BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY
[Under the Real Estate (Regulation and Development) Act, 2016]

Dated: 22nd June, 2026

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

COMPLAINT NO. 583/2025/TGRERA

1. **Vemulapalli Sai Vasanthi**
2. **Ghattamaneni Venkat Sai Maithreya**

(R/o- Flat No. 302, Green Rich Residency,
Uppal Bhagayath, Uppal, Telangana-500039.)

…Complainants

Versus

1. **Sukhii LLP represented by authorized partner, Srinivasulu Kandey**

(Office at 4th Floor, Plot No. 573 K,
Road No. 82, Film Nagar, Jubilee Hills,
Hyderabad-500096.)

…Respondent

The present matter filed by the Complainants mentioned herein-above came up for hearing before this Authority in the presence of the Complainants, and the Respondent was absent. Upon hearing the submissions of the Complainants, 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. It was submitted that the Complainants were allotted Residential Apartment No. 510 on the Fifth Floor, admeasuring 1695 sq. ft. of saleable area, with two car parking slots and an undivided share of 35 sq. yds. of land. The said apartment was in the project "SREE SUMERU," being developed by the Respondent-Promoter, Sukhii Projects LLP, on Plot Nos. C1 & C2, situated in Survey Nos. 403, 404, 405, and 428 at Uppal Bhagayath Village, under RERA registration no. P02200005226. It was stated that the flat was booked on 23-12-2022, and the Agreement for Sale was executed on 13-02-2023. It was further submitted that the

Respondent had committed to complete construction, obtain the Occupation Certificate (OC), and hand over possession with registration by 31-03-2025, with a grace period extending up to 30-06-2025.

4. It was submitted that despite the Complainants having paid Rs. 1,04,87,870/- as per the agreed payment schedule, the project had not been completed. It was alleged that at present, only flats up to the 10th floor had been completed, but the promised amenities remained incomplete, and there was no progress towards obtaining the occupation certificate or completing the project in all respects.

5. The Complainants contended that they had made repeated efforts to seek clarity and written confirmation from the Respondent on the timeline for completion, handover, and registration. However, it was alleged that the Respondent had either remained unresponsive or had given vague, evasive, and contradictory replies, both orally and in informal written communication. It was stated that no firm timeline or schedule for completion had been communicated to date.

6. It was further submitted that despite the allottees having paid a substantial portion (95%) of the sale consideration, the Respondent had not executed the Sale Deed or initiated the registration process. It was contended that this failure to proceed with registration was entirely unjustified and had caused immense inconvenience to the Complainants.

7. It was alleged that the common amenities and promised facilities, such as the clubhouse, gym, internal roads, landscaped areas, and children's play area, were yet to be completed. It was stated that these amenities were shown in the marketing materials and formed part of the agreement, and their non-completion constituted a breach of the Respondent's obligations. It was further alleged that the Respondent had not obtained the Occupation Certificate, nor addressed other aspects like drinking water and electricity.

8. It was further submitted that it had come to the Complainants' knowledge that the partners of Sukhii LLP were engaged in internal disputes, which were now materially affecting the functioning of the project. It was stated that these disputes had reportedly led to delays in vendor payments, a lack of accountability on site, and a breakdown in communication. It was contended, however, that these internal issues had not been officially disclosed to the allottees or on the RERA portal.

9. The Complainants alleged that there were serious concerns about financial mismanagement and the misuse of funds collected from the allottees. It was stated that construction progress was erratic, contractors and vendors were not being paid on time, and several changes had occurred in site management personnel. It was further submitted that the Respondent had not disclosed the status of the mandatory project escrow account, leading to a well-founded suspicion of diversion of funds in violation of Section 4(2)(1)(D) of the RERA Act.

10. It was submitted that on 03-07-2025, the Complainants sent an email to the Respondent demanding interest for the delay in possession and compensation. It was stated that no written reply had been received from the Respondent till date. It was also alleged that the Respondent had failed to provide any exit option or refund mechanism for allottees.

11. It was contended that when such requests were made, the Respondent orally informed that cancellations would be allowed only after the deduction of booking amounts, non-refundable GST, and other unspecified charges. It was further stated that the Respondent also denied any liability to pay interest or compensation upon cancellation, which the Complainants alleged was contrary to Section 18(1)(a) of the RERA Act.

12. It was submitted that due to the above defaults, the evasive conduct, the non-disclosure of timelines, and the refusal to comply with statutory obligations, the Complainants were left with no option but to approach the Hon'ble Authority.

13. Finally, it was submitted that on 01-09-2025, the Complainants formally requested to withdraw from the allotment and sought a refund of the entire amount paid, along with statutory interest. It was stated that as of the date of filing, the Respondent had neither refunded the amounts nor responded to the said request, thereby aggravating the hardship faced by the Complainants.

B. Relief(s) Sought

14. Accordingly, the Complainants sought the following reliefs:

i. *Award compensation to the Complainants for mental agony, financial stress, hardship, and litigation costs suffered due to the promoter's inaction and defaults; or*

ii. *Direct the promoter to allow cancellation of booking by the allottees with full refund of the amount paid along with interest, without deduction of booking amount, GST, or any arbitrary charges; and*

iii. *Pass such other or further orders as this Hon'ble Authority may deem fit and proper in the facts and circumstances of the case.*

C. Point(s) for Consideration

15. The following point arises for consideration by the Authority:

I. Whether the Complainant is entitled to the relief sought? If so, to what extent?

D. Observations of the Authority

16. The record reflects that the Respondent was present only on the second date of hearing in the present matter. However, despite subsequent listings of the case and opportunities afforded by this Authority, the Respondent failed to appear on all further hearing dates and did not file any written statement, counter, or explanation to controvert the allegations made by the Complainants. The continued absence of the Respondent and failure to participate in the proceedings, despite due notice and opportunity, indicate a lack of diligence and disregard for the adjudicatory process of this Authority.

17. In view of the repeated non-appearance and absence of any response on record, and being satisfied that adequate opportunity had been granted, this Authority was constrained to set the Respondent ex parte on 13.02.2026 and to proceed with the matter on the basis of the material available on record.

POINT I

18. The Complainants were allotted Apartment No. 510 on the Fifth Floor, admeasuring 1695 sq. ft. of saleable area, with two car parking slots and an undivided share of 35 sq. yds. of land, in the project "SREE SUMERU," bearing RERA Registration No. P02200005226, situated at Plot Nos. C1 & C2, Survey Nos. 403, 404, 405, and 428, Uppal Bhagayath Village. The flat was booked on 23.12.2022, and the Agreement for Sale was executed on 13.02.2023, whereunder the Respondent committed to complete construction, obtain the Occupancy Certificate, and hand over possession with registration by 31.03.2025, with a grace period extending up to 30.06.2025. In compliance with their payment obligations, the Complainants paid a total amount of Rs. 1,04,87,870/- (Rupees One Crore Four Lakhs Eighty-Seven

Thousand Eight Hundred and Seventy Only), as evidenced by the receipts placed on record, constituting 95% of the total sale consideration.

19. Notwithstanding the above, the Respondent has failed to complete the project, obtain the Occupancy Certificate, or hand over possession by the agreed date of 31.03.2025, or even within the grace period of 30.06.2025. The project remains incomplete, with common amenities including the clubhouse, gymnasium, internal roads, landscaped areas, and children's play area yet to be provided. The Sale Deed has not been executed despite 95% of the consideration having been paid. When the Complainants sought clarity on timelines and subsequently demanded interest for delay vide email dated 03.07.2025, the Respondent remained entirely unresponsive.

20. Thereafter, vide formal communication dated 01.09.2025, the Complainants exercised their right to withdraw from the allotment and sought refund of the entire amount paid with statutory interest, to which also no response was forthcoming. The Respondent, having been set ex parte vide order dated 13.02.2026 on account of continued non-appearance, has not filed any counter or explanation.

21. This Authority now proceeds to examine the entitlement of the Complainants to refund with interest. Section 18(1) of the RE (R&D) Act, 2016 is reproduced hereunder for ready reference:

> *"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:*
>
> *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.*

(2) The promoter shall compensate the allottees in case of any loss caused to him due to defective title of the land, on which the project is being developed or has been developed, in the manner as provided under this Act, and the claim for compensation under this sub-section shall not be barred by limitation provided under any law for the time being in force.

(3) If the promoter fails to discharge any other obligations imposed on him under this Act or the rules or regulations made thereunder or in accordance with the terms and conditions of the agreement for sale, he shall be liable to pay such compensation to the allottees, in the manner as provided under this Act."

22. The statutory position under Section 18(1) of the Act is clear. Upon failure of the promoter to deliver possession by the date stipulated in the Agreement for Sale, the allottee who seeks withdrawal from the project is entitled to a full refund of all amounts paid, along with interest at the prescribed rate. In the present case, all conditions for the exercise of this right are fully established on record, the agreed possession date has lapsed, the Complainants have formally communicated their intention to withdraw.

23. The Respondent's alleged position that cancellations would be subject to deduction of booking amounts, non-refundable GST, and other unspecified charges is untenable in law. Section 18(1) of the Act mandates the return of the entire amount received, without qualification or deduction, where the delay is attributable to the promoter's failure. A promoter who has defaulted on its possession obligations cannot be permitted to impose unilateral deductions to dilute the statutory right of the allottee to a full refund. Such a position would directly undermine the Act's consumer-protective purpose.

24. Accordingly, this Authority holds that the Complainants are entitled to refund of Rs. 1,04,87,870/- (Rupees One Crore Four Lakhs Eighty-Seven Thousand Eight Hundred and Seventy Only) along with interest at the rate of 10.70% per annum, being the SBI MCLR of 8.70% plus 2% as prescribed under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, calculated from the respective dates of each payment made by the Complainants until the date of actual refund.

25. With regard to the claim for compensation for mental agony, financial stress, and litigation costs, such claims being compensatory in nature fall within the exclusive jurisdiction of the Adjudicating Officer under Section 71 of the Act, and the Complainants are at liberty to approach the said forum, if so advised.

E. Directions of the Authority

26. In light of the discussions and findings made hereinabove, this Authority, vide its powers under Sections 37 and 38 of the RE (R&D) Act, 2016, issues the following directions to the Respondent:

i. The Respondent, Sukhii LLP, represented by its authorized partner Sri Srinivasulu Kandey, is directed to refund the entire amount of Rs. 1,04,87,870/- (Rupees One Crore Four Lakhs Eighty-Seven Thousand Eight Hundred and Seventy Only) to the Complainants, along with interest at the rate of 10.70% per annum (SBI MCLR of 8.70% + 2%) as prescribed under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, calculated from the respective dates of each payment made by the Complainants 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. Failing to comply with the above direction shall attract penal action against the Respondent in accordance with Section 63 of the RE (R&D) Act, 2016.

27. In view of the above, the present complaint is disposed of. No order as to costs.

Sd/-	Sd/-
Sri. K. Srinivas Rao,	**Sri. Laxmi Narayana Jannu,**
Hon'ble Member	**Hon'ble Member**
TG RERA	**TG RERA**