

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 93 of 2024

Dated: 28th March 2026

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

S. No. Name

- 1 *M. Anand Kumar*
- 2 *Prasenjit Das*
- 3 *Col. L. S. Sundaram*
- 4 *V. V. Ramana Murthy*
- 5 *Chandan Dutta*
- 6 *Angad Singh Nijjar*
- 7 *Dennis Anthony*
- 8 *Sesha Sai Raghuram*
- 9 *K. Sai Charan*
- 10 *Dr. Maj. Suma Alluri*
- 11 *R. Sarada*
- 12 *Tabitha Prem Kaza*
- 13 *Tulshi Pandey*
- 14 *Aashish Sikka*
- 15 *Divya Uday*
- 16 *Maya Srivastava*
- 17 *Kiran Kumar / Madhu Gangadhara*
- 18 *Rani Singh*
- 19 *Pradeepta Kumar Sahu*
- 20 *Raveendra Raju*

*(All residents of GREENWOOD HEIGHTS,
Histop Road, Near ARK Majestic,
Kowkur, Bolarum,
Dist: Medchal-Malkajgiri,
Hyderabad – 500010)*

...Complainants

Versus

1. M/s. Mehta & Modi Realty Kowkur LLP
*(5-4-187/3 & 4, II Floor,
Soham Mansion, M.G. Road,
Secunderabad – 500003)*
(Promoter)

2. Nilesh Agarwal HUF & Mukta Agarwal
*(c/o M/s. Mehta & Modi Realty Kowkur LLP
5-4-187/3 & 4, II Floor,*

The present matter filed by the Complainant herein came up for final hearing on 03.12.2025 before this Authority in presence of Complainants in person and Respondent Counsel Ms.Shradha Gupta and; upon pursuing the material on record and on hearing arguments of the both the parties and having stood over for consideration till this day, the following order is passed:

ORDER

2. The present complaint has been filed under Section 31 of the Real Estate (Regulation and Development) Act, 2016, read with Rule 34 of the Telangana Real Estate (Regulation and Development) Rules, 2017, by twenty (20) allottees of residential flats in the project known as “Greenwood Heights”

A. The brief Facts of the case:

3. The project is registered with this Authority under TG RERA Registration No. P02200001314, and is stated to consist of 119 flats in Block-A and Block-B, located at Sy. No. 196, Histop Road, Kowkur, Alwal Mandal, Medchal-Malkajgiri District.

4. The Complainants are allottees of residential apartments in the project “Greenwood Heights”, situated at Sy. No. 196, Histop Road, Kowkur, Medchal-Malkajgiri District, Hyderabad, comprising 119 flats in Blocks A & B, registered under TG-RERA vide Registration No. P02200001314.

5. The Complainants state that they were induced to purchase the flats based on brochures, representations, and assurances of the Respondent No.1 regarding quality of construction, amenities, and compliance with RERA provisions.

6. After taking possession and becoming members of the welfare association formed by Respondent No.1, the Complainants allege that they noticed several construction defects, lack of promised amenities, and deficiencies in maintenance and essential services.

7. It is further alleged that the Respondent No.1 collected maintenance charges and corpus contributions despite the project not being completed and without obtaining Completion Certificate / Occupancy Certificate, contrary to Section 11(4)(d) of the Act.

8. The Complainants also allege improper formation and control of the Greenwood Welfare Association, misuse of corpus funds, non-issuance of GST invoices by Respondent

No.2, and deviations between the Draft Agreement of Sale filed with RERA and the executed Agreements of Sale.

9. Multiple written representations and notices were addressed to the Respondents, which according to the Complainants, elicited no satisfactory response.

10. The Complainants contended that Respondent No.1, despite the project being incomplete and without obtaining Completion Certificate and Occupancy Certificate, has:

- i. Respondent No.1 illegally formed Greenwood Welfare Association in November 2021 before even a single allottee occupied the project, in violation of Section 11(4)(e) of the Act. The said Association was controlled by promoter partners and executives, and the allottees were compelled to join the same as a condition for possession;
- ii. Collected maintenance charges from the allottees in violation of Section 11(4)(d) of the Act;
- iii. Collected corpus contribution and Audited accounts produced by the Complainants demonstrate that: Corpus fund was not maintained intact, Cash and bank balances were substantially lower than corpus liability. Corpus amounts were diverted towards revenue expenditure;
- iv. Failed to maintain transparency and accountability by not furnishing audited accounts.

11. It was further contended that Respondent No.2 collected GST at 5% from certain allottees but failed to issue GST invoices and proof of remittance to the Government.

12. The Complainants also alleged that the Agreement of Sale executed with them materially deviates from the draft Agreement of Sale filed with this Authority at the time of project registration, thereby violating Section 4(2)(g) of the Act.

13. Despite several written representations, registered notices, and a final notice issued by the Complainants, the Respondents failed to take effective steps to resolve the issues, compelling the Complainants to file the present complaint.

B. Relief(s) Sought

14. The Complainants have sought, inter alia, the following reliefs:

- i. Direct the Respondent (1) to stay and suspend collection of future Maintenance Charges from the complainants till the completion of the Project and handing over of the same to the Association of Allottees;

- ii. Direct the Respondent (1) to refund the Maintenance Charges collected till date to the respective Complainants together with interest as applicable under the provisions of the Act;
- iii. Direct the Respondent (1) to refund the Corpus Contribution collected from respective Complainants together with interest as applicable under the provisions of the Act;
- iv. Direct the Respondent (1) to maintain the project and provide reasonable amenities to the complainants at its cost till the handing over of the Project to the Association of Allottees;
- v. That a new Co-operative Housing Society of the Allottees be formed within two months of the completion of the Project and receipt of Occupancy Certificate;
- vi. Direct the Respondent (2) to issue GST invoices and proof of remittance of GST to the Government to the respective Complainants
- vii. Direct the Respondent (1) as well as other Land Owners / Investors to register a Rectification Deed ironing out / removing the defects in the Agreement of Sale entered with the Complainants so that the same corresponds to the Draft Agreement of Sale filed with the Hon'ble TS RERA Authority
- viii. Direct the Authorized Partner of Respondent (1) to have a meeting with the Complainants to solve the construction defects and other related issues and submit in writing to the Complainants as well as to this Authority the manner in which the Respondent (1) proposes to rectify the defects and the time frame for the same
- ix. The Complainants are granted liberty to submit such additional grounds as may be required after the meeting referred to in Para 6.8 is held and response received from the Respondent (1), before final disposal of the complaint

C. Counter filed by the respondents

15. The Respondent No.1 denies each and every allegation, contention and averment made in the Complaint, except those expressly admitted herein.

16. The Complaint is misconceived, exaggerated and does not survive for adjudication in view of the subsequent developments, rectification works carried out and the independent technical evaluation conducted by Engineering Staff College of India (ESCI) pursuant to directions of this Hon'ble Authority.

17. The Complainants have suppressed material facts relating to completion of works, cooperation extended by Respondent No.1 and voluntary occupation of the flats by several

allottees. Respondent No.1 has provided amenities and facilities in accordance with the brochures and specifications.

18. It is submitted that several allottees occupied their flats before completion of all construction works, which resulted in temporary inconveniences during ongoing finishing activities. The project works stand completed and Respondent No.1 has applied for Occupancy Certificate on 26.02.2025.

19. The allegation that complaints posted on the website were ignored is denied. Respondent No.1 has addressed complaints raised by the Complainants through its project staff and customer relations team from time to time.

20. The allegation that Respondent No.1 avoided meetings is denied. Meetings cannot be unilaterally fixed by the Complainants. Respondent No.1 manages multiple projects and has designated teams to handle site-level grievances. The insistence that the Authorized Partner must personally attend all meetings is impractical and untenable.

21. Respondent No.1 issued a detailed reply dated 05.02.2024, addressing each grievance raised by the Complainants. The said reply was displayed on the notice board of the project premises and circulated digitally.

22. The subsequent letters and notices merely reiterated the same issues already addressed by Respondent No.1. He has at all times extended cooperation and remains committed to resolving genuine issues within its scope of responsibility.

23. The allegation that collection of maintenance charges is illegal is denied. As per Section 11(4)(d) of the Act, the promoter is responsible for providing and maintaining essential services on reasonable charges until maintenance is taken over by the association of allottees. Maintenance charges were collected only to meet operational expenses such as security, housekeeping, power backup, lifts, water supply and sanitation.

24. The Greenwood Welfare Association was formed on 16.11.2021 under Section 3(1) of the Telangana Societies Registration Act, 2001, in accordance with prevailing law. The Association was formed to maintain the project and promote cultural, social and literary activities among residents. The allegation that the Association is illegally controlled by the Respondent is denied. Elections shall be conducted once majority occupation is achieved.

25. Collection of corpus contribution is a standard practice in residential housing projects. The corpus fund has been maintained for its intended purpose and has not been misappropriated. Temporary variations in financial statements do not amount to diversion or misuse of funds. Audited accounts are made available and no information has been deliberately withheld.

26. The allegation relating to GST collection by landowners does not pertain to Respondent No.1. And Respondent No.2 has not collected GST nor received any letter dated 18.03.2023, thus does not warrant a reply from Respondent 1.

27. The Agreement of Sale executed with the Complainants was mutually agreed upon and signed with free consent. Parties are entitled to alter contractual terms unless expressly prohibited by law. Upon execution of Sale Deeds, the Agreement of Sale ceases to have operative effect. No prejudice has been caused to the Complainants.

28. All construction-related issues were examined by Engineering Staff College of India (ESCI) pursuant to directions of this Hon'ble Authority. ESCI confirmed that most issues stand resolved and the remaining issues are minor in nature.

D. Rejoinder filed by complainants

29. The Complainants respectfully submit this Rejoinder to the Counter Statement filed by Respondent No.1, the Counter is an afterthought, filed after nearly one year from the filing of the Complaint, and is a clear attempt to dilute, delay, and deflect from the serious statutory violations committed by the Respondents. The Counter conspicuously avoids addressing material documentary evidence, expert findings, and binding precedents already placed on record by the Complainants.

30. From the very first hearing, the Respondent consistently claimed that all issues stood resolved and that the Complainants were acting with malice. However, the Respondent took nearly one full year to file the Counter Statement, which itself contradicts the claim of prompt and diligent redressal.

31. The Respondent repeatedly sought adjournments, delayed payment of ESCI inspection charges for several months, and failed to submit compliance timelines despite directions of this Hon'ble Authority.

32. The Respondent's assertion that the project was completed by December 2022 is false and misleading. The Respondent has admittedly applied for Occupancy Certificate only on 26.02.2025, which conclusively establishes that the project was not complete at the time possession was forced upon the Complainants.

33. The Complainants were compelled to take possession without Occupancy Certificate, under coercive circumstances, as evidenced by the Respondent's own correspondence placed on record.

34. The Respondent's reliance on Section 11(4)(d) is wholly misconceived. Section 11(4)(d) clearly mandates that the promoter is responsible for maintaining essential services

at its own cost until the project is completed and handed over to a legally constituted Association of Allottees. Neither condition has been satisfied in the present case.

35. This Hon'ble Authority, in Complaint No. CC 157/2024 TG-RERA (same project and same Respondent), has categorically directed dissolution of the previously constituted association and mandated formation of a new association strictly in accordance with law.

36. The Respondent's bald denial of corpus fund misuse is directly contradicted by its own audited financial statements.

37. The audited accounts as on 31.03.2024 and provisional accounts as on 31.03.2025 show that: Corpus fund balances do not match cash/bank balances, Corpus funds have been utilised for revenue expenditure, no approval of allottees was obtained.

38. As per ICAI guidelines applicable to not-for-profit entities, corpus contributions are capital in nature and cannot be utilised for operational expenses without contributor consent.

39. The Respondent's contention that parties may vary the Agreement of Sale at will is contrary to the provisions of the Act. Section 4(2)(g) of the Act mandates strict adherence to the Draft Agreement of Sale filed with the Authority.

40. This Hon'ble Authority, in CC 157/2024 TG-RERA, has already held that deviation from the registered proforma Agreement of Sale is illegal. In view of the said binding decision, no further rejoinder is required on this issue.

41. The Respondent's claim that all issues stand resolved is directly contradicted by the ESCI Compliance Report.

42. The ESCI Report categorically records that several defects are genuine and require rectification by the developer.

43. The Respondent's allegation of non-cooperation by Complainants is false and unsupported. The record demonstrates that the Complainants repeatedly sought meetings, inspections, and amicable resolution. The Respondent failed to provide timelines, avoided meetings, and delayed compliance despite repeated opportunities.

44. The defects identified by ESCI are structural and workmanship defects. Under Section 14(3) of the Act, the Respondent is statutorily liable for rectification of such defects for five years from the date of possession. Failure to rectify attracts compensation under Section 18 of the Act. The Respondent cannot escape statutory liability by citing partial or cosmetic compliance.

E. ESCI Report:

45. The Telangana State Real Estate Regulatory Authority (TG-RERA), pursuant to its Memorandum of Understanding with Engineering Staff College of India (ESCI), Gachibowli, directed ESCI to conduct a comprehensive technical, quality, and compliance evaluation of the project “GREENWOOD HEIGHTS”.

46. The ESCI inspection was carried out by ESCI Senior Project Consultants on 20-01-2025, in the presence of representatives of the Respondent and the Petitioners (Complainants).

a) Expansion Joint Leakage

- i. ESCI observed cracks in the expansion joint and damage to the bitumen weathering layer. Water ingress into flats below was noticed.
- ii. ESCI directed repair strictly in accordance with IS:3414-1968.
- iii. Mandatory water ponding test prescribed after repair.

b) Corridor Water Stagnation

- i. ESCI observed zero slope in corridor flooring.
- ii. Nahany traps were placed at longer distances and improperly aligned.
- iii. ESCI concluded that rainwater stagnation is genuine.
- iv. Permanent drainage or preventive solution was advised.

c) Copper Wiring

- i. ESCI noted that aluminium wiring was provided instead of copper wiring as per Agreement of Sale.
- ii. ESCI directed replacement of aluminium wiring with copper wiring.

d) Basement Flooding

- i. ESCI observed defective rainwater down-take pipe connections and disposal pipes. Flooding in basement areas was noted. ESCI advised remedial corrective action.

e) Sewage treatment plant plans

- i. ESCI stated that handing over of as-built drawings is mandatory. Respondent agreed to hand over plans by 10-02-2025.

f) Swimming Pool

- i. ESCI observed that the swimming pool structure is completed.
- ii. ESCI recorded Respondent’s statement that commissioning would be done after issuance of Occupancy Certificate.

- iii. ESCI advised installation of male and female changing rooms with toilets and showers.

g) Sewage Treatment Plant (STP)

- i. ESCI observed that STP is shown in second cellar as per sanctioned plan but exists in first cellar.
- ii. ESCI stated that STP location in cellar is not preferable but local body approval exists.
- iii. ESCI mandated STP capacity of 80 KLD for 119 flats.

h) Occupancy Certificate

- i. ESCI recorded that property tax assessment is pending due to non-issuance of Occupancy Certificate.
- ii. ESCI advised the Respondent to obtain Occupancy Certificate at the earliest.

F. Compliance Report:

47. Pursuant to the directions of the Telangana State Real Estate Regulatory Authority (TG-RERA) and in continuation of the technical inspection conducted by Engineering Staff College of India (ESCI), a compliance inspection was undertaken to verify whether the defects and quality issues identified earlier had been rectified by the Respondent.

48. The compliance inspection was carried out by ESCI Senior Project Consultants on 24-10-2025, in the presence of representatives of the Respondent and the Petitioners (Complainants).

49. The purpose of this compliance inspection was limited to verification of rectification works claimed to have been completed by the Respondent and assessment of compliance with the directions issued in the earlier ESCI report dated 30-01-2025

50. Several defects identified in the original ESCI report were found to be genuine. Some issues were partially attended during joint inspection. Major issues remain unresolved.

a) Expansion Joint Leakage – NOT COMPLIED

- i. Repair was not carried out in the presence of the complainants. Respondent failed to produce any documentary evidence such as: work orders, invoices, material specifications. Mandatory water ponding test, as prescribed by ESCI, was not conducted.
- ii. Mere covering of the joint with an aluminium sheet does not establish compliance.

b) Corridor Water Stagnation – NOT COMPLIED

- i. Rainwater stagnation in corridors continues. Root cause, namely absence of slope, remains uncorrected.
- ii. No permanent drainage rectification has been executed.

c) Copper Wiring – PARTIALLY COMPLIED

- i. Respondent admitted deviation from agreed specifications. Replacement of aluminium wiring with copper wiring is incomplete.
- ii. Some residents replaced wiring at their own cost. Reimbursement promised by Respondent has not been completed.

d) Basement Flooding – NOT COMPLIED

- i. Defective rainwater pipe connections and disposal systems were observed. Flooding issues remain.
- ii. Respondent failed to provide timelines for rectification.

e) As-Built Drawings – NOT COMPLIED

- i. Despite assurance to hand over drawings by 10-02-2025, the same were not handed over. Mandatory requirement remains unfulfilled.

f) Swimming Pool – NOT COMPLIED

- i. Swimming pool remains closed.
- ii. Commissioning has been deferred citing non-issuance of Occupancy Certificate. No progress observed during compliance inspection.

g) STP Capacity – NOT COMPLIED

- i. Respondent failed to produce documentary proof of installed STP capacity.
- ii. Mandatory capacity of 80 KLD has not been established through records.

h) Occupancy Certificate – NOT COMPLIED

- i. Occupancy Certificate has not been obtained. Possession was given without OC. Statutory requirement remains unmet.

51. Based on the compliance inspection, it is concluded that, the Respondent has not fully complied with the directions issued in the earlier ESCI report. Several rectification works are pending or inadequately executed. The Respondent remains obligated to complete rectification within agreed specifications and timelines.

G. Observation of the Authority:

52. This Authority has carefully considered the pleadings, documents on record, the arguments advanced by the Complainants and the learned Counsel for the Respondents, the detailed ESCI Inspection Report dated 30.01.2025 and the subsequent Compliance Report

dated 24.10.2025, as well as the order passed by this Authority in Complaint No.157 of 2024 (Mrs. Deepa Suraj Premi & Anr. vs. M/s. Mehta & Modi Realty Kowkur LLP) concerning the very same project “Greenwood Heights”. The following point arises for determination:
Whether the Complainants are entitled to the reliefs sought for?

1. Suspension of future maintenance charges and refund of maintenance charges already collected:

53. The Complainants have prayed for suspension of collection of future maintenance charges till the project is fully completed and handed over to a legally constituted Association of Allottees, and for refund of maintenance charges collected till date along with interest.

54. This Authority is of the considered view that this relief cannot be considered. The Complainants are admittedly in physical possession and occupation of their respective flats. Clause 11.4 of the Agreement of Sale placed on record by the Complainants themselves clearly stipulates that from the date of intimation of possession or completion of the flat or actual receipt of possession, whichever is earlier, the allottee shall be responsible for payment of all taxes, levies, charges, expenses, and monthly maintenance charges payable to the owners’ association. Further, Clause 13.2 of the Agreement of Sale provides that even if the Association is not yet formed, the allottee shall pay the proportionate cost of outgoing charges for common services such as water, lights, repairs, salaries of clerks, watchmen, sweepers, etc.

55. Once the allottees have taken possession and are residing in the units, they are statutorily and contractually liable to contribute towards the upkeep and maintenance of common areas and facilities. Directing suspension of future maintenance charges would result in the common services such as security, housekeeping, lifts, water supply, power backup, sanitation, etc. being rendered without any funding, which is neither practical nor in the interest of the residents of the concerned project themselves. The earlier order of this Authority in Complaint No.157 of 2024 was passed in the context of a pre-possession scenario and is not applicable to the present post-possession group of 20 allottees who are already occupying their flats.

2. Refund of Corpus Contribution collected together with interest:

56. The Complainants have sought refund of the corpus contribution along with interest, alleging misuse and diversion of the said fund. In this regard, this Authority takes cognizance of its earlier findings rendered in Complaint No. 157 of 2024 (para 18(viii)), wherein the “Greenwood Welfare Association”, registered on 16.11.2021 under the Telangana Societies Registration Act, 2001, was held to be in contravention of Clause 19 of the draft Agreement of Sale. Consequently, the said Association was directed to be dissolved, and the formation of a fresh Association under the Telangana Co-operative Societies Act, 1964 was mandated, to be constituted only upon receipt of the Occupancy Certificate and after a minimum of sixty percent (60%) of the allottees have taken possession.

57. In view of the aforesaid binding directions issued in the connected matter, this Authority is of the considered opinion that the corpus contribution already collected from the allottees cannot be directed to be refunded at this stage. The corpus fund, by its very nature, is intended to serve as a long-term capital reserve for the maintenance, upkeep, and welfare of the project and its residents. Accordingly, it is hereby directed that the corpus contribution so collected shall stand transferred to the newly constituted Co-operative Housing Society, which shall represent the collective body of allottees of the project.

58. Liberty is, however, reserved to the newly formed Society to examine any allegations pertaining to misuse, diversion, or mismanagement of the corpus fund, in accordance with law, after its valid constitution.

3. Direction to Respondent No.1 to maintain the project and provide amenities at its own cost till handing over to the Association:

59. It is an undisputed position on record that the project has not attained completion in the eyes of law. Although Respondent No.1 has contended that the project is substantially complete and that an application for grant of Occupancy Certificate was submitted on 26.02.2025, the fact remains that the Occupancy Certificate has not been obtained as on date. In the absence of such certification by the competent authority, the project cannot be treated as complete in terms of the statutory framework.

60. In this context, reference is made to Section 11(4)(d) of the Real Estate (Regulation and Development) Act, 2016, which unequivocally casts a continuing obligation upon the

promoter to provide and maintain essential services on reasonable charges until the taking over of the maintenance of the project by the association of allottees. The said statutory mandate remains operative until lawful completion and formal handover.

61. In view of the above, this Authority hereby directs that Respondent No.1 shall continue to maintain the project and ensure provision of essential services and reasonable amenities, at its cost, until the Occupancy Certificate is duly obtained and the project is formally handed over to the duly constituted Co-operative Housing Society of the allottees.

62. It is, however, clarified that the aforesaid direction shall not absolve the allottees/occupants from their corresponding obligation to pay maintenance charges, as agreed and as held hereinabove. The promoter shall be entitled to collect such charges in accordance with law, and the allottees shall remain liable for the same.

4. Rectification Deed for Agreement of Sale:

63. The Complainants have sought a direction to the Respondents to execute Rectification Deeds so as to align the executed Agreements of Sale with the draft Agreement of Sale as uploaded before this Authority. In this regard, it is pertinent to note that this Authority, in Complaint No. 157 of 2024, has already recorded a categorical finding that the executed Agreements of Sale materially deviated from the RERA-uploaded draft Agreement, in contravention of Rule 38 of the Telangana Real Estate (Regulation and Development) Rules, 2017. For the said violation, as well as for furnishing false information, a penalty of ₹10,99,992/- was imposed upon the Respondent under Section 60 of the Act.

64. Notwithstanding the above, it is an admitted position that subsequent to execution of the Agreements of Sale, registered Sale Deeds have been executed in favor of the allottees and possession has also been handed over. In such circumstances, the Agreements of Sale stand merged into the registered conveyance deeds, and the contractual stage has culminated into completed conveyance. In view thereof, this Authority is of the considered opinion that issuance of a direction for execution of Rectification Deeds at this belated stage cannot be considered.

5. Structural defects, construction deficiencies and rectification:

65. The ESCI Inspection Report dated 30.01.2025, read with the subsequent Compliance Report dated 24.10.2025, unequivocally establishes the existence of multiple construction defects, quality deficiencies, and non-compliances in the subject project. The initial inspection identified serious issues including expansion joint leakage causing water ingress, corridor water stagnation due to improper slope, provision of aluminium wiring in deviation of agreed specifications, basement flooding owing to defective drainage systems, non-handing over of mandatory as-built drawings, non-commissioning of the swimming pool, and failure to establish the mandated Sewage Treatment Plant (STP) capacity of 80 KLD.

66. The subsequent compliance inspection conducted by ESCI further confirms that a majority of these deficiencies remain unresolved. Several critical items, namely expansion joint leakage, corridor drainage issues, basement flooding, handing over of as-built drawings, swimming pool commissioning, STP capacity compliance, and obtaining of Occupancy Certificate, have been categorically recorded as “NOT COMPLIED”. Even in respect of electrical wiring, compliance is only partial, with admitted deviation from agreed specifications and incomplete rectification.

67. This Authority notes that both parties had consented to a third-party technical evaluation by the Engineering Staff College of India (ESCI), and therefore, the findings contained in the said reports carry significant evidentiary value and are binding in nature, unless rebutted with cogent technical material, which is absent in the present case.

68. In this context, Section 14(3) of the Real Estate (Regulation and Development) Act, 2016, imposes a statutory obligation upon the promoter to rectify any structural defects or defects in workmanship, quality, or provision of services, within a period of five years from the date of handing over possession, without further charge. The defects identified by ESCI squarely fall within the ambit of the said provision.

69. In view of the above, this Authority hereby directs Respondent No.1 to undertake and complete all rectification works as identified in the ESCI Inspection Report and reaffirmed in the Compliance Report, strictly in accordance with the prescribed specifications, standards, and technical recommendations. The Respondent shall ensure full compliance within a period of 60 days from the date of this Order.

70. Failure to comply with the above directions shall invite appropriate action under the provisions of the RE(R&D) Act, 2016.

6. GST invoices and other ancillary reliefs:

71. The issue raised by the Complainants pertains to non-issuance of GST invoices and lack of proof of remittance of GST amounts allegedly collected by Respondent No.2. While this Authority does not adjudicate upon tax liabilities or violations under the GST regime, the collection of statutory taxes without issuance of proper invoices raises concerns of transparency and fair practice within the scope of this Authority.

72. Accordingly, Respondent No.2 is hereby directed to issue valid GST invoices within a period of 30 days from the date of this Order. It is further clarified that any issue relating to non-payment, short payment, or evasion of GST shall fall within the jurisdiction of the competent GST authorities, and the Complainants are at liberty to seek appropriate remedies under the applicable laws.

7. ESCI Compliance Report payments

73. Respondent No.1 is hereby directed to remit the charges towards the ESCI Compliance Report, vide reference No. ESCI/PD/TPQC/TGRERA/21/2025-26 dated 03.11.2025, amounting to ₹1,18,000/- to the Engineering Staff College of India (ESCI), within a period of 30 days from the date of this Order.

H. Final Directions of the Authority:

74. In view of the foregoing observations and findings recorded hereinabove, and upon due consideration of the material placed on record, this Authority hereby passes the following directions:

- a. Respondent No.1 shall continue to maintain the project and provide essential services and reasonable amenities until the Occupancy Certificate is obtained and the project is formally handed over to the duly constituted Co-operative Housing Society. It is clarified that the allottees shall continue to pay maintenance charges as per the Agreement of Sale and applicable law.
- b. The corpus fund already collected shall be transferred to the newly constituted Co-operative Housing Society to be formed in accordance with law.

- c. Respondent No.1 is hereby directed to undertake and complete all rectification works as identified in the ESCI Inspection Report dated 30.01.2025 and the Compliance Report dated 24.10.2025, strictly in accordance with prescribed specifications and technical recommendations, within a period of 60 days from the date of this Order.
- d. Respondent No.2 shall issue valid GST invoices within 30 days from the date of this Order, if not included in the sale price.
- e. Respondent No.1 shall remit the ESCI Compliance Report charges amounting to ₹1,18,000/- to the Engineering Staff College of India (ESCI), vide reference No. ESCI/PD/TPQC/TGRERA/21/2025-26 dated 03.11.2025, within 30 days from the date of this Order.

75. In the event of non-compliance with the above directions, appropriate action shall be initiated against the Respondents under section 63 of the Real Estate (Regulation and Development) Act, 2016.

76. The complaint is accordingly disposed of in the above terms.

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

Sd/-
Sri. Laxmi Naryana Jannu,
Hon'ble Member
TG RERA

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

TELANGANA REAL ESTATE REGULATORY AUTHORITY