

**BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY**

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

**Complaint No. 1826 of 2023**  
**Dated this 29<sup>th</sup> day of March 2025**

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

**G.Srilekha**

*(H.no2-2-699,Pochamma Basthi, Beside, Dr.Amedkar Nagar Community hall, Amberpet, Hyd-500013)*

**...Complainant**

**Versus**

**M/s Swayam Homes represented by Vantala Jangaiah Yadav**

*(flat no. 103,104, Madhusha Apartment, Street no.5, Habsiguda, Hyd)*

**M/s Satya Infra Developers rep by MulaSatyanaryana**

*(1-9-19/134/1-2, Ramnagar Main Road, near Meeseva – Hyd- 500020)*

**...Respondent(s)**

This present Complaint came up for hearing on 13.11.2024 before us for hearing in the presence of Complainant appeared in person and Sri Thirupati for the Respondent 1 and whereas non appeared for Respondent 2 after 20.08.2024 upon hearing both the arguments on both sides and the matter reserved over for the consideration till this date, this Authority passes the present complaint order.

**ORDER**

2. The Complainant has filed complaint on hand under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as the "RE(R&D) Act"), read with Rule 34(1) of the Telangana Real Estate (Regulation and Development) Rules, 2017 (hereinafter referred to as the "Rules"), alleging commission of violation and contravening of the provisions of the said Act and Rules and sought for the appropriate reliefs against the Respondent.

**A. The Brief facts of the case as per allegations/averments contained in the complaint are as follows:**

3. The complainant submits that the Respondent has been selling plots in the project “Viceroy Elite” however RERA registered in the name of “Fortune Avenue” Venture Promoter being OM Prakash, in Kollur Mandal survey no. 1060, Tlp No. 123/2021/H.

4. The Complainant purchased a plot in the venture on 18.09.2022, plot no. 04, of 263sq yards and paid the total sale consideration amount of Rs. 23,65,500/- towards the plot to the Respondent. However, no Agreement of Sale was executed for the said allotment, and only payment receipts were issued to the Complainant.

5. Despite the payment being made in full, the plot has not been registered in the complainant’s name to date.

**B. Relief(s) Sought:**

7. The Complainant prays for an order directing the Respondent to refund the amount paid towards the purchase of the plot.

**C. Respondent Reply:**

8. The Respondent submits that, as per the contentions of the Complainant, he has paid an amount of Rs. 4,88,000/- (Rupees Four Lakh Eighty-Eight Thousand Only), while the net payable amount remains Rs. 24,05,000/- (Rupees Twenty-Four Lakh Five Thousand Only).

9. The Respondent further submits that Ms. G. Srilekha purchased a plot in "Viceroy Elite," located at Kolluru Village, Aleru Mandal, Bhuvanagiri District. From the foregoing, it is evident that the Complainant has not made the complete payment. In such circumstances, the Respondent is unable to register the plot in favor of the Complainant without receiving the full consideration.

10. The Respondent asserts that, as per the documentary evidence submitted, the property in question does not qualify for registration from the site. Hence, the claim for registration made by the Complainant is not legally sustainable.

11. Prior to the sale of the said plot to Ms. G. Srilekha, the Respondent duly showed the plot and relevant documents to her. It is pertinent to mention that the said site was registered under RERA in the name of Medala Om Prakash, under the project name Fortune Avenue.

12. The Respondent further submits that he has an agreement with Medala Om Prakash and others, and a copy of the same is enclosed herewith for reference.

13. The Respondent respectfully states that he has already refunded the entire amount paid by the Complainant upon receipt of the original payment receipts. The payment slip submitted by the Complainant is fraudulent. Therefore, the Complainant must produce the original receipts before this Hon'ble Authority in support of her claim. In the absence of such original receipts, the claim lacks merit.

14. The Respondent submits that the amount paid by the Complainant was merely a token advance, and no formal Agreement of Sale was executed between the parties. The payments were made based on mutual understanding, and only payment receipts were issued. The Respondent has no intention to deceive or unlawfully retain any money. Furthermore, the Respondent did not register any plots to any individual prior to RERA registration. The actual registrations are conducted by the legal owner, Om Prakash.

15. The Respondent submits that the present complaint is nothing but an attempt to blackmail and exert undue pressure, orchestrated by Mr. Mula Satyanarayana, who is the mastermind behind multiple such complaints. Notably, he has also filed a complaint on behalf of Mr. Anjaneyulu. Mr. Mula Satyanarayana was previously associated with the Respondent, but his services were terminated. Thereafter, he opened an office and engaged in the unauthorized sale of plots under the name Satya Infra Developers, collecting money from buyers. Due to his personal grievances against the Respondent, he is engaging in such malicious activities.

16. The Respondent further submits that if the Complainant is in possession of the original payment receipts, the Respondent is willing to refund the amount upon submission of the same.

**D. Rejoinder:**

17. The complainant submitted that on 18.09.2022, they visited the site along with Respondent 2 and selected a 100-foot road-facing plot, Plot No. 4, agreed at Rs. 8,500 per sq. yard, measuring 263 sq. yards. On the same day, the complainant paid an advance amount of Rs. 1,00,000/- to Respondent 1 via Google Pay (Transaction ID: 226152967050).

18. The balance amount of Rs. 22,65,500/- was paid to Respondent 2 over a period of five months, and the complainant received receipts from Respondent 2 for the payments made.

19. After completing the full payment to Respondent 2, the complainant repeatedly requested the respondents to register the said plot. However, the complainant was sidetracked with multiple excuses.

20. On 22.07.2023, the complainant visited the office of Respondent 1 and met with the Director, V. Jangaiah Yadav, and the company's Manager, Tirupati Rao. Upon inquiring about the registration, they verbally assured the complainant that the registration would be done and also provided a written commitment to register the plot on 25.08.2023.

21. To date, the plot has not been registered in the complainant's name.

#### **E. Observations of the Authority:**

##### **Points for Consideration:**

1. Whether the complainant is entitled to the relief sought?
2. Whether Respondents 1 and 2 have violated the provisions of the Real Estate (Regulation & Development) Act, 2016 ("RE(R&D) Act")?

##### **Point 1:**

22. The complainant seeks a refund of the amount paid to the respondents due to the failure of Respondent 1 to register the allotted plot in the complainant's name.

23. Initially, only Respondent 1 was arrayed as a party to the complaint. However, during the proceedings, the complainant filed Impleadment Application No. 35 of 2024, seeking to implead Respondent 2 as a necessary party. Considering that Respondent 2, acting as a real estate agent, collected a substantial portion of the sale consideration, the Authority allowed the impleadment application.

24. The complainant has placed on record evidence establishing the payment of Rs. 1,00,000/- directly to Respondent 1 and Rs. 22,65,500/- to Respondent 2, as acknowledged by both respondents during registration discussions.

25. Conversely, Respondent 1 contends that only Rs. 4,88,000/- was received from Respondent 2, and the remaining amount, if collected by Respondent 2, was not transferred.

26. During proceedings, Respondent 2 admitted to having received Rs. 23,35,000/- from the complainant, corroborated by a letter dated 22.07.2023, issued under Respondent 2's company seal. The letter explicitly assured the complainant that the plot bearing No. 4 in the concerned project would be registered within a month. However, Respondent 2 now claims that the collected amount was transferred in cash to Respondent 1 but failed to produce any documentary evidence to substantiate this claim.

27. The complainant also produced a cheque dated 20.03.2024, bearing No. "013818 5002110099 000460" issued by Respondent 2, which was dishonoured due to "Payment stopped by the drawer," as evidenced by the bank return memo.

28. The Authority notes that Respondent 2 failed to comply with multiple opportunities given to submit a written reply and supporting documents. His absence after the first appearance led to an ex parte order against him.

29. The issuance of a cheque, later dishonoured, the assurance of registration through a letter by Respondent 2, coupled with his admission of collecting the amount, establishes a prima facie intent to defraud. Respondent 1 cannot absolve itself of responsibility merely on the ground that Respondent 2 collected the amount, as the plot was allotted by Respondent 1 and the transaction should have been monitored. However, there is no evidence placed on record that Respondent 1 was aware of the transactions made by the complainant to Respondent 2. No contract, letters, or communication has been placed before the Authority to establish that Respondent 1 had knowledge of the transactions. Therefore, this Authority believes that Respondent 1 cannot be held entirely responsible for repaying the amount, and Respondent 2 shall also be responsible for repaying the balance amount with interest.

30. This Authority also would also like to mention that homebuyers must exercise due diligence in financial transactions related to real estate. In the present case, the complainant, despite not receiving receipts from Respondent 1, did not raise any objections but continued transferring the balance amounts to Respondent 2. This underscores the need for homebuyers to remain vigilant, verify all financial dealings, and not rely blindly on representations made by agents or promoters.

30. In view of the above, the Authority finds that both Respondents 1 and 2 have jointly and severally failed to register the plot despite having received the full consideration amount. This contravention attracts the provisions of Section 18 of the RE(R&D) Act, which mandates refund along with applicable interest. Respondent 1 is liable to refund Rs. 4,88,000/- with interest as per Section 18 of the RE(R&D) Act and Respondent 2 is liable to refund Rs. 18,77,500/- along with applicable interest.

31. The rate of interest payable shall be the current State Bank of India highest marginal cost lending rate of interest at the rate of 9% plus 2% per annum. Hence, the complainant is entitled to interest at a total of 11% per annum on the entire amount paid from the date of respective payment received by each respondent until full repayment by the respondents.

**Point 2:**

32. The Respondents and complainant submitted before this Authority that the concerned project is a RERA-registered project vide Registration No. P02000002810. However, on the face of it, the registration certificate issued by TG RERA states that the said project is registered under the name of “Fortune Avenue”, with the promoter being Medala Omprakash. However, Respondent 1 has been advertising the concerned project under the name “Viceroy Elite”. The RE (R&D) Act prohibits promoters from engaging in such misleading activities. The primary objective of the Real Estate (Regulation and Development) Act, 2016, is to regulate and promote the real estate sector, ensuring efficiency, transparency, and the protection of consumer interests. Originally drafted in 2009 and introduced in Parliament in 2013, the Act was refined through a Parliamentary Select Committee and eventually enacted to eliminate unethical practices in the real estate industry. A key feature of the Act is that regulations begin at the initial stages of the sale process, including advertising for flats or plots. Any contravention of the Act, rules, or regulations by the promoter or allottees is a punishable offense.

33. The submission of Respondent that he purchased the land from the registered promoter Medala Omprakash vide Agreement of Sale dated 04.08.2022 does not absolve him of statutory compliance. This Authority finds that while the said agreement may assign certain rights to the respondent, the details of such assignment are vague and unsubstantiated. No registered development agreement, no RERA transfer of promoter rights, and no proof of change in developer or joint development status have been submitted before this Authority. The RERA registration continues to be in the name of Medala Omprakash, and there is no public record or order indicating transfer of promoter responsibilities to Respondent No. 1.

34. As such, the use of the same RERA number while advertising under a different project name and a different promoter creates a false and misleading impression upon prospective purchasers constitutes a fraudulent and punishable misrepresentation.

35. This Authority finds that the lack of clarity in ownership, developer rights, and branding, as reflected in this case, is antithetical to the very objective of the RE(R&D) Act, which is to promote a transparent and trustworthy real estate market. In the instant case, the homebuyer is left in confusion regarding the true promoter, the correct project identity, and the validity of advertisements, defeating the legislative intent of full disclosure.



36. In view of this, it is considered to be a misrepresentation and fraudulent advertisement, as Respondent 1 misrepresented a RERA-registered project under a different name, it amounts to providing false and misleading advertisements to homebuyers. Respondent 1 is directed to immediately cease advertising the project under a name different from its RERA-registered name and ensure compliance with provisions of the RE(R&D) Act to avoid misleading homebuyers.

37. Further, the Authority notes that Respondent No. 2 is a registered real estate agent under RERA Registration No. AO2500000947. However, Respondent No. 2 has acted in contravention of statutory obligations by engaging in unfair trade practices, including but not limited to:

- a) Facilitating the sale of unregistered plots in violation of the Act;
- b) Failing to maintain proper books of account as required by law;
- c) Misleading allottees through false representations; and
- d) Mismanaging funds collected from allottees across multiple projects.

38. Moreover, the Authority takes judicial notice of the fact that Respondent No. 2 has a history of similar complaints and criminal cases, including prior imprisonment, and is presently out on bail.

39. Given the gravity of the violations committed, the Authority finds that Respondent No. 2 is liable to be declared a defaulter under Section 10(c) of the Real Estate (Regulation and Development) Act. Consequently, Respondent No. 2, holding RERA Real Estate Agent Registration No. AO2500000947, which lapsed on 10.11.2024, is hereby barred from henceforth engaging in any activity related to the facilitation of the sale or purchase of any plot, apartment, or building, whether in whole or in part, within any real estate project.

#### **F. Directions of the Authority:**

40. Based on the facts submitted, evidence on record, and the findings given thereon by us as discussed herein above, this Authority holds that the complainant is entitled to the relief as prayed by him, and the same is allowed in his favour, and the Respondent is hereby directed as follows:

- i. Respondent No. 1 is directed to refund a sum of Rs. 4,88,000/- (Rupees Four Lakh Eighty-Eight Thousand Only) along with interest as per Section 18 of the Real Estate (Regulation and Development) Act, 2016.
- ii. Respondent No. 2 is directed to refund a sum of Rs. 18,77,500/- (Rupees Eighteen Lakh Seventy-Seven Thousand Five Hundred Only) along with applicable interest.
- iii. The applicable rate of interest shall be the highest marginal cost of lending rate (MCLR) of the State Bank of India, currently at 9% per annum, plus an additional 2% per annum, totaling 11% per annum. This interest shall be calculated on the entire amount paid by the complainant, from the date of respective payments received by each respondent until the date of full repayment.
- iv. A penalty of Rs. 70,965/- (Rupees seventy thousand nine hundred and sixty five) is imposed on Respondent No. 2 for engaging in fraudulent activities in violation of Section 10(C) read with Section 62 of the RE(R&D) Act. The penalty amount shall be deposited in favor of TGRERA FUND through a Demand Draft or via online payment to Account No. 50100595798191, HDFC Bank, IFSC Code: HDFC0007036, within 60 (sixty) days from the date of receipt of this order.
- v. Respondent No. 2 is hereby barred from engaging in any activity related to the facilitation of the sale or purchase of any plot, apartment, or building, whether in whole or in part, within any real estate project, and is declared as a Defaulter.
- vi. Respondent No. 1 is directed to immediately cease advertising the project under any name other than its RERA-registered name to prevent misleading homebuyers. A penalty of Rs. 4, 24,310/- (Rupees Four lakh twenty four thousand three hundred and ten) is imposed on Respondent No. 1 for violating provisions of the RE(R&D) Act by misleading the allottees through false representations. The penalty amount shall be deposited in favor of TGRERA FUND through a Demand Draft or via online payment to Account No. 50100595798191, HDFC Bank, IFSC Code: HDFC0007036, within 60 (sixty) days from the date of receipt of this order.
- vii. The Secretary, TG RERA, is directed to call for an explanation from the promoter of Fortune Avenue, Medala Omprakash, regarding the manner in which development rights were transferred to M/s Swayam Homes and the basis on which rights were granted to advertise and sell the plots of the registered project under a different name.
- viii. The explanation shall be submitted forthwith upon receipt of this order.



41. Respondent is hereby informed that failure to comply with this order shall attract Section 63 of the RE(R&D) Act.

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

**Sd-  
Sri. Laxmi NaryanaJannu,  
Hon'ble Member  
TG RERA**

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

