payment details placed before this Authority, it is observed that:

- a. An amount of ₹5,00,000/- was paid directly to the Respondent, Space Vision Group, on 05.12.2019

- b. A further sum of ₹4,50,000/- was paid on 11.01.2020 to Mr. E. Dilip Kumar, who was acting as an agent on behalf of the Respondent; and
- c. An additional amount of ₹37,500/- was paid on 10.03.2020 to the said agent.
35. Of the last payment of ₹37,500/- made on 10.03.2020, the Respondent has acknowledged receipt of ₹10,000/- as part of the total ₹9,60,000/- admitted by it, while denying receipt of the remaining ₹27,500/-.
36. This Authority observes that Mr. E. Dilip Kumar was acting as an agent of the Respondent during the course of the property transaction. The Respondent has not placed on record any disclosed agency arrangement, written agreement, or any prior communication to the Complainant expressly limiting the agent's authority or excluding the Respondent's liability for amounts collected by the agent. The fact that the Respondent has chosen to initiate a criminal complaint against Mr. Dilip Kumar is a matter inter se between the Respondent and its agent and does not, in any manner, extinguish the Respondent's liability to the Complainant for amounts paid to the agent in the course of the transaction.
37. Furthermore, the ledger account produced by the Respondent is a self-serving document prepared unilaterally by the Respondent itself. In the absence of any independent or corroborating documentary evidence, it cannot be treated as conclusive proof of the amounts received. The payment records and transaction details produced by the Complainant, including the amount of ₹37,500/- paid on 10.03.2020 to the agent, form part of a single continuous transaction, and the Respondent is estopped from denying receipt of the balance ₹27,500/- when the principal amount paid to the agent has otherwise been accepted and credited.
38. Accordingly, this Authority holds that the total amount paid by the Complainant is ₹9,87,500/- (Rupees Nine Lakhs Eighty-Seven Thousand Five Hundred only), and the Respondent is liable for the entirety thereof, including the ₹27,500/- paid to its agent.
39. Having established the quantum of amount paid, this Authority proceeds to determine the Respondent's liability to refund the same along with interest.
40. The Respondent has not disputed that the original allotment of Plot No. 851 was cancelled and re-allotted to third parties. The Respondent has also failed to demonstrate that any registration slot was booked, any sale deed was prepared, or any demand notice was issued to the Complainant specifying a date and schedule for payment of balance consideration in compliance with the order in Complaint No. 120/2022/TSRERA. The Respondent's assertion that the plot allotment was cancelled due to the Complainant's non-payment of balance consideration is wholly unsupported by evidence, there is no registered

agreement to sell fixing a specific payment date, no payment schedule communicated to the Complainant post the order dated 17.08.2023, and no record of any communication calling upon the Complainant to appear for registration or raising payment dues.

41. In these circumstances, it is evident that the Respondent has failed to honour its obligations, both under the original understanding as well as pursuant to the directions issued in the order dated 17.08.2023 in Complaint No. 120/2022/TSRERA. The conduct of the Respondent in cancelling the allotment without due process, failing to comply with statutory directions, and subsequently seeking to discharge its liability through a settlement executed without the Complainant's valid authority, amounts to a clear failure on the Respondent's part within the meaning of Section 18 of the RE(R&D) Act, 2016.

Section 18(1) of the RE(R&D) Act, 2016 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, he shall be liable on demand to the allottee, 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: Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed."

42. In the instant case, the Respondent has undeniably failed to deliver possession of or register Plot No. 851 as per the agreed terms, and has also failed to comply with the statutory directions issued by this Authority in the order dated 17.08.2023. The Complainant, having lost confidence in the Respondent's ability to honour its commitments, has expressed her intention to withdraw from the project and seek a refund. The Complainant is, therefore, clearly entitled under Section 18(1)(a) of the RE(R&D) Act, 2016 to a full refund of the amounts paid, along with interest at the prescribed rate.

43. The Complainant has sought interest at 20% per annum on the total amount paid from January 2020. This Authority observes that the rate of interest payable in terms of Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, is the State Bank of India Marginal Cost of Lending Rate (SBI MCLR) plus 2% per annum. The prescribed rate is

not a matter of discretion and any demand for a rate in excess thereof is not tenable before this Authority.

44. Applying the prescribed formula, the applicable rate of interest is 10.70% per annum (SBI MCLR of 8.70% + 2%). Since the payments were made by the Complainant in three separate instalments on different dates, interest shall be computed on each instalment individually, running from the respective date of payment of that instalment by the Complainant, until the date of actual realisation of the refund of that corresponding amount by the Respondent. Accordingly: (a) interest on ₹5,00,000/- shall run from 05.12.2019; (b) interest on ₹4,50,000/- shall run from 11.01.2020; and (c) interest on ₹37,500/- shall run from 10.03.2020 in each case until the date on which the Respondent actually refunds the corresponding amount to the Complainant. To the extent the Respondent has already refunded ₹9,60,000/-, interest on those amounts stands computed up to the respective dates of such refund, and interest on the remaining balance of ₹27,500/- shall continue to accrue until actual realisation

45. As regards the claim for compensation of ₹5,00,000/-, such claims fall within the ambit of Section 71 of the Real Estate (Regulation and Development) Act, 2016, and are required to be adjudicated by the Adjudicating Officer appointed under the Act. Accordingly, the Complainants are at liberty to pursue such claims before the competent Adjudicating Officer, in accordance with law

F. Directions of the Authority:

46. In exercise of the powers conferred upon this Authority under Sections 37 and 38 of the Real Estate (Regulation and Development) Act, 2016, and in furtherance of the findings and conclusions drawn hereinabove, the following directions are hereby issued:

1. The Respondent is directed to refund of the balance amount of ₹27,500/- (Twenty Seven Thousand Five Hundred Only) to the complainant;
2. The Respondent shall pay interest at the rate of 10.70% per annum (SBI MCLR of 8.70% + 2%) computed instalment-wise on each amount paid by the Complainant, as follows: (i) on ₹5,00,000/- from 05.12.2019 till the date of actual realisation; (ii) on ₹4,50,000/- from 11.01.2020 till the date of actual realisation; and (iii) on ₹37,500/- from 10.03.2020 till the date of actual realisation. To the extent amounts have already been refunded by the Respondent, interest on those refunded amounts shall stand computed only up to the respective dates of such refund. Interest on the outstanding balance of ₹27,500/- shall continue to run until actual payment; and

3. The Respondent is directed to pay the balance amount of ₹27,500/- (Rupees Twenty-Seven Thousand Five Hundred only) together with interest computed instalment-wise at the rate of 10.70% per annum (SBI MCLR of 8.70% + 2%) on each amount paid by the Complainant, as directed hereinabove, within 45 days from the date of this Order.
47. Failing to comply with the above-said direction by Respondents shall attract penalty in accordance with Section 63 of the RE (R&D) Act, 2016.
48. 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

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