

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Date: 30th 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

Complaint No. 443/2025/TG RERA

Uppuluri Sri Saradanvita
(R/o 1-11-242/30/323, Flat No. 323,
Pearl Apartments Shyamlal Buildings,
Begumpet, Hyderabad - 500 016.)

...Complainant

Versus

1. Hari Challa
2. Venkat Prasanna Challa.
(Office at M/s. Aliens Developers Pvt. Ltd.
Sy. No. 384, 385, Aliens Space Station,
Tellapur, RC Puram Mandal, Gachibowli,
Sangareddy District- 502032)

...Respondents

The present matter, filed by the Complainant, came up for hearing before this Authority in the presence of the Complainant and Counsel for the Respondents Adv. Mulugu Mallikarjuna and Adv. R N Hemanand. After hearing the submissions of both parties, this Authority now proceeds to pass the following **ORDER:**

2. The present Complaint have been filed by the Complainant under Section 31 of the Real Estate (Regulation & Development) Act, 2016 (hereinafter referred to as the "Act") read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the "Rules") seeking appropriate reliefs against the Respondents.

A. Brief Facts of the Case as per Form M submitted by the Complainant:

3. It was submitted by the Complainant that on 01-06-2025, a booking was made for a unit identified as Flat No. 522, Station No. 4, by making an initial payment of Rs. 50,000

through an online transaction. It was further placed on record that subsequently, on 07-06-2025, the Complainant remitted an additional sum of Rs. 2,00,000 via online transfer towards the said booking.

4. The Complainant averred that due to unforeseen personal and financial constraints, a decision was taken to cancel the aforementioned booking. Pursuant to this decision, it was stated that on 12-06-2025, the Complainant personally visited the office of the builder with the intention of submitting a formal written request for cancellation. However, it was alleged that the representatives of the builder blatantly refused to accept the said written cancellation request in person.

5. Consequently, the Complainant was constrained to transmit the cancellation request letter via electronic mail, addressing it specifically to the customer care and sales team of the builder. The Complainant submitted that despite making repeated follow-ups and placing numerous telephone calls to the builder's representatives, there was absolutely no appropriate response received from their end regarding the confirmation of the cancellation. Furthermore, it was alleged that the builder had entirely failed to initiate the refund of the booking advance paid by the Complainant, thereby causing undue financial hardship and grievance.

B. Relief(s) Sought

6. Accordingly, the Complainant sought the following relief:

- i. Direct the respondents to return the total amount of Rs. 2,50,000/- along with interest amount as per RERA norms.*

C. Counter filed by the Respondents

7. A Counter Affidavit was filed on behalf of the Respondent company by its Authorized Representative and Joint Managing Director, Sri Venkata Prasanna Challa, Son of CVR Choudhary, aged about 46 years, residing in Hyderabad. The Deponent solemnly affirmed and stated that the Registered Office of the Respondent company was located at Survey Nos. 384 and 385, Tellapur, Gachibowli, Hyderabad.

8. Raising preliminary objections, it was submitted that the complaint was liable to be dismissed in limine on multiple grounds. Primarily, it was contended that the Complainant had failed to specify any particular section or rule of the Real Estate (Regulation and Development) Act, 2016 (RERA) that the Respondent had allegedly violated. It was argued that this

fundamental lack of specific allegations or references to relevant statutory provisions deprived the complaint of any legal basis, thereby failing to establish a prima facie case against the Respondent. Consequently, it was averred that the complaint ought to be dismissed at the threshold, without proceeding to a detailed hearing or evaluation of the merits.

9. It was further objected that the complaint was not maintainable given the facts and circumstances, as the Complainant had approached the Hon'ble Authority by suppressing and withholding material facts. Specifically, it was alleged that the Complainant had intentionally concealed the complete Customer Information Sheet, which had been provided by the Respondent at the time of booking. It was submitted that this document clearly delineated all applicable terms and conditions. The Respondent asserted that the application lacked any valid cause of action, was misconceived, and was based on incorrect facts.

10. The Respondent completely denied the allegations outlined in the complaint, stating that they were entirely false, lacked any factual support, and appeared to have been fabricated solely to harass the Respondent company. The Complainant was put to strict proof of these claims, and the Respondent denied all allegations except those that were specifically and expressly admitted in the counter affidavit.

11. Detailing the factual background of the transaction, it was submitted that the Complainant had approached the Respondent on May 31, 2025, to inspect the project and had personally visited the site. It was stated that after verifying the title and project details, and based on personal preference, the Complainant requested the allocation of Flat No. 522 on the 5th floor, Station 04. The said flat was subsequently booked on May 31, 2025, upon the payment of Rs. 2,50,000 (Rupees Two Lakh Fifty Thousand Only). The Deponent highlighted that the Respondent was a reputable construction company established by visionary developers, designed by top global consultants, and constructed to high standards, and that it held a valid RERA Registration.

12. It was respectfully submitted that despite the project's valid registration and standing, the Complainant issued a letter dated June 12, 2025, requesting the withdrawal and cancellation of the booking of the subject flat without providing any justification. The reasons for this action remained unknown to the Respondent. It was alleged that the Complainant aimed to extort money from the Respondent by lodging this unsubstantiated complaint before the Authority, an action which caused harm not only to the Respondent but also to other prospective buyers.

13. Addressing the issue of the refund and forfeiture, the Respondent relied upon the jurisprudence established by the Hon'ble Supreme Court of India in the cases of Maula Bux Vs. Union of India, (1970) 1 SCR 928, and Godrej Projects Development Limited Vs. Anil Karlekar and Ors, MANU/SC/0138/2025. It was submitted that the Apex Court had held that if the forfeiture of earnest money under a contract was reasonable, it did not fall within Section 74 of the Indian Contract Act, 1872, as such a forfeiture did not amount to imposing a penalty. However, if the forfeiture was in the nature of a penalty, then Section 74 would be applicable. The Court had further held that under the terms of a contract, if the party in breach undertook to pay or forfeit a sum of money already paid to the party complaining of the breach, the undertaking was in the nature of a penalty.

14. Based on this prevailing legal position regarding forfeiture, it was respectfully submitted that the Respondent, acting in good faith and without prejudice to its rights, had agreed to refund a sum of Rs. 50,000 (Rupees Fifty Thousand only) to the Complainant. It was pointed out that under clause (h) of the terms and conditions set out in the Respondent's Customer Information Sheet, which was duly accepted and signed by the Complainant at the time of booking, it was stipulated that 20 percent of the amount paid, or Rs. 2,00,000 (Rupees Two Lakhs only), whichever is higher, shall be liable for deduction from the total amount paid. In pursuance of these agreed terms and to resolve the matter amicably, the Respondent remitted the balance amount of Rs. 50,000 to the Complainant on August 31, 2025. It was argued that this action demonstrated the Respondent's bona fide commitment to addressing the issue fairly and transparently.

15. Having regard to the aforementioned remittance, it was submitted that the Complainant had no remaining claim against the Respondent, and therefore, the current claim lacked merit and deserved to be dismissed in its entirety.

16. The Respondent further emphasized the statutory framework, noting that the Authority possessed the power to order a refund in cases involving violations of Sections 7, 11(5), 12, 14, 18, or 19 of the RERA Act. However, it was highlighted that the Complainant did not claim that any of these specific provisions had been violated. It was placed on record that the Respondent had not collected any funds through false or misleading advertisements, there had been no modification to the sanctioned plans of the project that could harm the Complainant, and there was no delay in handing over possession. Since none of the cited provisions were violated, and the Complainant had voluntarily requested to cancel the booking for personal

reasons without any fault on the part of the Respondent or breach of obligations under RERA, it was argued that there were no sufficient statutory grounds for claiming a full refund. To support this, reliance was placed on a decision by the Maharashtra Real Estate Regulatory Authority in the case of Sachin Patil versus Manish Khandelwal, Complaint No. CC005000000001087.

17. In conclusion, it was submitted that the Complainants had no ongoing claims against the Respondent and held no right, title, or interest in any unit within the subject project. Having voluntarily requested cancellation and withdrawal, and having signed the Customer Information Sheet agreeing to forfeit 20 percent of the paid amount or Rs. 2,00,000 (whichever was higher), the Complainants had relinquished all rights related to the project. It was argued that they could not claim benefits beyond what was explicitly provided in the agreed document. Therefore, the complaint was entirely untenable and was liable to be dismissed at the outset for lack of locus standi, as it was well-established that a party who did not hold any current and existing interest in a real estate project lacked the standing to maintain a complaint under the RERA Act.

18. In view of the detailed submissions, it was most respectfully prayed that the complaint, being devoid of merit, misconceived, and unsupported by any violation of the RERA Act, be dismissed in limine. It was reiterated that the Complainant had voluntarily cancelled the booking, thereby relinquishing all rights in the project, and the Respondent had already refunded the admissible amount. As no provision of RERA was violated and no valid cause of action survived, it was prayed that the Hon'ble Court be pleased to dismiss the present complaint with exemplary costs and pass such other order or orders in the interest of justice.

D. Rejoinder filed by the Complainant

19. A Rejoinder was filed on behalf of the Complainant, wherein all the averments made by the Respondent in the Counter Affidavit were categorically denied, save and except those that were specifically admitted therein, and the Respondent was put to strict proof of the same. It was respectfully submitted that the averments made in the Counter were not maintainable either in law or on facts.

20. It was submitted that the Respondent exhibited fraudulent conduct by not providing the complete application form, termed as the Customer Information Sheet in the Respondent's parlance, at the time of booking the flat. It was contended that under Section 12 of the Real Estate (Regulation and Development) Act, 2016, a promoter is liable for any loss or damage

caused by incorrect or false statements in an advertisement or prospectus. The Complainant averred that the Respondent failed to provide total and correct information, supplying only a partial Customer Information Sheet consisting of six pages. It was alleged that the copies submitted by the Respondent as Annexure-A (pages 6 to 11) were authentic, but pages 12, 13, 14, and 15 were cleverly and deceitfully added. It was pointed out that these added pages did not bear the signature of the customer. Specifically, page 13 was blank but shown as the Customer Information Sheet, page 14 contained totally unfilled terms and conditions, page 15 was merely an advertisement of unique features, and pages 12 and 14 were identical. The Complainant asserted that it was evident to the naked eye that the unconnected pages 12, 13, and 14 were fabricated and added without the knowledge of the Complainant, proving the deceitful nature of the Respondent.

21. Furthermore, regarding the date of booking, the Complainant submitted that the basic document (page 23 of the complaint) provided the date of booking as 01-06-2025, which was true and correct as the Complainant visited the Respondent's office and paid an advance amount of Rs. 50,000 on that date. Surprisingly, page 8 of Annexure-A submitted by the Respondent showed the date of booking as 31-05-2025, which was vehemently denied as totally wrong and unacceptable. It was stated that the Complainant never visited the Respondent's office or site on 31-05-2025, further evidencing the fabrication of documents. It was also highlighted that the Customer Information Sheet marked as page 7 in Annexure-A did not match page 13 of the same annexure, further proving the deceitful inclusion of documents.

22. The Complainant averred that the objects and reasons of the Telangana Real Estate (Regulation and Development) Act, 2016, which aimed to ensure accountability, protect allottees' interests, infuse transparency, ensure fair play, and reduce frauds, were totally defeated by the wrongful acts of the Respondent. Invoking Section 18 of the RERA Act, the Complainant claimed eligibility for a full refund of the amount paid on account of cancellation, with interest, alongside damages for harassment and mental torture suffered by the young Complainant and her elderly father, who was forced to roam from pillar to post. The complaint was stated to be validly admitted under Section 31 of the Act and Rules 34 and 35 of the Telangana Real Estate (Regulation and Development) Rules, 2017.

23. It was submitted that no material facts were withheld by the Complainant. It was detailed that the Complainant's father, Mr. Uppuluri Lakshmi Narasimha Murthy, had signed the initial application form based on the advice and instructions of the Respondent's office.

While the date of booking was written as 31-05-2025 under Customer Information Sheet S. No. 2389, and an enquiry number 1803067 of Magic Bricks was referenced (as evidenced in page 11), the Complainant argued that the Respondent additionally fabricated and added page 12, which was unsigned and contained terms and conditions. The same unsigned copy was allegedly submitted again as page 14 to mislead the Authority. It was submitted that pages 12 and 14 contained Clause H, which quoted that in case of cancellation, 20 percent of the amount or Rs. 2,00,000, whichever is higher, shall be deducted. The Complainant asserted that pages 7 to 11, which were signed, did not contain Clause H or any stipulation permitting such forfeiture. Since the fabricated pages 12 to 15 were visibly unsigned, it was argued they could not be binding, and the Respondent's wrongful shelter under Clause H was required to be dismissed without mercy.

24. The averments of the Respondent were denied in total. The Complainant submitted that true facts and documents had been presented before the Hon'ble TGRERA, whereas the Respondent had relied upon the fabricated Annexure-A.

25. The Complainant denied approaching the Respondent on 31-05-2025. The Complainant maintained that the approach was made on 01-06-2025, on which date Flat 522 on the 5th floor, station 4, was booked with a payment of Rs. 50,000 into the Escrow account (Name: ADPL - SS 91-12 Mas Coll. Escrow A/c, A/c No: 57500001346210, IFSC Code: HDFC 0002073, Branch: Serilingampally). A subsequent payment of Rs. 2,00,000 was made on 07-06-2025. The claim of paying Rs. 2,50,000 on 31-05-2025 was denied as false. The Respondent's claim of being a reputable construction company was also contested, citing negative ratings and reviews on YouTube and print media.

26. The allegations regarding the cancellation were totally denied. It was submitted that a cancellation letter was given within a short period of 12 days (on 12-06-2025) for valid reasons without causing any damage or defamation to the Respondent. It was stated that the Respondent refunded Rs. 50,000 on 01-09-2025 after the Complainant approached TGRERA, which impliedly meant the Respondent had accepted the cancellation. It was alleged that the Respondent was now attempting to avoid the payment of the balance Rs. 2,00,000 through fabricated documents, as evidenced by an email dated 01-09-2025 from the Respondent (Aliens Group) addressed to the Complainant. This fact of the partial refund was acknowledged by the Authority on 03-09-2025, wherein the Complainant prayed for a direction to refund the balance Rs. 2,00,000 with interest.

27. It was submitted that the citations relied upon by the Respondent, including the Supreme Court decision in Godrej Projects Limited Vs Anil Karlekar and Ors (Civil Appeal No. 3334 of 2023), Satish Batra Vs Sudhir Rawal, Desh Raj, and Pioneer Urban Land and Infrastructure Limited, were inapplicable. It was distinguished that in the present case, there was no signed agreement, no concept of an occupation certificate, and no possession involved. Furthermore, relying on the Respondent's own Annexure-C (page 30, paragraph 31) referencing the Consumer Protection Act, 2019, which defined an unfair contract under Section 46(vi) as imposing an unreasonable charge or condition putting the consumer at a disadvantage, the Complainant argued that adding pages 12, 13, and 14 constituted an unfair trade practice under Section 2(1)(r) of the Consumer Protection Act, 1986.

28. It was submitted that the Respondent possessed no right of forfeiture. The claim relying on Clause H of the Customer Information Sheet was not acceptable as it was never shown to or signed by the Complainant. The Complainant reiterated the eligibility for a full refund of the balance Rs. 2,00,000 in addition to interest at a minimum rate of 18 percent per annum, or as decided by the Hon'ble Authority.

29. The Complainant submitted that having regard to the preceding submissions, there was complete merit and a balance of justice in favour of the Complainant to claim the balance amount plus interest, and the Respondent's claims ought to be rejected in total due to cheating and unfair trade practices.

30. The Complainant distinguished the citation of Sachin Patil Vs Manish Khandelwal provided by the Respondent. It was pointed out that in the cited case, there was an existing agreement and the booking amount was refunded except for 5 percent GST. In the present matter, there was no agreement between the parties except for the Customer Information Sheet, and thus the citation lost its merit for consideration by the Respondent and actually favored the Complainant.

31. The Complainant addressed the Respondent's claim that the Complainant signed and accepted the forfeiture of 20 percent or Rs. 2,00,000. It was reiterated that page 12 in Annexure-A was not signed by the Complainant, a fact verifiable by the naked eye. Consequently, it was submitted that all such evidence presented by the Respondent were wrongful claims that deserved to be dismissed.

E. Reply to Rejoinder filed by the Respondents

32. A Reply to the Rejoinder was filed on behalf of the Respondent company by its authorized representative and Joint Managing Director, Sri Venkat Prasanna Challa. The Deponent solemnly affirmed that he resided in Hyderabad and that the registered office of the Respondent company was located at Survey Nos. 384 and 385, Tellapur, Gachibowli, Hyderabad. It was placed on record that the description and address of the Respondent for the service of notice, process, and summons, as well as that of their counsel, Sri M. Ashwin Reddy, was Plot No. 40, C-Lane No. 12, MLA Colony, Banjara Hills, Hyderabad, Telangana.

33. It was respectfully submitted that the Reply was filed in response to the Rejoinder of the Complainant, aiming to support the case previously outlined in the Respondent's Counter Affidavit. For the sake of clarity and formality, it was stated that all averments made by the Respondent in the Counter were deemed to be reiterated, while all statements contained in the complaint and other subsequent pleadings filed by the Complainant were vehemently denied.

34. Detailing the factual background relevant to the adjudication of the complaint, it was submitted that the Complainant had personally inspected the project and visited the site. Upon verification of the title and project details, and based on personal preference, the parties entered into a booking agreement on May 31, 2025, initiated with a booking amount of Rs. 50,000. The Complainant ultimately purchased Flat No. 552 on the 5th Floor, Station 4, of the subject project and paid a total sum of Rs. 2,50,000 towards this purchase. However, it was noted that on June 12, 2025, the Complainant abruptly requested the Respondent to cancel the booking.

35. Elaborating on the booking procedure, the Respondent submitted that upon receiving a booking request, the standard process involved the issuance of a booking form known as the Customer Information Sheet (CIS). This document was described as a booklet comprising a total of 10 pages (front and back), containing detailed columns for capturing all relevant information about the customer, the purchased flat, and the specific terms and conditions of the booking.

36. The Respondent invoked the well-established legal doctrine of caveat emptor (let the buyer beware). It was argued that under this doctrine, the onus was squarely on the purchaser to exercise due diligence, seek necessary clarifications, and ensure they were fully informed about all material aspects of the transaction, including the specifications and the terms of sale. The Respondent contended that the Complainant neglected to make the requisite inquiries or verify the contractual provisions prior to proceeding with the booking. It was averred that the

Respondent, acting in good faith and with full transparency, had properly provided the CIS to the Complainant. The document, complete with clearly articulated terms, was made available for review and acknowledgment prior to signing. Notwithstanding this, the Complainant elected to disregard the document and subsequently filed a false and frivolous complaint seeking unjust enrichment through the misrepresentation of facts. This conduct was characterized as an abuse of the legal process that warranted the unwarranted expenditure of the Hon'ble Forum's valuable time.

37. Addressing the allegations of documentary manipulation, the Respondent formally and categorically denied the unsubstantiated claim that additional pages had been inserted or fabricated into the original Customer Information Sheet. The Respondent affirmed that no such alteration or addition had ever taken place, stating that the original CIS was accurately maintained in their records.

38. Regarding the financial dispute, it was submitted that at the time of executing and signing the CIS, the Complainant expressly agreed to be bound by its terms. According to the stipulations within the CIS, in the event a customer voluntarily chose to withdraw from the project, they were entitled only to a refund of the remaining balance after the forfeiture of either Rs. 2,00,000 or 10 percent of the flat's total cost, whichever was higher. In strict accordance with these agreed conditions, the Respondent lawfully forfeited Rs. 2,00,000 and refunded the remaining amount of Rs. 50,000 through an online transaction. It was emphasized that this forfeiture was duly acknowledged and accepted by the Complainant at the time of booking. To substantiate the legal enforceability of such contractual forfeiture clauses, the Respondent relied upon the judgment delivered in Mahendra Homes Pvt. Ltd. vs. Karnataka Real Estate Regulatory Authority & Saurabh Sharma (Appeal No. (K-REAT) 46/2023, dated December 3, 2024).

39. The Respondent further advanced several statutory grounds for the dismissal of the complaint. It was argued that under Section 31(1) of the Real Estate (Regulation and Development) Act, 2016 (RERA), a complaint could only be maintained if a specific provision of the Act or its rules had been violated or contravened. It was asserted that the Respondent had committed no such violation. The Respondent highlighted that RERA conferred the authority to issue refunds solely in instances involving violations of Sections 12, 14, and 18 of the RE (R&D) Act, 2016. Since the Complainant neither alleged nor demonstrated any breach

of these specific provisions, and failed to present a single document proving any statutory violation, the complaint was not maintainable.

40. It was further submitted that the complaint had been rendered moot and infructuous. Since the Complainant had voluntarily entered into the booking agreement and explicitly agreed to the terms of the signed CIS, the legal principle of estoppel prevented the Complainant from withdrawing from those terms to claim the entire booking amount. As the Respondent had already completed the admissible refund with adequate proof of encashment presented, it was argued that the Respondent had fully complied with its obligations.

41. In light of the aforementioned facts and circumstances, it was submitted that the Complainant possessed no outstanding claims against the Respondent, held no right, title, or interest in any unit of the project, and entirely lacked the standing to maintain the complaint. It was most respectfully prayed that the complaint, being devoid of merit, misconceived, and unsupported by any violation of the RERA Act, be dismissed in limine. It was reiterated that the Complainant had voluntarily cancelled the booking, relinquished all rights in the project, and received the admissible refund. As no valid cause of action survived, the Respondent prayed that the Hon'ble Court be pleased to dismiss the present complaint as not maintainable, with exemplary costs awarded in the interest of justice.

F. Point(s) for Consideration

42. After considering submissions made by both parties, the following question arises before this Authority:

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

G. Observations of the Authority

43. The central controversy in the present complaint revolves around the validity and enforceability of Clause H of the Customer Information Sheet (CIS) relied upon by the Respondents to justify the retention of Rs. 2,00,000/- out of the total booking amount of Rs. 2,50,000/- paid by the Complainant. Before examining the Complainant's entitlement to relief, this Authority finds it necessary to examine the nature, character, and binding force of the said document and the clause sought to be enforced thereunder.

44. Upon a careful examination of the Customer Information Sheet placed on record by the Respondents, this Authority observes a fundamental and fatal infirmity in the said document.

While certain pages of the CIS appear to have been signed, the specific page containing the terms and conditions, including Clause H, which stipulates forfeiture of Rs. 2,00,000/- or 20% of the amount paid upon cancellation, does not bear the signature of either the Complainant or the Respondents.

45. A contractual stipulation of such significant financial consequence, imposing a substantial forfeiture upon a homebuyer, can only be binding if it is expressly agreed to and acknowledged by both parties through their signatures on the document containing such a condition. The requirement of a signature is not a mere formality; it is the legal manifestation of a party's free, informed, and voluntary consent to be bound by the terms contained therein. In the absence of signatures of either party on the page containing the terms and conditions, it cannot be said that the Complainant was ever made aware of, understood, or consciously consented to the forfeiture clause sought to be enforced against her. The Respondents cannot seek to enforce a clause that was neither brought to the express attention of the Complainant nor acknowledged and accepted by her in writing. The reliance placed upon Clause H to justify the retention of Rs. 2,00,000/- is therefore wholly unsustainable and cannot be countenanced by this Authority.

46. Even proceeding further and assuming for the sake of argument that the page containing Clause H were to be treated as duly signed and binding, this Authority finds that the clause fails the test of fairness and reasonableness on multiple independent grounds. The only document in the entire transaction is a pre-printed Customer Information Sheet prepared unilaterally by the Respondents. The parties never reached the stage of executing a formal Agreement for Sale, and the transaction was cancelled at the very inception, within a period of merely 12 days of the initial payment. In such circumstances, the pre-printed CIS containing terms prepared exclusively by the Respondents, without any negotiation, discussion, or meaningful participation by the Complainant, cannot be treated as a concluded and enforceable contract governing the rights and liabilities of the parties.

47. Clause H of the CIS, as sought to be enforced by the Respondents, operates to forfeit Rs. 2,00,000/- upon a voluntary cancellation, irrespective of the stage of the transaction, the period elapsed since booking, or any loss or damage actually suffered by the Respondents. In the present case, the cancellation was sought within 12 days of the initial payment, long before any Agreement for Sale was executed. The Respondents have not placed on record any material to demonstrate that they suffered any actual loss or damage on account of the Complainant's

cancellation within this short period. A forfeiture clause that operates to strip a homebuyer of Rs. 2,00,000/- in such circumstances, without any nexus to actual loss, is ex facie unreasonable, disproportionate, and one-sided. At the stage of booking, the homebuyer is not in an equal bargaining position with the promoter and has no meaningful choice but to accept the standard pre-printed terms placed before them. Such a clause cannot be treated as freely and voluntarily agreed upon and cannot, in the view of this Authority, be enforced against the Complainant.

48. The Respondents have further contended that the complaint is not maintainable before this Authority as no specific provision of the RE (R&D) Act, 2016 has been violated. This Authority does not accept this contention. The RE (R&D) Act, 2016 is a beneficial and consumer-centric legislation enacted for the express purpose of protecting the interests of homebuyers and ensuring fair play, transparency, and accountability in the real estate sector.

49. The objects and purposes of the RE (R&D) Act, 2016 cannot be reduced to a narrow, provision-specific inquiry that shuts out the broad remedial jurisdiction of this Authority in cases of manifest unfairness and inequity. This Authority is duty-bound to intervene and protect a homebuyer from the unconscionable enforcement of a unilaterally imposed and unsigned forfeiture clause at the pre-agreement stage. To hold otherwise would be to countenance a situation where promoters may freely collect booking amounts from homebuyers and retain them in full upon cancellation by invoking one-sided pre-printed terms, which would strike at the very foundation of the consumer-protective regime established under the RE (R&D) Act, 2016.

50. Accordingly, this Authority holds that Clause H of the Customer Information Sheet is not binding upon the Complainant, being contained on a page unsigned by either party, unilaterally prepared by the Respondents, devoid of any nexus to actual loss, and contrary to the spirit and object of the RE (R&D) Act, 2016. The Respondents are not entitled to forfeit any portion of the booking amount paid by the Complainant by invoking the said clause.

51. Having so held, this Authority now proceeds to examine the Complainant's entitlement to relief. It is an admitted position that the Complainant paid a total amount of Rs. 2,50,000/- towards the booking of Flat No. 522, Station No. 4, in the project "Aliens Space Station." It is also on record that the Respondents refunded Rs. 50,000/- to the Complainant on 31-08-2025, after the filing of the present complaint before this Authority, retaining the balance of Rs. 2,00,000/- under the purported authority of Clause H. The said retention being without legal basis, the Complainant is entitled to refund of the balance amount of Rs. 2,00,000/-.

52. With regard to the claim for compensation for mental harassment and agony, this Authority observes that claims of compensation in the nature of damages fall within the exclusive jurisdiction of the Adjudicating Officer appointed under Section 71 of the RE (R&D) Act, 2016. The Complainant is therefore at liberty to approach the Adjudicating Officer for adjudication of such claims, if so advised.

H. Directions of the Authority

53. In light of the discussions and findings made hereinabove, this Authority, vide its powers under Sections 37 and 38, issues the following directions to the Respondents:

- i. The Respondents are directed to refund the balance amount of Rs. 2,00,000/- (Rupees Two Lakhs Only) to the Complainant within a period of 30 (thirty) days from the date of receipt of this Order.
- ii. Failing to comply with the above directions shall attract penal action in accordance with Section 63 of the RE (R&D) Act, 2016.

54. 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

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