

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

14th Day of July 2025

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

COMPLAINT NO.264 OF 2024

Appam Kiran Kumar
Flat No. 101, Andalu Nilayam,
H.No. 3-5-52, Sumitranagar,
Kukatpally, Hyderabad,
Telangana, Pincode-500072

...Complainant

Versus

1. BhuvanTeza Infra Projects Pvt. Ltd,
#201, 2nd Floor, Lumbini Amrutha Chambers,
Nagarjuna Circle, Road Number 3,
Banjara Hills, Hyderabad-500082.
2. Mr. Chekka Venkata Subramanyam,
Flat# C-110, Jayabheri Orange County,
Road #2, Financial District,
Nanakramguda, Telangana - 500032.
3. Mrs. Chekka Bhagya Lakshmi
Flat# C-110, Jayabheri Orange County,
Road #2, Financial District,
Nanakramguda, Telangana - 500032.
4. Mr. Jerripothula Phane Bhushana Rao,
R/o. Flat # 301, SR Mansion Apartments,
Road No. 70, Plot 75, HUDA Enclave,
Aswini Layout, Prashasan Nagar, Jubilee Hills,
Hyderabad, Telangana-500096.
5. Mr. Jerripothula Raj Kumar,
R/o. Flat # 301, SR Mansion Apartments,
Road No. 70, Plot 75, HUDA Enclave,
Aswini Layout, Prashasan Nagar,

Jubilee Hills, Hyderabad, Telangana- 500096.

...Respondents

COMPLAINT NO.265 OF 2024

Avasarala Seeta Rama Lakshmi
#56, Rd:5, Janapriya Nagar,
Miyapur, Hyderabad- 500049

...Complainant

Versus

1. BhuvanTeza Infra Projects Pvt. Ltd,
#201, 2nd Floor, Lumbini Amrutha Chambers,
Nagarjuna Circle, Road Number 3,
Banjara Hills, Hyderabad-500082.
2. Mr. Chekka Venkata Subramanyam,
Flat# C-110, Jayabheri Orange County,
Road #2, Financial District,
Nanakramguda, Telangana - 500032.
3. Mrs. Chekka Bhagya Lakshmi
Flat# C-110, Jayabheri Orange County,
Road #2, Financial District,
Nanakramguda, Telangana - 500032.
4. Mr. Jerripothula Phane Bhushana Rao,
R/o. Flat # 301, SR Mansion Apartments,
Road No. 70, Plot 75, HUDA Enclave,
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5. Mr. Jerripothula Raj Kumar,
R/o. Flat # 301, SR Mansion Apartments,
Road No. 70, Plot 75, HUDA Enclave,
Aswini Layout, Prashasan Nagar,
Jubilee Hills, Hyderabad, Telangana- 500096.

....Respondents

COMPLAINT NO.266 OF 2024

Prameela Maddula
Flat No. 102, Poorna Bhanu Apartments
Kakaguda, Karkhana, Secunderabad,
Telangana-500015.

...Complainant

Versus

1. BhuvanTeza Infra Projects Pvt. Ltd,
#201, 2nd Floor, Lumbini Amrutha Chambers,
Nagarjuna Circle, Road Number 3,
Banjara Hills, Hyderabad-500082.
2. Mr. Chekka Venkata Subramanyam,
Flat# C-110, Jayabheri Orange County,
Road #2, Financial District,
Nanakramguda, Telangana - 500032.
3. Mrs. Chekka Bhagya Lakshmi
Flat# C-110, Jayabheri Orange County,
Road #2, Financial District,
Nanakramguda, Telangana - 500032.
4. Mr. Jerripothula Phane Bhushana Rao,
R/o. Flat # 301, SR Mansion Apartments,
Road No. 70, Plot 75, HUDA Enclave,
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Hyderabad, Telangana-500096.
5. Mr. Jerripothula Raj Kumar,
R/o. Flat # 301, SR Mansion Apartments,
Road No. 70, Plot 75, HUDA Enclave,
Aswini Layout, Prashasan Nagar,
Jubilee Hills, Hyderabad, Telangana- 500096.

...Respondents

COMPLAINT NO.268 OF 2024

Vanarasi Manohar Reddy
Flat. No: 32, Block B,
Nayan Nature Spring, Paparayudu Nagar,
Kukatpally, Hyderabad-500072

...Complainant

Versus

1. BhuvanTeza Infra Projects Pvt. Ltd,
#201, 2nd Floor, Lumbini Amrutha Chambers,
Nagarjuna Circle, Road Number 3,
Banjara Hills, Hyderabad-500082.
2. Mr. Chekka Venkata Subramanyam,
Flat# C-110, Jayabheri Orange County,
Road #2, Financial District,
Nanakramguda, Telangana - 500032.
3. Mrs. Chekka Bhagya Lakshmi
Flat# C-110, Jayabheri Orange County,
Road #2, Financial District,
Nanakramguda, Telangana - 500032.
4. Mr. Jerripothula Phane Bhushana Rao,
R/o. Flat # 301, SR Mansion Apartments,
Road No. 70, Plot 75, HUDA Enclave,
Aswini Layout, Prashasan Nagar, Jubilee Hills,
Hyderabad, Telangana-500096.
5. Mr. Jerripothula Raj Kumar,
R/o. Flat # 301, SR Mansion Apartments,
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Aswini Layout, Prashasan Nagar,
Jubilee Hills, Hyderabad, Telangana- 500096.

....Respondents

The present matters filed by the Complainants mentioned herein above came up for final hearing on 11.02.2025 before this Authority in the presence of the respective Complainants in person, and none for the Respondents despite multiple opportunities given to appear before the bench, hence set *ex-parte* and upon hearing the submissions of the Complainants, this Authority proceeds to pass the following **ORDER:**

2. These Complaints has been filed under Section 31 of the Real Estate (Regulation and 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 action against the Respondents.

A. Brief facts of the case:

3. The Complainants herein are the individual allottees of the residential apartment project named “Happy Homes-1” situated at Shamirpet, Hyderabad, developed by M/s. Bhuvanteza Infra Projects Pvt. Ltd. The project was promoted between 2020 and 2023 as a lucrative pre-launch opportunity, heavily marketed through agents and brokers. Promotional material including brochures, site plans, payment options, and oral representations were used to create a compelling impression of early investment returns, assured possession timelines, and legal soundness of the venture.

4. The Managing Director of the said developer company, Mr Chekka Venkata Subramanyam along with the other Respondents claimed that the necessary approvals from statutory authorities such as the Hyderabad Metropolitan Development Authority (HMDA), the Telangana Real Estate Regulatory Authority (TGRERA), and the Revenue Department for NALA conversion were either already obtained or were in the final stages of approval.

5. Customers were further assured that the project would be developed on legally acquired land, and that registration of flats along with undivided shares would follow upon payment of the booking amount and execution of formal agreements. The handover of possession was promised within a period of three years from the date of approval, and specifically in CC 265/2024, the Complainant was assured a monthly rent of ₹10 per square foot until possession.

6. To reinforce the appearance of legal security, agricultural lands forming part of the alleged project site, especially in Survey No. 685 and 686 of Shameerpet Village, were registered in the names of certain Complainants. These transfers were made as a form of security until the formal development agreement could be executed. Subsequent development agreements cum General Power of Attorney (DAGPA) were also obtained from some Complainants, consolidating undivided shares for collective development.

7. Acting upon such actions and representations, the Complainants made substantial payments, directly into the accounts of the company and some of them through the company’s marketing representatives. Payments were made in instalments via cheque, cash, Google Pay, and other modes, under pressure and without issuance of properly executed receipts or registered documents. The details of which are enumerated in the table given as under:

Complainant Name	Flat Allotted	Amount Paid (₹)	Date(s) of Payment	Specific Facts
Appam Kiran Kumar	Block A, Flat No. 901 (2056 SFT)	₹32,89,600	Oct–Nov 2020	DAGPA executed; cheques bounced; MoU for refund not honoured
Avasarala Seeta Rama Lakshmi	Block B, 1200 SFT	₹26,00,000	Oct 2021	Assured rental of ₹10/SFT/month stopped; partial rent paid; group registration done
Maddula Prameela	Block A, Flat No. 512 (1710 SFT)	₹39,72,000	Nov 2022–Mar 2023	Payments made via agent and company accounts; part refund of ₹5L received
Vanarasi Manohar Reddy	Initially Flat No. 513, later E-107	₹17,60,000	Aug–Sept 2020 + Apr 2021	Land group registration done; project plan revised

8. However, the assurances for project development and handing over possession of the flats were later discovered to be illusory and made without any real intention to carry out development. Despite numerous follow-ups by the Complainants over months and years, no genuine progress was made on the ground. There was no visible development or commencement of construction work, and the statutory approvals, as initially promised, were never furnished.

9. The Complainants also reported harassment, evasive behaviour, threats, and even physical intimidation when they attempted to seek refund of their hard-earned investments. Despite repeated representations, both oral and written, the Respondents failed to uphold their contractual and legal obligations. To date, the “Happy Homes-1” project remains unregistered under RERA, and construction at the site is stalled, non-existent.

10. Complainants have suffered not only financial loss but also severe emotional and mental stress. Many are continuing to pay interest on loans or EMIs taken to fund these investments, without any hope of recovery or possession. These complaints, therefore, are filed under Section 31 of the Real Estate (Regulation and Development) Act, 2016, seeking full refund of the principal amounts paid, interest from the respective dates of payment.

B. Relief Sought:

11. The complainants in their respective complaints prayed for the following reliefs:
- Refund of the total consideration amount paid to M/s. Bhuvanteza Infra Projects Pvt. Ltd., either directly or through its agents. The specific amounts claimed are as follows:

Complainant Name	Amount Paid
Appam Kiran Kumar	₹32,00,000
Avasarala Seeta Rama Lakshmi	₹26,00,000
Maddula Prameela	₹39,72,000
Vanarasi Manohar Reddy	₹17,60,000

- Applicable interest payable from the respective last date of payment.
- Upon relief no.s 1 & 2 being satisfied, the Complainants shall transfer back the group registration of the land done in their favour through a registered sale deed.

C. Points to be determined:

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

- Whether the Respondents violated Section 3 of the Real Estate (Regulation and Development) Act, 2016 by advertising, marketing, and offering the “Happy Homes – Phase 1” project without obtaining registration with the Authority?
- Whether the Complainants are entitled to the reliefs sought? If so, to what extent?

D. Observations of the Authority:

13. Before getting into the observations, this Authority takes due note of the recurring conduct of the Respondents herein, who have failed to appear before the Bench despite being issued multiple notices and opportunities to appear. Therefore, have been set *ex-parte* and the following observations have been made from the submissions of the Complainants, documents and pleadings placed on record.

Point I

14. Upon examination of the documents placed on record, including land records available on the Dharani portal and the group registration deed bearing Document No. 7428/2021, it is observed that the proposed project titled “Happy Homes – Phase 1” is situated in Survey No.

686/C of Babaguda Village, Shameerpet Mandal, and spans approximately 5.06 acres, which is equivalent to 20 guntas or over 2,000 square metres. This translates to a land area well in excess of 500 square meters, the threshold prescribed under Section 3(2)(a) of the Real Estate (Regulation and Development) Act, 2016 for mandatory registration of a project with the Authority.

15. Section 3(1) of the RE(R&D) Act, 2016 categorically prohibits any promoter from advertising, marketing, booking, or selling units in a real estate project without prior registration of such project with the Real Estate Regulatory Authority. Notwithstanding this statutory mandate, the Respondent Promoter proceeded to advertise and promote the project through brochures, marketing agents, social media campaigns, and personal representations, and collected substantial consideration amounts from a large number of allottees during the period 2020 to 2023. Despite collecting funds and committing timelines for completion and possession, no registration was obtained for the said project under Section 3, nor has any application for registration been produced before this Authority.

16. The excuse that approvals were pending or that the project was in pre-launch stage cannot absolve the promoter of the legal obligation to register the project prior to any act of booking or marketing. Such continued non-compliance strikes at the very object of the statute, which seeks to promote transparency, accountability, and consumer protection in real estate transactions.

17. The absence of such application coupled with actual receipt of substantial considerations clearly shows wilful non-compliance and grossly violating Sections 3 of the RE(R&D) Act, 2016. Accordingly, the Respondent is liable for penalty under Sections 59 of the RE (R&D) Act, 2016. The provision explicitly states that

"If any promoter contravenes the provisions of Section 3, he shall be liable to a penalty which may extend up to ten per cent of the estimated cost of the real estate project as determined by the Authority." (Section 59(1)) In view of the foregoing, it is held that the Respondent is in violation of Section 3 of the Act and is, therefore, liable for penalty under Section 59(1), as determined by the Authority.

18. Moving further to the determination of the liability of the Respondent No.s 2 to 5, it has been brought to the notice of this Authority, that Respondents Nos. 3 to 5, Chekka Bhagya Lakshmi, Jerripothula Phane Bhushan, and Jerripothula Raj Kumar are directors of M/s. Bhuvanteza Infra Projects Pvt. Ltd., the promoter entity responsible for the project titled

"Happy Homes – Phase I". The said respondents are also signatories to registered sale deeds executed in favour of the complainants, and have actively participated in the alienation of land forming part of the subject project.

19. Under Section 2(zk) of the Real Estate (Regulation and Development) Act, 2016, the term "*promoter*" includes not only the developer company, but also "persons who construct or cause to be constructed an independent building or a building consisting of apartments... or develops the land into a project", and further includes "persons who act themselves or through someone else as builder, coloniser, contractor, developer, estate developer or by any other name." The statutory definition thus encompasses directors and persons in charge of the conduct of business, where such persons have taken active part in the execution, marketing, or financial structuring of the project.

20. The failure to register the project under Section 3, the unlawful collection of monies from allottees, and the absence of construction or statutory approvals, are matters within the knowledge and control of the directors. As such, their inaction and participation in the transaction chain amount to wilful contravention of the RE(R&D) Act, 2016 and attract the penal and civil consequences envisaged under Section 59(1) of the said Act.

21. Accordingly, this Authority holds that Respondents No.s 2 to 5 are equally liable with Respondent No.1 for penalty under section 59 of the RE(R&D) Act, 2016. However, this Authority has already adjudicated the issue of non-registration in its earlier order dated 23.06.2025 in *Complaint No. 286/2024*, wherein a penalty of Rs. 6,45,750/- was imposed on the Respondent for non-registration of the same project, *"Happy Homes – Phase I"*. As such, the penalty for the said violation having already been levied, no further penalty for non-registration can be imposed for the same cause of action, in order to avoid duplication and maintain consistency with the principles of natural justice. Accordingly, the Respondent is hereby directed to comply with the said order dated 23.06.2025.

22. Point I is answered accordingly.

Point II

23. This Authority, upon examination of the pleadings, documentary evidence, and the undisputed conduct of the Respondent, is of the considered view that the Complainants are entitled to the reliefs sought under Section 18(1)(a) of the Real Estate (Regulation and Development) Act, 2016. It is evident that the Complainants have paid substantial amounts

towards the proposed purchase of flats in the Respondent's project titled "*Happy Homes – Phase I*", as enumerated in the tabular summary under the brief facts of the case. Despite such receipt of consideration, the Respondent has neither obtained the requisite statutory approvals nor registered the project with this Authority, and has further failed to commence or complete any meaningful construction.

24. The Respondent executed non-registered Agreements of sale and registered undivided shares in land as an interim measure, yet no lawful progress or possession has followed. The Respondent has also failed to honour promises of rental payments, development agreements, and written undertakings for refund.

25. The legal entitlement of the Complainants flows from Section 18(1)(a) of the RE(R&D) Act, 2016 which provides as follows:

"(1) If the promoter fails to complete or is unable to give possession of an apartment, plot or building, —

(a) in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or

(b) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason, he shall be liable on demand to the allottees, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act:

Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed."

26. In the present case, there has been a clear and continued failure by the Respondent to fulfil the obligations arising under the above provision. The Complainants, having parted with substantial funds and received neither possession nor progress nor registration, cannot reasonably be expected to wait indefinitely for the project to materialize. The statutory protection under Section 18(1)(a) squarely applies to their situation.

27. Consequently, they are entitled not only to the refund of the amounts paid by them to the Respondent but also to interest at the rate prescribed under Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, i.e., the State Bank of India's Marginal Cost

of Lending Rate (MCLR) plus 2% per annum, calculated from the respective dates of their Agreements of sale until the date of actual refund.

28. The claims made by the Complainants for refund and interest are, therefore, legally justified and deserve to be allowed in full.

29. Further, this Authority takes serious cognizance of the repeated and systemic non-compliance exhibited by Respondent No.1, M/s. Bhuvanteza Infra Projects Pvt. Ltd., in not only the present case but also across multiple other projects promoted or facilitated by it either directly as a promoter or indirectly through its associated entities, directors, and agents.

30. Several complaints presently pending before this Authority, as well as those previously adjudicated, in relation to projects such as *Aura – Velimala Phases I & II*, *Happy Homes Phases I & II*, and other similarly styled developments undertaken by the Respondent No.1, clearly disclose a recurring and systematic pattern of statutory violations by them.

31. These include, but are not limited to, the failure to register real estate projects with the Authority as mandated under Section 3 of the Real Estate (Regulation and Development) Act, 2016, indulging in advertising, marketing, and booking of units in unregistered projects, receiving booking amounts from allottees without executing valid and registered agreements of sale in contravention of Section 13, and delaying or completely stalling construction works despite receiving substantial sale consideration from multiple purchasers. In several instances, the Respondent has also acted in the capacity of a real estate agent or intermediary without obtaining registration under Sections 9 and 10 of the RE(R&D) Act, 2016 thereby compounding the extent of regulatory non-compliance.

32. A number of these matters have already been disposed of by this Authority, wherein the Respondent was found guilty of violating multiple provisions of the RE(R&D) Act, 2016 and this Authority imposed monetary penalties for non-registration and issued directions for corrective measures, including refunds, interest payments, and compliance with statutory duties. However, the record reflects that the Respondent has not complied with the said directions, nor has it paid the penalties imposed in accordance with law.

33. Moreover, the Respondent has displayed complete apathy toward the legal process, having repeatedly failed to appear before this Authority despite due service of notices in the instant case as well as in several other proceedings. The Respondent has neither filed a reply nor entered appearance through counsel, nor has it offered any explanation or justification for

its absence. This pattern of non-cooperation and procedural evasion, especially in the face of standing directions, exemplifies wilful disobedience under the RE(R&D) Act, 2016 and further reinforces the conclusion that the Respondent is deliberately attempting to subvert regulatory scrutiny and evade accountability under the law.

34. In view of the above, and having regard to the persistent and grave violations of the statutory obligations under the Real Estate (Regulation and Development) Act, 2016, this Authority, in larger public interest, deems it just and necessary, to declare Respondent No.1 as a defaulter under the RE(R&D) Act, 2016.

35. Accordingly, Respondent No.1 is hereby declared to be a “defaulter” both in its capacity as a “promoter” and as an “agent” within the meaning of Sections 2(zk) and 2(zm) of the RE(R&D) Act, 2016. As a consequence, the Respondent shall be prohibited from undertaking, advertising, marketing, booking, selling, or registering any new real estate project or acting as a real estate agent within the jurisdiction of this Authority until such time as all existing dues, refunds, interest, penalties, and regulatory compliances are fully discharged to the satisfaction of this Authority.

E. Directions of the Authority:

36. Vide its powers under Sections 37 of the RE (R&D) Act, 2016, this Authority issues the following directions:

- a. Respondent No.1 is liable to pay penalty of Rs. 6,45,750/- towards violation of Section 3 for non-registration of the Project “Happy Homes Phase-1” as directed by this Authority in its earlier order in Complaint No. 286/2024 payable within 30 (thirty) days in favour of TG RERA FUND through a Demand Draft or online payment to A/c No. 50100595798191, HDFC Bank, IFSC Code: HDFC0007036; Failing to comply with the same shall attract penalty in accordance with Section 63 of the Act, 2016. and
- b. Respondent No.1 is hereby directed to refund the amounts paid by all the Complainants in CC Nos. 264/2024, 265/2024, 266/2024 and 268/2024, as per the amounts specified in their respective Agreements of sale/payment receipts as detailed in the table under Para 7. The refund shall be made along with interest at the rate of 11.0% per annum (comprising SBI MCLR of 9.0% + 2%), calculated from the date of each Complainant's respective Agreement of sale/last date of payment as the case may be, until the date of

actual refund. The said refund shall be done in accordance with Rule 15 of the Telangana Real Estate (Regulation and Development) Rules, 2017, within a period of 90 (ninety) days from the date of this Order; And

- c. The Respondent-Promoter is hereby declared a “defaulter” for continuous and willful violation of the provisions of the RE(R&D) Act, 2016. As a result, any developmental activities undertaken by the Respondent No.1–Promoter stand terminated with immediate effect. The impugned developer is hereby restrained from undertaking any further advertisement, marketing, booking, sale, or offering for sale of any apartment or part thereof in the said project, by any mode or manner whatsoever.
- d. Furthermore, the Secretary, TG RERA is directed to ensure the name of Respondent-Developer shall be included in the list of defaulters declared by this Authority, and the same, along with the photographs of the Promoters shall be prominently displayed on the official website of TG RERA for public notice and awareness.
- e. Failing to comply with the above-said directions by Respondent No.1 shall attract strict penal action in accordance with Section 63 of the Act, 2016.

37. The Complaints are disposed of in lieu of the above directions. 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