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

Complaint No. 550 of 2025

Dated: 22nd June 2026

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

1. **Pranesh R**
2. **Harika Kathak**

Flat no 101, plot no 174, Sathyam residency,
Sri maruthi nagar, sriprabupada township Masjid Banda,
serilingampally, Hyderabad – 500084

…Complainants

AND

M/s Urbanrise Builders LLP Represented by

1. Mr. Shiva Kumar K (VP-Operations)
2. Mr. Mudunuri Venkata Sathyanarayana Raju (Manager - Agreemnet)

URBANRISE LIFESTYLES PVT LTD, Plot No: 74,
RD Vasantha, Premises No: 1,
Survey no: 68 & 69, Jubilee Enclave,
Madhapur, R. R. District, Hyderabad - 500081. Telangana-500081

…Respondents

The present matter filed by the Complainants detailed hereinabove came up for hearing on 04-11-2025 before this Authority in the presence of the Complainants in person 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 Complainants booked Flat No. 1C-409 in a residential project namely *"Urbanrise – The Happening Heights"* being developed by the Respondent. According to the Complainants, an initial booking amount of ₹50,000/- (Rupees Fifty Thousand only) was

paid on 21.11.2022 towards reservation of the said unit.

4. It was submitted that thereafter the Complainants made further payments aggregating to ₹2,50,000/- (Rupees Two Lakhs Fifty Thousand only) on 27.11.2022 and an additional amount of ₹3,54,890/- (Rupees Three Lakhs Fifty-Four Thousand Eight Hundred Ninety only) on 12.12.2022 towards the sale consideration of the subject apartment.

5. It was further submitted that an Agreement for Sale was executed between the parties on 15.12.2022. According to the Complainants, under the terms of the said Agreement for Sale, the Respondent committed to hand over possession of the subject apartment on or before 30.06.2025.

6. The Complainants submitted that pursuant to the Agreement for Sale, a housing loan was availed for purchase of the subject apartment and an amount of ₹24,90,452/- (Rupees Twenty-Four Lakhs Ninety Thousand Four Hundred Fifty-Two only) was disbursed by the lending bank to the Respondent on 28.12.2022. It was further submitted that a subsequent disbursement of ₹6,39,048/- (Rupees Six Lakhs Thirty-Nine Thousand Forty-Eight only) was made by the bank on 09.02.2023 at the request of the Respondent.

7. According to the Complainants, the aggregate amount paid towards the subject apartment, including direct payments and loan disbursements, amounts to ₹37,84,390/- (Rupees Thirty-Seven Lakhs Eighty-Four Thousand Three Hundred Ninety only).

8. It was submitted that on 20.03.2023 the Respondent informed the Complainants through email communication that construction activities in the project had been stopped due to issues relating to a No Objection Certificate (NOC). According to the Complainants, no further clarification regarding resolution of the said issue was provided at that point of time.

9. It was further submitted that subsequently, by way of an email communication dated 03.06.2024, the Respondent informed the Complainants that approvals had been obtained for construction of ten floors in Towers A to D and eleven floors in Tower E. However, according to the Complainants, despite the said communication, substantial progress in the project was not achieved and possession of the subject apartment was not forthcoming.

10. The Complainants submitted that at a later stage the Respondent offered an option to swap the allotted apartment with another unit in the project. However, according to the Complainants, acceptance of such proposal would have required cancellation of the existing home loan and payment of additional consideration towards the alternative unit. Owing to financial constraints, the Complainants did not accept the said proposal.

11. It was submitted that in view of the continued delay in completion of the project and uncertainty regarding delivery of possession, the Complainants decided to cancel the booking and sought refund of the amounts paid. According to the Complainants, despite repeated requests and follow-ups, the Respondent failed to furnish written details regarding the applicable refund terms, refund amount, or timeline for processing the refund and instead provided only vague verbal responses.

12. The Complainants further submitted that they have been servicing the housing loan obtained for purchase of the subject apartment and have been paying Equated Monthly Instalments (EMIs) from January 2023 onwards on the amounts disbursed to the Respondent. It was further submitted that from June 2025 onwards the Complainants were required to pay full EMIs despite the project remaining incomplete and possession not being offered, thereby causing substantial financial hardship.

13. Aggrieved by the delay in completion of the project, the failure of the Respondent to provide clarity regarding refund of the amounts paid, and the continuing financial burden arising out of repayment of the housing loan, the Complainants approached this Authority seeking appropriate reliefs under the provisions of the Real Estate (Regulation and Development) Act, 2016.

B. ***Reliefs Sought***

14. Accordingly, the Complainants sought the following reliefs:

i. *To direct the Respondent to refund the entire amount of ₹37,84,390/- (Rupees Thirty-Seven Lakhs Eighty-Four Thousand Three Hundred Ninety only) paid towards the subject apartment, together with interest at the rate prescribed under the provisions of the Real Estate (Regulation and Development) Act, 2016 and the Rules made thereunder, calculated from the respective dates of payment till realization.*

ii. *To direct the Respondent to reimburse the EMI amounts paid by the Complainants from January 2023 onwards, including the full EMI payments made from June 2025, on account of the housing loan availed for purchase of the subject apartment.*

C. Reply filed by the Respondent

15. At the outset, it was submitted that the Respondent is the promoter and developer of the residential project namely *"The Happening Heights" situated* at Dundigal, Gandimaisamma, Medchal-Malkajgiri District, Telangana and that the said project is duly registered with this Authority vide Registration No. P02200003508 dated 29.09.2021

16. It was submitted that the Respondent had acquired the project land admeasuring Ac.5-03 Guntas situated in Dundigal Village, Gandimaisamma Mandal, Medchal-Malkajgiri District through registered sale deeds executed in the year 2018 and thereafter undertook development of the project after obtaining all requisite approvals, permissions, and clearances from the competent authorities.

17. The Respondent submitted that in accordance with the applicable statutory requirements, approvals and No Objection Certificates were obtained from various authorities including the Airports Authority of India (AAI), State Disaster Response and Fire Services Department, State Level Environment Impact Assessment Authority (SEIAA), Hyderabad Metropolitan Development Authority (HMDA), and the concerned municipal authorities. According to the Respondent, all approvals were granted after due scrutiny and without any objection regarding either the location or permissible height of the proposed structures.

18. It was further submitted that the project consists of two towers. Tower-I comprises Blocks A, B, C and D, whereas Tower-II comprises a single block. The Respondent placed on record the sanctioned configuration of each block together with the stage of construction achieved prior to stoppage of construction activities. According to the Respondent, substantial construction had already been completed in certain blocks, while work in the remaining blocks was at various stages of progress when further construction was interrupted.

19. The Respondent submitted that while construction was progressing in accordance with the sanctioned plans and approvals, the Indian Air Force Academy raised objections regarding

the project and issued communications dated 12.10.2022, 31.10.2022, 28.12.2022 and 31.12.2022 directing stoppage of construction activities on the ground that the project fell within a restricted zone identified under a colour-coded zoning map maintained by the Air Force authorities.

20. It was submitted that the said zoning map was not publicly available and was intended only for reference by governmental and planning authorities. According to the Respondent, all approvals obtained by it prior to commencement of construction had been granted without reference to any such objection and therefore the Respondent had undertaken development of the project bona fide and in reliance upon the approvals granted by the competent authorities.

21. The Respondent further submitted that upon receipt of the aforesaid communications from the Indian Air Force Academy, it complied with the directions issued and halted construction activities in order to resolve the issue and obtain any further approvals that might be required. According to the Respondent, there was no wilful violation of law or deliberate default on its part.

22. It was submitted that the Indian Air Force Academy subsequently instituted W.P. No.12352 of 2023 before the Hon'ble High Court for the State of Telangana against HMDA and others, wherein the Respondent was arrayed as Respondent No.4. According to the Respondent, the Hon'ble High Court, by order dated 03.07.2023, directed maintenance of status quo and restrained further construction activities pending adjudication of the writ petition.

23. The Respondent further submitted that it independently approached the Hon'ble High Court by filing W.P. No.12393 of 2025 seeking permission and directions relating to grant of No Objection Certificate for the portions of the project falling within the permissible height limits.

24. It was submitted that owing to the subsisting court orders and restrictions arising from the litigation, the Respondent was unable to continue construction activities and consequently could not complete the project within the possession timeline stipulated under the Agreement for Sale.

25. The Respondent further submitted that both W.P. No.12352 of 2023 and W.P. No.12393 of 2025 were ultimately heard together and disposed of by a common order dated 30.07.2025 passed by the Hon'ble High Court for the State of Telangana.

26. According to the Respondent, under the said common order, permission was granted to remove those portions of Tower-I and Tower-II which exceeded the permissible height limits identified in the joint inspection report dated 13.09.2023. The Respondent was thereafter permitted to submit fresh applications for grant of No Objection Certificates and obtain approvals in accordance with the applicable aviation and safety regulations.

27. It was submitted that the Respondent has already commenced demolition of the portions identified as infringing the permissible height restrictions and, upon completion thereof, intends to obtain fresh No Objection Certificates and revised approvals from the concerned authorities including HMDA, TG RERA, and other statutory authorities.

28. The Respondent further submitted that an application seeking extension of the project registration period under the proviso to Section 6 of the Real Estate (Regulation and Development) Act, 2016 had been submitted before this Authority on 25.06.2025 and the same was pending consideration.

29. It was admitted that the Complainants entered into an Agreement for Sale with the Respondent in respect of Flat No.1C-409 in the project and that the stipulated date of possession under the Agreement for Sale was 30.06.2025. However, the Respondent relied upon Clause 7.1 of the Agreement for Sale and contended that the possession timeline was subject to extension in the event of force majeure circumstances, court orders, governmental restrictions, or other circumstances beyond the control of the promoter.

30. The Respondent submitted that the delay in handing over possession occurred solely due to the court proceedings initiated by the Indian Air Force Academy and the consequential orders passed by the Hon'ble High Court restraining further construction. According to the Respondent, the delay was neither intentional nor attributable to any negligence or omission on its part and falls squarely within the force majeure provisions contemplated under the Agreement for Sale.

31. It was further submitted that the Complainants were aware of the circumstances leading to the delay in completion of the project and had been periodically informed regarding the developments affecting construction activities.

32. According to the statement of accounts maintained by the Respondent, the total amount paid by the Complainants towards the subject apartment amounts to ₹37,84,290/- (Rupees Thirty-Seven Lakhs Eighty-Four Thousand Two Hundred Ninety only), comprising a personal contribution of ₹6,54,790/- (Rupees Six Lakhs Fifty-Four Thousand Seven Hundred Ninety only) and housing loan disbursements aggregating to ₹31,29,500/- (Rupees Thirty-One Lakhs Twenty-Nine Thousand Five Hundred only).

33. Without prejudice to the aforesaid contentions and having regard to the circumstances resulting in delay, the Respondent expressed willingness to refund the amounts paid by the Complainants subject to execution of a cancellation deed and submission of the requisite bank statements and supporting documents. According to the Respondent, such refund shall be processed within sixty (60) working days from the date of submission of the requisite documentation.

34. It was submitted that the Respondent is willing to refund the personal contribution made by the Complainants amounting to ₹6,54,790/- together with interest at the rate prescribed under the Telangana Real Estate (Regulation and Development) Rules, 2017. The Respondent further expressed willingness to reimburse the EMI amounts paid by the Complainants to the lending bank, without interest, and to close the balance outstanding loan account directly with the financing institution.

35. The Respondent denied all other allegations made by the Complainants and contended that there has been no wilful delay, negligence, or default on its part in relation to the project. According to the Respondent, the delay was occasioned entirely by circumstances beyond its control and therefore no liability can be imposed for compensation, penalty, or any additional interest beyond what has been voluntarily offered.

36. Accordingly, the Respondent prayed that no adverse orders be passed against it and that this Authority may permit refund of the amounts in the manner proposed by the Respondent

while holding that the delay in completion of the project was attributable solely to court orders and force majeure circumstances beyond the Respondent's control.

D. Rejoinder filed by the Complainant

37. It was submitted that the Respondent has admitted the execution of the Agreement for Sale dated 15.12.2022 and the committed possession date of 30.06.2025. According to the Complainants, admittedly no possession has been offered till date and the Respondent has failed to provide any definite timeline for completion of the project and handing over of the subject apartment.

38. The Complainants submitted that despite repeated emails, follow-ups and requests seeking clarification regarding the status of the project, likely date of possession, and refund terms, the Respondent failed to furnish any clear, written, or conclusive response. It was contended that the Respondent consistently avoided providing certainty regarding completion of the project and delivery of possession.

39. It was further submitted that owing to the prolonged delay, uncertainty surrounding the project, and continuing financial burden arising from repayment of the housing loan, the Complainants were left with no option except to seek cancellation of the allotment and refund of the amounts paid. According to the Complainants, the Respondent itself had advised and communicated that the Complainants may opt for cancellation and refund of the booking.

40. The Complainants submitted that the project has remained incomplete for an extended period and that no firm assurance has been given regarding the date on which possession would be delivered. In these circumstances, the Complainants stated that they have completely lost confidence in the Respondent's ability to complete the project within a reasonable time.

41. It was further submitted that the Complainants have been servicing the housing loan since January 2023 and have incurred substantial financial hardship by paying EMIs without receiving possession of the apartment. According to the Complainants, they have already paid substantial amounts towards the subject apartment and continue to suffer financial loss on account of the delay in completion of the project.

42. The Complainants further submitted that any proposal to process refund subject to deductions under the terms of the Agreement for Sale or under any internal policy of the Respondent is unacceptable. It was contended that the delay in handing over possession is attributable to the Respondent and therefore the Complainants are entitled to refund of the entire amount paid together with interest in accordance with the provisions of the Real Estate (Regulation and Development) Act, 2016 and the Rules made thereunder.

43. It was further submitted that the Complainants never consented, either orally or otherwise, to cancellation of the allotment under the terms relating to cancellation contained in the Agreement for Sale and denied any understanding that would permit deductions from the amounts paid by them.

44. The Complainants further submitted that the Respondent ought to coordinate directly with the lending bank for closure of the outstanding housing loan account from out of the refund amount payable and ensure that the Complainants are relieved of the continuing loan liability.

45. Accordingly, the Complainants prayed that this Authority may direct the Respondent to refund the entire amount paid towards the subject apartment, together with interest at the rate prescribed under the Real Estate (Regulation and Development) Act, 2016 from the date of default till the date of actual refund, direct closure of the outstanding housing loan through payment to the lending bank, and pass such other order or orders as may be deemed fit and proper in the facts and circumstances of the case.

E. *Point of consideration*

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

Whether the Complainants are entitled to the refund of the amount paid by them?

47. **Observations of the Authority**

48. This Authority has carefully considered the pleadings, documents placed on record, and the submissions advanced by the parties. The principal contention raised by the Respondent is that the delay in completion of the project and handing over possession of the subject apartment was occasioned due to objections raised by the Indian Air Force Academy, the consequent

proceedings in W.P. No.12352 of 2023 and W.P. No.12393 of 2025 before the Hon'ble High Court for the State of Telangana, and the restrictions imposed upon further construction activities during the pendency of the said proceedings. The Respondent has therefore contended that the delay was beyond its control and falls within the scope of force majeure circumstances contemplated under the Agreement for Sale.

49. It is not in dispute that the Complainants entered into an Agreement for Sale dated 15.12.2022 with the Respondent in respect of Flat No.1C-409, 4th Floor, Block-C, in the project namely "Urbanrise – The Happening Heights". It is also not in dispute that the Complainants paid an aggregate amount of ₹37,84,290/- towards the sale consideration of the subject apartment. As per the Agreement for Sale, the Respondent had undertaken to hand over possession of the subject apartment on or before 30.06.2025. Admittedly, possession has not been delivered to the Complainants as on date.

50. In order to examine the said contention, it is necessary to consider the findings recorded by the Hon'ble High Court in the common order dated 30.07.2025 passed in W.P. No.12352 of 2023 and W.P. No.12393 of 2025. A perusal of the said order reveals that the dispute arose in relation to the construction undertaken by the Respondent in the vicinity of the Dundigal Air Force Aerodrome and the requirement of obtaining clearance from the competent Defence Authorities before undertaking such construction activities.

51. It is pertinent to note that the Hon'ble High Court, while examining the approvals relied upon by the Respondent, specifically observed in Paragraph Nos. 46 and 47 of the common order that although the Respondent had obtained a No Objection Certificate from the Airports Authority of India (AAI), the said NOC itself expressly stipulated that it was issued only with respect to civil airports and that a separate NOC was required from the Defence Authorities if the project site fell within the jurisdiction of a Defence Aerodrome. The Hon'ble High Court recorded as follows:

> *"However, in the NOC, it was specifically mentioned in para 3(m) that the NOC has been issued with respect to civil airports and the applicant needs to obtain separate NOC from the Defence authorities, if the site lies within its jurisdiction."* (Para 47)

52. Thus, the material on record clearly establishes that the requirement of obtaining a separate Defence NOC was not an unforeseen development arising subsequent to commencement of the project. On the contrary, the said requirement was specifically brought to the notice of the Respondent through the very NOC upon which it seeks to rely. The obligation to obtain all necessary statutory clearances, including the requisite clearance from the Defence Authorities wherever applicable, rested squarely upon the Respondent before proceeding with the development and marketing of the project.

53. This Authority further notes that the common order of the Hon'ble High Court also considered the applicability of the Ministry of Civil Aviation Notification G.S.R. 751(E) dated 30.09.2015 governing height restrictions in the vicinity of aerodromes. The Hon'ble High Court observed that the subject project falls within the jurisdiction of the Dundigal Air Force Aerodrome, which is a Defence Aerodrome, and that the applicable regulatory framework mandated compliance with the height restrictions prescribed thereunder.

54. It is pertinent to note that Clause 7(2) of G.S.R. 751(E) provides that colour-coded zoning maps issued to local, municipal, town planning and development authorities shall be followed in accordance with the height specifications prescribed therein. The material placed on record discloses that the subject project site falls within the Red Zone of the colour-coded zoning map applicable to the Dundigal Air Force Aerodrome, thereby requiring the Respondent to obtain the requisite clearance from the Defence Authorities before undertaking construction activities.

55. The Hon'ble High Court further took note of the Joint Inspection Report dated 13.09.2023 and found that portions of the structures constructed by the Respondent exceeded the permissible height restrictions applicable to the site. Consequently, the Hon'ble High Court directed the Respondent to remove the portions of Tower-I and Tower-II found to be in excess of the permissible limits, namely 2.628 metres in Tower-I and 5.787 metres in Tower-II, and thereafter obtain fresh No Objection Certificates and approvals in accordance with law before proceeding further with the project.

56. In the considered view of this Authority, the circumstances relied upon by the Respondent cannot be construed as force majeure within the meaning of Section 6 of the Real

Estate (Regulation and Development) Act, 2016. The Explanation to Section 6 provides as follows:

> *"Explanation.— For the purpose of this section, the expression 'force majeure' shall mean a case of war, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature affecting the regular development of the real estate project."*

57. In the present case, the delay in completion of the project did not arise on account of any war, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature. On the contrary, the material placed on record discloses that the delay arose in connection with the requirement of obtaining the requisite Defence NOC, compliance with the aviation safety regulations, removal of the portions found to be in excess of the permissible height restrictions, and obtaining fresh approvals from the competent authorities. Therefore, the circumstances relied upon by the Respondent do not fall within the ambit of force majeure as contemplated under Section 6 of the Act.

58. It is not the case of the Respondent that the Complainants committed any default in complying with their obligations under the Agreement for Sale. On the contrary, the material placed on record discloses that the Complainants have paid an aggregate amount of ₹37,84,290/- towards the sale consideration of the subject apartment, which fact has also been admitted by the Respondent in its counter. The Respondent has further admitted that the possession date stipulated under the Agreement for Sale was 30.06.2025 and that possession of the subject apartment has not been handed over to the Complainants on the said date.

59. This Authority further notes that the Respondent itself had informed the Complainants through email dated 20.03.2023 that the project had been stopped due to issues relating to the requisite NOC. Thereafter, despite the passage of considerable time, the project became the subject matter of litigation before the Hon'ble High Court and ultimately culminated in the common order dated 30.07.2025 directing removal of the portions of the structures found to be in excess of the permissible height restrictions and requiring the Respondent to obtain fresh approvals and clearances from the competent authorities. Thus, even after the contractual date of possession, the project admittedly remains subject to further regulatory compliances and approvals before completion.

60. In such circumstances, this Authority is of the considered view that the Complainants cannot be expected to wait indefinitely for completion of the project, particularly when the date on which possession can ultimately be offered remains uncertain. The delay in handing over possession is an admitted fact and the Respondent has not been able to demonstrate that the project is in a position to be completed and delivered within a definite timeframe.

61. Section 18(1) of the Real Estate (Regulation and Development) Act, 2016 confers upon an allottee the right to seek return of the amount paid together with interest where the promoter fails to complete or is unable to give possession of an apartment in accordance with the terms of the Agreement for Sale. In the present case, it is an admitted fact that possession of the subject apartment was required to be handed over on or before 30.06.2025. It is equally undisputed that possession has not been offered to the Complainants till date. The material placed on record further discloses that the project is still undergoing regulatory compliance processes, including demolition of the portions found to be in excess of the permissible height limits, obtaining fresh No Objection Certificates, revised approvals and extension of registration. Therefore, the Respondent is presently not in a position to hand over possession of the subject apartment in accordance with the terms of the Agreement for Sale.

62. In view of the foregoing discussion, this Authority holds that the Complainants are entitled to invoke the provisions of Section 18(1) of the Act and seek refund of the amounts paid towards the subject apartment together with interest at the rate prescribed under the Telangana Real Estate (Regulation and Development) Rules, 2017.

D. Directions of the Authority

63. In view of the detailed findings recorded hereinabove, and in exercise of the powers conferred upon this Authority under Sections 37 and 38 of the Real Estate (Regulation and Development) Act, 2016, the following directions are issued:

i. The Respondent, M/s. Urbanrise Builders LLP, is directed to refund the total amount of ₹37,84,290/- (Rupees Thirty-Seven Lakhs Eighty-Four Thousand Two Hundred and Ninety Only) paid by the Complainants towards Flat No.1C-409, 4th Floor, Block-C, in the project "Urbanrise – The Happening Heights", along with interest at the rate of 10.70% per annum (SBI MCLR of 8.70% + 2%) calculated from the respective dates of payment till the date of actual refund, in accordance with Section 18(1) of the Real Estate (Regulation and Development) Act, 2016 read with Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, within a period of 60 (sixty) days from the date of receipt of this Order.

ii. The Respondent shall coordinate with the concerned lending bank and ensure closure of the outstanding housing loan account pertaining to the subject apartment out of the refund amount payable under this Order, in accordance with the applicable banking procedures.

iii. Failing to comply with the above directions shall attract penal action against the Respondent in accordance with Section 63 of the Real Estate (Regulation and Development) Act, 2016.

64. In view of the above, the present Complaint is disposed of. 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