

BEFORE TELANGANA REAL ESTATE REGULATORY AUTHORITY

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

Complaint No. 641 of 2024

Dated: 29th March 2025

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

Uppalapati Satyanarayana Raju

(Plot no.367,1st floor, Pragathi Nagar, Sri laxmiNilyam, oppJNTU,Kukatpally, hyd-500 090)

...Complainant

M/s Jayathri Reliabilities India Pvt Ltd

(rep KakarlaSrinivas-plot no. 140,141, Eminent plaza, KPHB Colony, Kukatpally, Hyderabad)

...Respondent

The present complaint, 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"), came up for hearing before this Authority on 12.11.2024. Despite due service of notices, neither the Complainant nor the Respondent appeared. Therefore, the Authority, upon examining the merits of the case, proceeds to pass the following **ORDER**.

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

2. The Complainant has stated that he paid an amount of Rs. 25,00,000/- to the Respondent as an investment in the commercial project "Western Galaxy" situated at JNTU/KPHB/Kukatpally Metro Station, Hyderabad.

3. As per the Memorandum of Understanding (MOU) dated 24.12.2021, the Respondent was required to pay a sum of Rs. 85,000/- per month to the Complainant as rent for a period of 30 months, commencing from February 2022.

4. The Complainant further contended that the Respondent has failed to make the agreed monthly payments for more than a year, thereby breaching the terms of the MOU.

B. Relief Sought:

5. The Complainant seeks the following relief:

- a) Refund of Rs. 45,00,000/- (Forty-Five Lakhs Rupees).

Observations of the Authority:

6. Before delving into the merits of the case, it is imperative to examine the nature of the transaction in question and its applicability under the provisions of the RE(R&D) Act.

7. Upon a careful perusal of the MOU dated 24.12.2021, it is observed that the Complainant entered into the agreement as an investor, wherein he paid an amount of Rs. 25,00,000/- to the Respondent with a promise of monthly returns in the form of rent for a specified period, followed by a refund of the principal amount.

8. The term "Allottee" as defined under Section 2(d) of the Act is reproduced below for reference:

"Allottee means, in relation to a real estate project, a person to whom a plot, apartment or building, as the case may be, has been allotted, sold (whether as freehold or leasehold) or otherwise transferred by the promoter, and includes a person who subsequently acquires the said allotment through sale, transfer or otherwise, but does not include a person to whom such plot, apartment or building is given on rent."

9. In the present case, it is evident that the Complainant has not been allotted any unit be it a plot, apartment, or building under the project. There is no agreement indicating that a unit will be allotted to the Complainant in the future. The transaction is purely an investment arrangement with a fixed return mechanism rather than a sale or transfer of real estate.

11. Given the above facts, the Complainant does not fall within the purview of an "Allottee" as defined under the Act. Since the Act is designed to govern real estate transactions involving the sale of units and to adjudicate disputes arising therefrom, investment-related disputes do not fall within the jurisdiction of this Authority.

12. Furthermore, the preamble of the Act makes it abundantly clear that its intent is to ensure the sale of real estate units in a transparent and accountable manner while safeguarding the interests of consumers. The transaction in the present matter does not

involve the sale of any real estate unit or plot nor does it pertain to a grievance arising from such a sale. Therefore, this Authority lacks jurisdiction to adjudicate the present dispute.

13. In view of the foregoing observations, the complaint is dismissed as not maintainable before this Authority. The Complainant may pursue appropriate remedies before the competent forum.

**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**

