

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

Complaint No. 100 of 2025

Dated: 23rd June 2026

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

Doddi Prasanna Kumar

10-31-21/1, Bhanojinagar,

Near Maharaniapeta, Visakhapatnam-530002

...Complainant

AND

Dharani Infradevelopers Pvt Ltd Represented by Partner

Mr. Nadella Venkata Rao

Dharani Infradevelopers Pvt Ltd,

D.No.8-2-580 & 574/C Flat No.302,

Najaf Apartments, Road No.8 & 7

Iman Khomeini Road, Banjara Hills,

Hyderabad-500 034

...Respondent

The present matter filed by the Complainants detailed hereinabove came up for hearing on 24-04-2025 before this Authority in the presence of Counsel of the Complainants and the representative of the Respondent. Upon hearing their submissions, this Authority proceeded 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 read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the "Rules") seeking appropriate similar relief(s) against the Respondent.

A. The brief facts of the case, as stated by the Complainants, are as follows:

3. It was submitted that the Respondent is engaged in development of open plot ventures in and around Kothur, Shamshabad, Hyderabad, and had approached the Complainant in connection with its real estate projects by representing that it would develop the ventures and facilitate registration of plots in favour of purchasers.

4. It was submitted that initially the Complainant was offered a plot in the Respondent's project namely "Fortune County" situated at Kothur Y Junction, NH-7, near Kottur Railway Station, Telangana. According to the Complainant, relying upon the assurances and

representations made by the Respondent, he invested amounts in the said project from time to time.

5. It was further submitted that subsequently, upon representations made by the Respondent regarding better development and faster completion, the Complainant agreed to shift to another project of the Respondent namely “Dharani’s Planet Pride” situated at Sy. Nos. 67/P, 68/P, 69/P, 70/P, 71/P, 72/P, 73/P, 75/P & 77/P, Kothur Village & Mandal, Rangareddy District, Telangana, with an understanding that the amounts already paid in the earlier project would be adjusted towards the said project.

6. The Complainant submitted that the agreed sale consideration was fixed at ₹9,250/- per square yard for a plot admeasuring 200 square yards and that the total consideration payable in respect of the said plot was ₹20,00,000/- (Rupees Twenty Lakhs only), inclusive of registration charges.

7. It was submitted that the Complainant paid the said amount of ₹20,00,000/- in various instalments vide Receipt Nos. 2478 dated 31.05.2014, 9820 dated 08.10.2018, and other receipts, and that the entire sale consideration stood paid by 21.08.2020.

8. It was further submitted that despite receipt of the entire sale consideration, the Respondent failed to execute any Agreement of Sale or register the subject plot in favour of the Complainant. According to the Complainant, whenever requests were made for registration and execution of documents, the Respondent avoided the same on one pretext or another.

9. The Complainant further submitted that upon personally verifying the status of the projects, he found that the projects were not completed and no meaningful development had taken place. It was also alleged that the Respondent failed to furnish proper information regarding approvals and registration status of the projects.

10. It was submitted that in view of the Respondent’s failure to execute the Sale Deed and complete the project, the Complainant sought refund of the amounts paid. According to the Complainant, after repeated requests and follow-ups, the Respondent refunded only a sum of ₹10,00,000/- (Rupees Ten Lakhs only) on 18.05.2021 and assured repayment of the remaining balance amount shortly thereafter.

11. The Complainant submitted that despite repeated demands thereafter, the Respondent neither refunded the remaining balance amount of ₹10,00,000/- (Rupees Ten Lakhs only) nor registered the subject plot in favour of the Complainant, thereby constraining the Complainant to approach this Hon'ble Authority seeking appropriate reliefs under the provisions of the Real Estate (Regulation and Development) Act, 2016.

B. Reliefs sought

12. Accordingly, the Complainant sought the following reliefs:

- i. *Direct the Respondent to register the plot admeasuring 200 square yards in favour of the Complainant at the agreed rate of ₹9,250/- per square yard; or*
- ii. *In the alternative, direct the Respondent to refund the outstanding amount along with applicable interest at a considerable rate.*

C. Reply filed by the Respondent.

13. At the outset, it was submitted that the allegations made by the Complainant against the Respondent are false, incorrect, and denied in entirety. It was further contended that the Complainant had approached this Hon'ble Authority with false contentions and unclean hands with a mala fide intention to damage the reputation of the Respondent company.

14. It was submitted that the Complainant had initially opted for one plot in one venture of the Respondent and subsequently sought allotment in other ventures on multiple occasions. According to the Respondent, the Complainant repeatedly changed his preference from one project to another for his own personal reasons, and the Respondent accommodated such requests only to maintain good relations with the customer.

15. It was further submitted that despite the Respondent's willingness to register the plot, the Complainant did not come forward for registration inspite of several requests made by the Respondent. The Respondent contended that since the Complainant had chosen the said plot, the Respondent had refrained from selling the same to any other customer.

16. It was submitted that the Complainant subsequently expressed unwillingness to proceed with the purchase of the plot and requested refund of the amount paid. According to the Respondent, though it was not the policy of the company to refund amounts once paid by

customers, the Respondent, on humanitarian grounds, agreed to refund the amount and accordingly refunded a sum of ₹10,00,000/- (Rupees Ten Lakhs only), while requesting time for repayment of the remaining balance amount of ₹10,00,000/- (Rupees Ten Lakhs only), to which the Complainant allegedly agreed.

17. The Respondent further denied the allegations that the project lacked approvals or that false and evasive information was furnished to the Complainant regarding the status of the project. It was contended that all necessary information was provided whenever sought by the Complainant and that the concerned venture had obtained the required approvals.

18. It was further submitted that there was no deficiency in service on the part of the Respondent. The Respondent contended that the Complainant had failed to comply with his obligations under the provisions of the Real Estate (Regulation and Development) Act, 2016, particularly under Section 19(4) and 19(6) of the Act, and had not entered into any Agreement of Sale with the Respondent.

19. The Respondent further contended that the present complaint is not maintainable either in law or on facts and that the reliefs sought by the Complainant cannot be agitated before this Hon'ble Authority under the provisions of the RERA Act.

20. It was additionally submitted that if the Complainant was still interested in purchasing a plot in the said venture, he would be required to pay the prevailing market rate fixed by the Respondent for other purchasers.

21. Accordingly, the Respondent prayed for dismissal of the complaint with costs.

D. Rejoinder filed by the Complainant

22. At the outset, it was submitted that the contents of the counter filed by the Respondent are false, incorrect, and denied in entirety except those specifically admitted. The Complainant contended that the Respondent had deliberately made vague and evasive denials without rebutting the material allegations supported by documentary evidence.

23. It was submitted that the Respondent is a developer company engaged in the real estate sector since the year 2011 and had approached the Complainant in connection with its various

projects by making representations regarding its experience and presence in the real estate sector. According to the Complainant, relying upon the repeated assurances of the Respondent, he invested amounts in the Respondent's projects situated at Kothur, Telangana.

24. It was further submitted that the Complainant had initially invested in one project of the Respondent and subsequently, upon assurances made by the Respondent regarding better development and faster completion, agreed to shift to another venture namely "Dharani's Planet Pride" situated at Kothur Village and Mandal, Rangareddy District, Telangana, with an understanding that the amounts already invested in the earlier project would be adjusted towards the said new project.

25. The Complainant contended that the total sale consideration for the plot in the said project was fixed at ₹20,00,000/- (Rupees Twenty Lakhs only), inclusive of registration charges, and that the Complainant completed payment of the entire sale consideration on 21.08.2020. It was further submitted that despite repeated requests made by the Complainant, the Respondent failed to execute any Agreement of Sale or register the plot in favour of the Complainant.

26. It was submitted that whenever the Complainant sought information regarding the status and progress of the project, the Respondent furnished false and evasive replies while concealing the true state of affairs. According to the Complainant, upon personally inspecting the project, he found that the project remained in a nascent stage of development and therefore lost confidence in the Respondent's ability to complete the project within a reasonable time.

27. It was further submitted that after August 2020, the Complainant repeatedly requested the Respondent to execute and register the Sale Deed in respect of the plot. However, according to the Complainant, the Respondent deliberately avoided execution of the Sale Deed, ignored his calls, and refused to meet him.

28. It was submitted that in view of the Respondent's conduct and failure to complete the project or execute the Sale Deed, the Complainant was constrained to opt out of the project and request refund of the amounts paid. According to the Complainant, on 18.05.2021, the Respondent refunded only a sum of ₹10,00,000/- (Rupees Ten Lakhs only) and assured that the remaining balance amount of ₹10,00,000/- (Rupees Ten Lakhs only) would be repaid

shortly. However, thereafter, the Respondent allegedly stopped responding to the Complainant's calls and communications.

29. The Complainant further contended that due to the Respondent's prolonged inaction and withholding of the balance amount, he suffered severe financial hardship, mental agony, and physical stress, and was compelled to borrow funds from various sources to meet his financial obligations.

30. The Complainant denied the allegations of the Respondent that he had voluntarily changed plots for personal reasons or that he failed to come forward for registration. According to the Complainant, the changes in projects were made only upon the Respondent's representations and assurances, and he was always ready and willing to complete registration of the plot. The Complainant further contended that the Respondent had failed to produce any proof showing that it had called upon the Complainant to execute the Sale Deed or Agreement of Sale.

31. It was further submitted that the Respondent's admission regarding refund of ₹10,00,000/- itself establishes the liability of the Respondent towards repayment of the remaining balance amount. The Complainant denied the contention that the refund was made on humanitarian grounds and asserted that the same was a legal obligation arising from the Respondent's failure to fulfil its commitments.

32. The Complainant further contended that the present complaint is maintainable under the provisions of the Real Estate (Regulation and Development) Act, 2016, as the Respondent failed to execute an Agreement of Sale, failed to register the project, and failed to refund the amount paid by the Complainant. It was also submitted that the Respondent cannot demand the prevailing market rate for allotment of a plot after already receiving the entire agreed sale consideration from the Complainant.

33. Accordingly, the Complainant prayed for refund of the remaining balance amount of ₹10,00,000/- along with interest at the rate prescribed under the provisions of the RERA Act, interest on the delayed refund of ₹10,00,000/- already paid by the Respondent, and for initiation of appropriate action against the Respondent for violation of the provisions of the Real Estate (Regulation and Development) Act, 2016.

34. The Complainant further contended that the Respondent had failed to place on record any valid RERA registration certificate or material demonstrating compliance with the mandatory provisions of the Real Estate (Regulation and Development) Act, 2016. According to the Complainant, the Respondent's failure to execute a written Agreement of Sale despite receipt of the entire sale consideration constitutes a violation of Section 13(1) of the Act.

35. It was further submitted that the Respondent's contention regarding non-maintainability of the complaint is misconceived and untenable, as the present dispute pertains to refund of consideration amount, failure to perform obligations as a promoter, and other violations falling squarely within the jurisdiction of this Hon'ble Authority under Section 31 of the Real Estate (Regulation and Development) Act, 2016.

36. The Complainant additionally contended that the Respondent cannot take advantage of its own default and thereafter compel the Complainant to purchase a plot at the prevailing market rate, particularly after having already received the entire agreed sale consideration inclusive of registration charges.

37. Accordingly, the Complainant prayed that the complaint be allowed by directing the Respondent to refund the remaining balance amount together with interest and by imposing appropriate penalties upon the Respondent for violations of the provisions of the Real Estate (Regulation and Development) Act, 2016.

E. Reply to Rejoinder submitted by the Respondents

38. It was submitted that the rejoinder filed by the Complainant is itself not maintainable under the provisions of the Real Estate (Regulation and Development) Act, 2016, as the Act is a special enactment with a special procedure and does not specifically provide for filing of a rejoinder by the Complainant.

39. Without prejudice to the aforesaid contention, the Respondent denied all allegations and averments made in the rejoinder and contended that the same are false, incorrect, and filed with mala fide intention.

40. It was submitted that the Complainant had voluntarily approached the Respondent seeking allotment of a plot and that the Respondent merely accepted the request of the Complainant. The Respondent denied the allegation that the Complainant invested in the projects relying upon repeated assurances made by the Respondent.

41. The Respondent further denied the allegations that false and evasive information was furnished regarding the status of the project and contended that all necessary information was provided to the Complainant whenever sought.

42. It was submitted that the Complainant had repeatedly changed his preference from one project to another for his own personal reasons and that the Respondent accommodated such requests only in order to maintain good relations with the customer.

43. The Respondent denied the allegations that the project remained in a nascent stage of development or that the Complainant was compelled to opt out of the project due to delay in completion of the same.

44. It was further submitted that there was no understanding between the parties that the cost of the plot in the project “Dharani Planet Pride” was fixed at ₹20,00,000/- inclusive of registration charges subject to adjustment of amounts paid in the earlier project.

45. The Respondent also denied the allegations that it avoided execution of an Agreement of Sale. On the contrary, it was contended that the Respondent had repeatedly insisted that the Complainant enter into a sale agreement, but the Complainant never came forward for execution of the same. The Respondent further contended that the Complainant had not issued any written notice or registered letter seeking execution of the Agreement of Sale.

46. It was submitted that the Complainant ultimately requested refund of the amount paid due to his personal financial requirements. According to the Respondent, though refund was not the policy of the company once amounts were paid by customers, the Respondent, on humanitarian grounds, refunded a sum of ₹10,00,000/- (Rupees Ten Lakhs only) and assured payment of the remaining balance amount of ₹10,00,000/- (Rupees Ten Lakhs only) after some time, which was allegedly accepted by the Complainant.

47. The Respondent further contended that the allegations made by the Complainant regarding mental agony, hardship, and misconduct on the part of the Respondent are false and intended only to malign the Respondent company.

48. It was further submitted that the earlier counter filed by the Respondent may also be treated as part and parcel of the present additional counter.

49. The Respondent lastly contended that the rejoinder filed by the Complainant is an afterthought containing allegations not originally pleaded in the complaint and is therefore liable to be rejected. Accordingly, the Respondent prayed that the rejoinder and the claims made therein be rejected in the interest of justice.

F. Points for Consideration

50. Upon a thorough examination of the pleadings, documents placed on record, and after considering the arguments advanced by the parties, the Authority is of the considered view that the following issues arise for determination in the present matter:

I. *Whether the Respondent has violated Section 3 of the Real Estate (Regulation and Development) Act, 2016?*

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

G. Observations of the Authority

51. Before proceeding further with adjudication of the present complaint, this Authority deems it appropriate to record that a Show Cause Notice dated 14.07.2025 was issued to the Respondent in respect of contraventions under the provisions of the Real Estate (Regulation and Development) Act, 2016. Though the Respondent appeared before this Authority during the course of hearings and contested the main complaint, no reply/explanation has been filed by the Respondent to the said Show Cause Notice till date. Despite sufficient opportunities provided, the Respondent failed to place on record any explanation with regard to the violations alleged in the Show Cause Notice. Therefore, this Authority proceeds to adjudicate the issues arising out of the said violations based on the material available on record, pleadings, and submissions made by the parties.

Point I: *Whether the Respondent has violated Section 3 of the Real Estate (Regulation and Development) Act, 2016?*

52. This Authority first proceeds to examine whether the Respondent has violated Section 3 of the Real Estate (Regulation and Development) Act, 2016 by marketing, booking, and

collecting consideration in respect of plot in a project namely “Fortune County” situated at Kothur Y Junction, NH-7, near Kottur Railway Station, Telangana without obtaining registration for the said plot under the RE(R&D) Act.

53. Section 3(1) of the Real Estate (Regulation and Development) Act, 2016 mandates in unequivocal terms that no promoter shall advertise, market, book, sell, or offer for sale, or invite persons to purchase in any manner any plot, apartment, or building in any real estate project or part of it, in any planning area, without first registering the real estate project with the Real Estate Regulatory Authority. The language of the provision is prohibitory and absolute. The embargo extends not merely to the act of sale but to advertisement, marketing, booking, and invitation to purchase.

54. In the present case, the material placed on record clearly establishes that the Respondent had initially advertised and marketed the project namely “Fortune County” situated at Kothur Y Junction, NH-7, near Kottur Railway Station, Telangana. The Complainant, being interested in the said project, agreed to purchase a plot therein and paid amounts to the Respondent from the year 2013 onwards. An amount of ₹1,75,000/- (Rupees One Lakh Seventy-Five Thousand only) was collected by the Respondent from the Complainant in respect of the project namely “Fortune County” till the year 2018.

55. It is noted that the Respondent had obtained Draft Layout Permission in respect of the said project on 19.12.2017 from HMDA. Upon obtaining such Permission, the Respondent was obligated to obtain registration of the said project under the provisions of Sections 3 and 4 of the Real Estate (Regulation and Development) Act, 2016. However, the Respondent failed to obtain such registration and continued to advertise, market, and collect amounts in respect of the subject project from the Complainant, in contravention of the provisions of the RE (R&D) Act.

56. It is further noted that final layout permission in respect of the said projects was obtained only on 12.07.2021, whereas no registration under the Real Estate (Regulation and Development) Act, 2016 was obtained by the Respondent for the said project till date. The Respondent has therefore marketed, booked, and collected substantial consideration from the Complainant in respect of a flat in an unregistered block, in brazen contravention of the mandatory prohibition under Section 3(1) of the RE(R&D) Act.

57. Subsequently, upon representations made by the Respondent and upon mutual understanding between the parties, the Complainant agreed to shift to another project of the Respondent namely “Dharani’s Planet Pride” situated at Kothur Village & Mandal, Rangareddy District, Telangana. The amounts already paid by the Complainant in the earlier project were adjusted towards the said project and the remaining sale consideration forming part of the total amount of Rs. 1,929,000/- (Rupees Nineteen Lakh Twenty-Nine Thousand Only) was thereafter paid by the Complainant to the Respondent.

58. Accordingly, this Authority holds that the Respondent has committed a clear violation of Sections 3(1) and 4(1) of the Real Estate (Regulation and Development) Act, 2016 by advertising, marketing, booking, and collecting consideration amounts in respect of the project namely “Fortune County”. Therefore, the Respondent is liable for penalty under Section 59 of the Act, 2016. Further, as the Respondent admittedly has not filed any application for registration under Section 4, he is liable for penalty under Section 60 of the Act, 2016. On 14.07.2025, this Authority issued a Show Cause Notice to the Respondent under Sections 3(1) & 4(1) of the Act, 2016 of which Respondent did not provide any reply despite being in receipt of the same.

59. Therefore, Point I is answered in affirmative, and the Respondent is liable for penalty under Sections 59 and 60 for violation of Sections 3 and 4 respectively.

Point II: Whether the Complainant is entitled to the relief sought? If so, to what extent?

60. Having established the violation of Section 3 of the RE(R&D) Act, this Authority now proceeds to examine the Complainant's entitlement to the reliefs sought. The Complainant has sought, in the alternative, a refund of the total amount paid of ₹10,00,000/- along with interest, and interest on the refunded amount of ₹10,00,000/- by calculating such rate of interest from 21.08.2020 to 18.05.2021.

61. This Authority has carefully examined the financial transactions placed on record. It is established that the Complainant made payments to the Respondent as follows: an initial payment of ₹175,000/- (Rupees One Lakh Seventy-Five Thousand Only) from 2013 till 2017. Subsequently the complainant made payments of ₹74,000/- (Rupees Seventy-Four Thousand Only) on 07-10-2018, ₹80,000/- (Rupees Eighty Thousand only) on 21.11.2018, ₹6,00,000/-

(Rupees Six Lakhs only) on 25.02.2019 and ₹10,00,000/- (Rupees Ten Lakhs only) on 21.08.2020. The total amount paid by the Complainant to the Respondent therefore stands at Rs. 1,929,000/- (Rupees Nineteen Lakh Twenty-Nine Thousand Only).

62. It is further an admitted position that out of the aforesaid amount of ₹19,29,000/- (Rupees Nineteen Lakhs Twenty-Nine Thousand Only), the Respondent refunded an amount of ₹10,00,000/- (Rupees Ten Lakhs only) to the Complainant on 18.05.2021. Therefore, the remaining balance amount payable by the Respondent to the Complainant stands at ₹9,29,000/- (Rupees Nine Lakhs Twenty-Nine Thousand Only).

63. The Respondent has sought to contend that the Complainant voluntarily opted out of the project for his personal reasons and thereafter requested refund of the amount paid. However, even according to the Respondent, only part refund of ₹10,00,000/- was made to the Complainant, while the remaining balance amount continues to be retained by the Respondent without any lawful justification.

64. It is noted from the material placed on record that the Complainant had initially agreed to purchase a plot in the Respondent's project namely "Fortune County" and had made payments towards the sale consideration from time to time. However, according to the Complainant, despite receipt of substantial consideration amounts, the project was not developed within the expected time and no steps were taken by the Respondent towards execution and registration of the plot in favour of the Complainant.

65. It is further noted that when the Complainant raised concerns regarding the progress of the said project, the Respondent offered allotment of a plot in another project namely "Dharani's Planet Pride", and the amounts already paid by the Complainant were adjusted towards the said project. The Complainant, during the proceedings of the present complaint, filed a Memo dated 10.02.2026 placing on record that both the projects namely "Fortune County" and "Dharani's Planet Pride" remain unregistered under the provisions of the Real Estate (Regulation and Development) Act, 2016. The Respondent has not placed any material before this Authority to establish registration of either of the said projects.

66. However, even in respect of the said subsequent project, the Respondent neither obtained registration under the provisions of the Real Estate (Regulation and Development) Act, 2016 nor executed any Agreement of Sale or registered Sale Deed in favour of the

Complainant. In such circumstances, the Complainant sought refund of the amounts paid to the Respondent.

67. This Authority further notes that Despite lapse of more than a decade from the date of the initial transaction, the Respondent has neither completed the process of transfer and registration of the plot in favour of the Complainant nor demonstrated compliance with the registration requirements under the Real Estate (Regulation and Development) Act, 2016.

68. It is further noted that though Final Layout Permission was obtained on 12.07.2021, the Respondent failed to place on record any material showing that the subject project was thereafter registered under the provisions of the Act.

69. It is further noted from the material placed on record that despite receipt of the sale consideration from the Complainant, the Respondent failed to execute any Agreement of Sale in favour of the Complainant. Further, the Respondent has also failed to establish that possession of the subject plot was ever handed over to the Complainant.

70. The prolonged failure of the Respondent to regularize and register the project, coupled with the absence of any registered conveyance in favour of the Complainant, constitutes the primary circumstance which led the Complainant to seek refund of the amounts paid.

71. At this juncture, it is pertinent to refer to Section 18 of the RE(R&D) Act, 2016, clear and unambiguous regarding the right of the allottee to withdraw from the project and receive the amount he has paid in respect to his apartment when there is default on the part of the Promoter. It reads as follows:

(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 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 subsection 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.

72. The scope and nature of this right has been authoritatively settled by the Hon'ble Supreme Court in **Civil Appeal Nos. 3581-359 of 2022, Civil Appeal Diary No. 9796/2019, M/s Imperia Structures Limited v. Anil Patni & Others**, wherein it was held:

"In terms of Section 18 of the RERA Act, if a promoter fails to complete or is unable to give possession of an apartment by the date specified in the agreement, the promoter would be liable, on demand, to return the amount received in respect of that apartment if the allottee wishes to withdraw from the project. Such a right of the allottee is 'without prejudice to any other remedy available to him'. This right is unqualified, and if availed, the deposited money must be refunded with interest as prescribed. The proviso to Section 18(1) contemplates that if the allottee does not intend to withdraw from the project, they are entitled to interest for every month of delay until possession is handed over. The allottee may proceed under Section 18(1) or the proviso thereto."

73. Similarly, in **Civil Appeal Nos. 6745-6749 of 2021, M/s Newtech Promoters and Developers Private Limited v. State of Uttar Pradesh & Others**, the Hon'ble Supreme Court observed:

"Section 18(1) of the Act spells out the consequences if the promoter fails to complete or is unable to give possession of 9 of 10 apartment, plot, or building

in terms of the agreement for sale. The allottee/home buyer holds an unqualified right to seek a refund of the amount with interest as prescribed."

74. In view of the contractual provisions governing promoter default, coupled with the settled legal position under Section 18 of the RE(R&D) Act as elucidated by the Hon'ble Supreme Court, this Authority holds that the Complainant is entitled to refund of the entire amount paid by them along with applicable interest, having unequivocally exercised their statutory right to withdraw from the project under Section 18 of the Real Estate (Regulation and Development) Act, 2016.

75. Therefore, this Authority holds that the Complainant is entitled to refund of the remaining balance amount of ₹9,29,000/- (Rupees Nine Lakhs Twenty-Nine Thousand only) along with interest, i.e., current SBI MCLR + 2%, as prescribed under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, calculated from 21.08.2020 till the date of actual refund. The Complainant shall also be entitled to interest on the amount of ₹10,00,000/- already refunded by the Respondent for the period from 21.08.2020 till 18.05.2021.

Point No. 2 is answered accordingly.

76. Before parting with the matter, this Authority deems it necessary to examine the conduct of the Respondent in the light of the provisions of the Real Estate (Regulation and Development) Act, 2016.

77. It is an admitted position that the Respondent accepted amounts from the Complainant in respect of the projects namely "Fortune County" situated at Kothur Y Junction, NH-7, near Kottur Railway Station, Telangana and subsequently "Dharani's Planet Pride" situated at Sy. Nos. 67/P, 68/P, 69/P, 70/P, 71/P, 72/P, 73/P, 75/P & 77/P, Kothur Village & Mandal, Rangareddy District, Telangana.

78. The material placed on record, including the Memo filed by the Complainant, discloses that the aforesaid projects have not obtained registration under the provisions of Sections 3(1) and 4(1) of the Real Estate (Regulation and Development) Act, 2016. It is further borne out from the record that the Respondent had invited persons to purchase plots and received consideration amounts in respect of the said projects without obtaining registration as mandated under the Act.

79. This Authority further notes that the Respondent admittedly received amounts far exceeding ten percent of the sale consideration from the Complainant without executing or registering an Agreement of Sale, thereby prima facie violating the provisions of Section 13(1) of the Real Estate (Regulation and Development) Act, 2016.

80. This Authority also takes note of the Memo filed by the Complainant stating that the Respondent had offered allotment of a plot in the subsequent project namely “Dharani’s Planet Pride”, which also remains unregistered under the provisions of the Real Estate (Regulation and Development) Act, 2016. The said conduct prima facie discloses that the Respondent continued marketing and offering plots in an unregistered project.

81. Accordingly, this Authority directs the Secretary, TG RERA, to initiate suo motu proceedings against the Respondent for contravention of Sections 3(1), 4(1), and 13(1) of the Real Estate (Regulation and Development) Act, 2016, in respect of the aforesaid projects, within a period of seven (7) days from the date of this Order.

H. Directions of the Authority

82. In view of the foregoing findings and in exercise of the powers conferred under the Real Estate (Regulation and Development) Act, 2016, the Authority issues the following directions:

- i. The Respondent shall refund the remaining balance amount of ₹9,29,000/- (Rupees Nine Lakhs Twenty-Nine Thousand only) to the Complainant along with interest, i.e., current SBI MCLR + 2%, as prescribed under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, calculated from 21.08.2020 till the date of actual refund.
- ii. The Respondent shall further pay interest on the amount of ₹10,00,000/- (Rupees Ten Lakhs only) already refunded by the Respondent, for the period from 21.08.2020 till 18.05.2021, at the rate prescribed under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, as the said amount continued to remain with the Respondent during the said period.
- iii. The Respondent shall comply with the aforesaid directions within a period of sixty (60) days from the date of receipt of this Order.

- iv. The Secretary, TG RERA, is hereby directed to initiate suo motu proceedings against the Respondent for contravention of Sections 3(1), 4(1), and 13(1) of the Real Estate (Regulation and Development) Act, 2016, in respect of the projects namely “Fortune County” situated at Kothur Y Junction, NH-7, near Kottur Railway Station, Telangana and “Dharani’s Planet Pride” situated at Sy. Nos. 67/P, 68/P, 69/P, 70/P, 71/P, 72/P, 73/P, 75/P & 77/P, Kothur Village & Mandal, Rangareddy District, Telangana, within a period of seven (7) days from the date of this Order.
- v. The Respondent shall forthwith cease advertising, marketing, booking, selling, offering for sale, or inviting persons to purchase plots in the aforesaid projects unless and until the said projects are duly registered under the provisions of the Real Estate (Regulation and Development) Act, 2016.

83. Failure to comply with the above directions by the Respondent shall attract penalty in accordance with Section 60 and Section 61 of the Real Estate (Regulation and Development) Act, 2016.

84. As a result, the complaint is disposed of accordingly. 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